SSMIRP & REP EVALUATION REPORT

Contents

LIST OF ABBREVIATIONS

CB	Coordination Body
CHF	Community, Habitat, Finance
CRDA	Community Revitalisation through Democratic Action
GSZ	Ground Safety Zone
FAO	UN Food and Agricultural Organisation
ICRC	International Committee of the Red Cross
ICT	Information and Communication technology
INGO	International NGO
IT	Information Technology
LFA	Logical Framework Approach
M&E	Monitoring and Evaluation
MDC	Municipal Development Committee
MDF	Municipal Development Fund
MEP	Multi-Ethnic Police
MIR	Municipal Improvement and Revival programme
MIS	Management Information System
MTU	Municipal Technical Unit
OTI	Office of Transition Initiatives
PMU	Programme Management Unit (MIR programme)
PPP	Public Private Partnerships
PRSP	Poverty Reduction Strategy Paper
RBM	Results-Based Management
ROM	Results-Oriented Management (other phrase for the same thing)
RC	Resident Coordinator
REP	Rapid Employment programme
RR	Resident Representative
RSC	Regional Steering Committee
SAM	Serbia And Montenegro
SCTM (Y)	Standing Conference of Towns and Municipalities (in Yugoslavia)
SDC	Swiss Development Cooperation
SIDA	Swedish International Development Agency
SITREP	Situation Report
SLGRP	Serbia Local Government Reform Program
SRF	Strategic Results Framework
SSMIRP	South Serbia Municipal Improvement and Recovery programme
TA	Technical Assistance
TNA	Training Needs Assessment
UCPMB	Presevo, Medvedja, Bujanovac "Liberation Army"
UNDP	United Nations Development Programme
UNHCHR	United Nations High Commissioner for Human Rights
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's and Educational Fund
UNOCHA / OCHA	United Nations Office for the Coordination of Humanitarian Affairs
WB	World Bank

1 EXCECUTIVE SUMMARY

1.1 General

The immediate post-conflict phase is over in Southern Serbia, and further development depends on more conventional factors, not least on the acceleration of municipal good governance and on broad-based economic development. A remarkable level of trust is now in place.

Major indications of progress in ethnic reconciliation are the dramatic fall in incidents during the last year, the fact that virtually all Albanians have accepted reintegration and that Serbs are emerging from their bunker mentality.

The foremost engines of progress have been the well-documented actions by the government of Serbia and local officials, and the highly visible presence of the international community.

The UN programme has comprised the chief part of the latter. It has been achieved through tireless visits to almost all local communities in the region with special emphasis on the areas of conflict, and through the fact that these visits heralded products and processes of immediate practical value to the inhabitants.

The programme has operated in six widely differing municipalities. Although its overall objective has been to contribute to the establishment and consolidation of peace in an inter-ethnic conflict, inter-ethnic peace has not been an issue at all in three of the municipalities, and only minimally in a fourth.

The programme has also operated in an environment of transition from central planning to a liberal market economy which, combined with the inter-ethnic conflict, was and is a major challenge. The tendency of many Serbian officials to see progress as starting with a return to the 1980s, with no reason to challenge their concepts of that era, makes altering this culture of complacency possibly the greatest development challenge. In this context SSMIRP has achieved considerable mind-opening effects.

The time is now for exploiting the programme's excellent results to step up the longer-term development aspects of the programme, shifting focus from output to outcome.

1.2 Programme status

SSMIRP and REP were conceived as a package: SSMIRP to address longer-term development goals, REP to make a rapid start in a volatile post-conflict situation by building trust. Each has contributed to peace-building: SSMIRP by democratisation of decision-making processes and institutional capacity-building; REP through widespread rapid employment opportunities and to a certain extent by influencing decision-making habits.

Common achievements number among others:

- The two programmes have together instituted the Regional Steering Committee consisting of the six mayors, government representatives and donors. This organ is beginning to take charge of the programme and to consider regional development independently. This is a remarkable achievement.

- The programmes have significantly influenced municipal thinking on the management of donor funding and of development in general. The municipalities, aided by the Coordination Body, have contributed matching funds to almost all projects. The use of matching funds has greatly contributed to a growing municipal ownership of the programme.

- The programmes have done all this by generating and completing an impressive number of widely varied projects under initially very difficult circumstances.

1.2.1 SSMIRP

SSMIRP's **overall objective ("development objective")** is *"Peace, prevention of conflict and increased livelihoods in multi-ethnic and minority regions in Serbia consolidated through the promotion of non-discriminatory governance tied to economic and social recovery initiatives"*[1].

SSMIRP's **immediate objectives (targeted outcomes)** are observed in practice to have been the following:

- Municipal development - emphasising good governance tied to economic and social recovery initiatives promoting participatory, non-discriminatory, transparent and technically efficient planning, decision-making and implementation practices

- Social rehabilitation - creating a practice for community participation in the project cycle with small but powerful social rehabilitation and development projects and promotion of projects for underprivileged groups

- Civil society development, providing opportunities for NGOs

- Economic recovery - emphasising entrepreneurship and small business initiatives. This component has not had the environment to be very productive but the quality of results obtained is important.

To achieve these, SSMIRP's **activities** have been the identification, approval and implementation of social and capacity-building projects through **processes** that affect thinking among officials and citizens, providing useful **products or outputs** that both government and citizens appreciate in varying degrees.

SSMIRP began with an unfortunate phase in which unrealistic expectations were raised. It took considerable efforts to re-direct the programme, but these bore fruit and the programme achieved impressive results from a very difficult start.

SSMIRP has given rise to the following capacity-building **outcomes**:

1. The Regional Steering Committee (RSC) operating and taking regionally-oriented initiatives (e.g. the creation of a Regional Development Committee) (with some REP inputs)

2. A Municipal Development Committee (MDC) and Municipal Development Fund (MDF) is established in each municipality, assuring matching funding (1$ to 1$) with municipal budget-funds by the explicit approval of the municipal council. The more advanced municipalities are turning these organs into general, non-programme-specific development organs answerable to the municipal assembly, and the less advanced are following this development closely. The RSC is a central tool in promoting this peer-to-peer widening of good practice.

   Figures from 23 May 2003 indicate that MDF disbursements and commitments in the 6 municipalities range from 66 - 94%, an enviable range in most development contexts and certainly in areas that in 2001 saw military stand-offs that at any moment could have sparked wider conflict and had therefore to be tackled with great circumspection.

3. Increasing RSC and municipal ownership of the programme.

4. A Municipal Technical Unit (MTU) in each municipality consisting of a young computer-literate engineer. In many municipalities this is a significant technical capacity improvement

5. Enhanced participatory attitudes to project identification, design and implementation. Though MDCs were originally selected mostly by UNDP, their function is being increasingly accepted by mayors and other officials. Everyone appears to appreciate the original inclusive workshop by which SSMIRP was launched (although some feel it should be renewed, and some feel it was the origin of the exaggerated expectations).

6. Important co-financing of projects – most projects have been 50% co-funded by the municipalities through the MDF mechanism in which equal tranches are contributed by the programme and the municipality. The CB contributed 25% of the municipal share, except in Lebane where it contributed 100% as the municipality was effectively bankrupt.

7. Strengthening NGOs that before existed largely as concepts, but are now demonstrating real capabilities. The programme has enabled a breakthrough for about 20 NGOs that previously existed mainly on paper. It has provided opportunities for development of NGO experience in

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[1] Programme document section B5

participatory planning and project implementation. No other projects in the region appear to offer comparable possibilities for NGO development.

8. An incipient official acceptance of NGOs as valuable partners. Officials expressed appreciation of the results and financial efficiency of some social projects.

9. Increased skills among municipal officials. Especially ICT skills training is appreciated, but so was all training by those who received it. The provision of some ICT equipment also assists.

10. Significant social advancement for some underprivileged groups with long-term affect for their roles in society, especially through NGO-based projects.

Programme **outputs** have been as varied as its projects, ranging from small infrastructure investments, through management training courses to the protection of handicapped children.

Difficulties encountered have been:

- A surprisingly limited number of different viable project ideas
- A certain lacking emphasis on citizens' rights and responsibilities, although the SSMIRP is involved in a number of projects which indirectly promote awareness of them. The emphasis in the SSMIRP on capacity building of NGOs and participatory processes will also have increased awareness of citizens' rights and responsibilities as important outcomes.
- Insufficient emphasis on women and youth, important in a PRSP context.
- The difficulty of bringing in new concepts in challenging the established administrative culture has been reflected in several ways , such as insufficient attendance at training sessions for municipal employees and a continuing tendency to view infrastructure investments more highly than social or institutional capacity building investments.

1.2.2 REP

REP's **overall objective** in the programme document is "to contribute to efforts of the national authorities…towards ethnic reconciliation and social and economic stabilisation in South Serbia".

The programme's **"aim"** is "to create immediate job opportunities for unemployed people, especially younger people, through infrastructure rehabilitation works and other activities related to the public benefit, contributing to the peace and stabilisation process and to the recovery of the local economy".

The **outcomes** achieved have been substantial, especially considering the difficult programme environment at the outset. They can be summed up as follows:

1. Ethnic reconciliation and generally increased trust through significant alteration of attitudes of officials and citizens to each other and to the International Community brought about by familiarity in cooperating on programme outputs in various ways

2. Rapid acceptance of the combined programme through the provision of desirable, readily understood and highly visible outputs in most local communities (MZs), and all in the former Ground Safety Zone (GSZ)

3. Re-establishing the citizens and MZs as sources of local government planning

4. The RSC mentioned above (in common with SSMIRP)

5. Temporary economic stabilisation through the mass employment of some 6,000 workers (10,000 worker-months) creating a well-diffused economic stimulus to the population

Outputs have been mostly small-scale infrastructure products provided to local communities.

1.2.3 Interaction between SSMIRP and REP

The complementarity of the two programmes was well-conceived, and one can see from the above outcomes that it provided good results. However, the (also original) idea that, as the programme environment developed the two would converge, has not significantly occurred.

It seems that the two components developed in different directions, and that communication between the two groups of programme staff was less than ideal. The reasons for this lacking interplay appear several. They are funded by many donors each of which has its own priorities, culture and methodology. The SSMIRP's slow and especially its false start was de-motivating and helped create a gap between staff on the two programmes. Many persons interviewed also

expressed the opinion that, for whatever reason, personal differences in approach among staff accentuated other effects.

The mission is concerned that future activities under the dominance of the MIR programme be coordinated under an overall programme management that has an effective control over staff and can unify approach and procedure by creating the spirit of a single team with a shared vision, in spite of possibly divergent donor ambitions.

1.3 Conclusions

The overall conclusion of the mission is that SSMIRP and REP together have contributed to the peace process with relevant and effective measures toward ethnic, social and political cohesion and good governance. Each project has provided impressive results under difficult circumstances. The interplay between them has, however, been less effective, with the result that a division in attitudes exists that has prevented the duo from combining in shifting programme emphasis in reaction to the changing situation.

They have now, however, reached a point where a more coordinated approach is essential in order to re-align the programme as a result especially of changed circumstances in the field but also of altered funding and geographical expansion. This coordination is visible in the new MIR program design which is based on the SSMIRP process management concept within which the REP activities can take place as and when required.

In order to manage this coordination effectively, a shift in attention from *output* to *outcome* is needed. In spite of having achieved such excellent outcomes, most of the staff appear to have little awareness of this level, being highly product-focused.

Especially infrastructure projects should always be explicitly harnessed to deeper development goals, as the funds available will not in themselves greatly alter the infrastructure development level of the region. Nor do gratis infrastructure (or other) gifts in themselves promote sustainable development, however popular they may be.

Examining the outcomes achieved, we can see that for SSMIRP points 1-7 above (out of 10) and for REP points 1-4 (out of 5) are **almost entirely the result of project processes, independently of what the outputs were and whether they were actually achieved**. These outcomes are moreover the most far-reaching in terms of development goals.

1.4 Recommendations

Principal issues now ripe to be addressed include ownership, monitoring at outcome rather than output level, the lacking emphasis on maintenance and sustainability, and procedural systematisation.

The major recommendations of the evaluation mission are as follows.

1. Increased focus on the RSC, accelerating its positioning as the programme driver. Efforts should be made to further[2] encourage this body to examine its own potential and flex its muscles in championing a 'bottom-up' regional representation towards central government and the world. This could improve the anchoring of municipal development in a regional context, provide some 'bottom-up' input to the central-level debate on the regionalisation of Serbia, and generate valuable experience in the approach to EU accession and its concept of regions, transforming South Serbia from the saddest[3] to the most assertive region. It could also represent at central level local issues whose solution can only be found at republic level, such as better regulatory environments for SMEs.

2. Concern for ownership in general could be more systematically addressed. An internal strategy should be formulated by the project staff and management, covering the many ownership

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[2] As the RSC has indeed started on it's own initiative by critically examining the central govt PRSP proposal with 22 Southern Serbian mayors in June in Leskovac. This regional exercise is unique in Serbia, emerging from the weakest region in the country! That this happened at all can be credited to the SSMIRP/REP programme's vision in creating the RSC.

[3] A well-worn Serbian proverb says "što južnije, to tužnije" – the further South, the sadder.

aspects within the diverse programme areas. This is especially relevant in the light of the transitional role foreseen by MIR for the programme office[4] (see also point 13e below).

3. Enhanced awareness of Logical Framework Approach (LFA) levels should be rapidly achieved among programme staff, and then communicated to other actors, especially RSC and municipal management. This is necessary to ensure alertness to the primacy of process over product in longer-term development. The mission suggests that an expert in Results-Based Management (RBM) be engaged to install RBM in the Programme and to assist in developing relevant indicators and monitoring systems. The same expert should revisit the TOR for the Management Information System (MIS) currently under development and make appropriate recommendations on changes.

4. The mission recommends reviewing the structures of cooperation with municipalities with regard to a) democratic oversight of appointed committees and b) the systematisation and documentation of a unified transparent and accountable process for subproject design, appraisal and implementation making best use of both REP and SSMIRP features.

5. The Mission recommends that work on the municipal development plans be continued, but with an updating of the TOR preferably through debate in the RSC.

6. Dialogue with municipalities and civil society should increasingly emphasize longer-term strategies (also in the reviewed municipal planning process) as opposed to ad hoc interventions, including maintenance strategies.

7. The Mission recommends that the next phase of the Programme prioritise the areas where expertise has already been developed and demonstrated i.e.:
   - capacity building in local government
   - social rehabilitation and development
   - civil society development.

8. Progress will also depend on accelerated economic development. The Programme is well-placed to address the municipal capacity building aspect of this through training. However, a major issue in this context will be facilitation of private sector development, and the UNDP programme thus has a vested interest in the results of all programmes for economic development.

   The mission supports the plans for UNDP support to the RSC to elaborate a Local Economic Development Strategy for the two MIR districts. The mission recommends that a decision on direct programme involvement in private-sector economic development be postponed until a study is made, including other programmes in the region and the national shortcomings in the facilitatory environment for SMEs. If the Programme as a result decides to become involved in private sector facilitation, expertise should be recruited outside the current staff, but managed within the overall programme management framework.

9. It is recommended that the Programme increase the emphasis on:
   - women and youth, as part of the increasing prominence of the PRSP.
   - citizens' rights and responsibilities including legal rights.

   This issue is linked to the recommended strategy for programme communication and information.

10. The communication and information carried out by the Programme does not currently appear to be given enough priority. It is recommended that a specialist visit the Programme to assist the communication officer in designing a Programme strategy in this area, with management support and commitment. One of the immediate aims of this strategy – which should include making full use of (and training and empowering) the media – should be to ensure adequate numbers and variety of relevant proposals from the community.

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[4] MIR Programme document 4.1.2: "...The PMU's main role will be to facilitate the management of the programme and oversee the activities to be carried out directly by each municipality. The role of the PMU will be transitional, increasingly concentrating on auditing, monitoring and evaluation. Expatriate staff will be gradually replaced by national staff towards the completion of MIR to allow the municipalities to completely take over the functions of PMU. ..."

11. The Mission strongly supports the plans for a much accelerated training programme at all municipal levels, including a preliminary training needs assessment, and an assessment of whom among municipal staff it is *possible* to train.

    Training should not be seen only as a stand-alone activity, but also as one obligatory component in projects that have other outputs. In the 6 municipalities, funding by the UNDP Programme ranges between 25% and 60% of all resources available for development projects. There is thus considerable scope for a deepened partnership in capacity building.

12. The mission suggests increased attention to tendering practices used in the allocation of project funds, as public procurement is a major element of good governance. The programme should recruit an appropriately qualified local staff member for this.

13. The recommendations point to a continued need for internal systems development:
    a) design of an internal RBM system and training of staff
    b) design of an internal strategy for the contribution to poverty reduction
    c) review of the TOR for the MIS, especially in the light of a) above
    d) review of the system of programme documentation in the light of internal quality control concepts
    e) review the staffing strategy in terms of expat / national, Serbian / South Serbian, and qualification issues and design an exit-strategy within the two-year MIR time frame, but ensuring sustainability of the longer term institutional arrangements for the region and the municipalities
    f) create a staff training strategy and plan, with urgent first steps
    g) hold periodic programme reviews with all staff, to emphasise higher-level objectives
    h) undertake periodic external quality control.

It is recommended that the practice of having Programme staff with a strong background in programme facilitation be continued, though national Institution Building expertise would be useful full-time. Technical specialists should mainly be recruited as short term consultants, although the Mission recommends one exception: a full-time local expert in tendering. If the programme decides to be involved in economic development interventions, additional specialised staff should be attached to the Programme as a separate unit under the overall leadership of the programme manager.

2 PROGRAMME CONTEXT

The mission TOR includes a set of general questions that range from UNDP's overall role in peace-building to the effects of peace in South Serbia on the region as a whole. We shall begin with these questions as background context for the SSMIRP and REP programmes.

Assess which elements, if any, may be beyond UNDP's control in its contribution toward achieving progress on consolidation of peace.

When assessing sustainability of the contributions made toward progress in consolidating peace, broader specific political circumstances must be taken into account. This particularly refers to possible repercussions of the expected decision on the final status of Kosovo in year 2004, and the repercussion it may have on the various ethnic communities. The Evaluation Team will therefore also assess whether the local Albanian community has developed a greater degree of trust in the state and Government on the one hand, and, on the other, whether the Serb community is able to accommodate itself with solutions reached at peacefully.

The mission had a good deal of familiarity with the situation in the affected municipalities in the early part of 2001, when conflict was at its highest, and has had occasion to visit the region regularly in the meantime. At first sight, the contrast in terms of tension and inter-ethnic relations appears remarkable. Anyone familiar with, for example, post-Dayton developments in Bosnia and Herzegovina would not have imagined how in such a short time people of all ethnic groups would freely circulate in and out of the former Ground Safety Zone (GSZ), nor the degree to which tolerant and indeed friendly cooperation would be an everyday occurrence.

Many interviewees (and in particular the EUMM representative in Bujanovac who has been following the regional situation for several years) described the situation in the region as fundamentally stable, judging a return to the situation of early 2001 impossible. There are however still scattered security incidents, such as the planting of an occasional land mine. What is happening?

Many outside observers view the situation on the basis of experience formed in Kosovo or Bosnia and Herzegovina. While there are similarities, there are important differences, and it may be instructive to draw these out. The large majority of citizens of all ethnic groups in South Serbia has always co-existed peacefully, while tension and conflict suited the interests of few in each community. Most citizens wished for a return to normality which was hindered largely by fear.

This was also the case in, for example, Bosnia and Herzegovina. There, conflict was deliberately generated against the wishes of large sections of the population by unscrupulous politicians in all 'ethnic' camps. These collaborated to exclude moderate parties by fuelling a vicious circle of fear and tension. However well neighbours of differing 'ethnicity' coexisted until then, it did not take long to effectively overcome moderation and split society down the most visible fault lines, a process that could undoubtedly be fairly easily replicated in almost any Western European country if the same institutional vacuum and availability of arms were to pertain.

The similarity to Bosnia and Herzegovina in South Serbia lies in the restricted number of persons with an agenda suited by conflict. The first main difference lies in the extent of the development of conflict and the time for which it persisted. The number of fatalities was small, so that few families were bereaved of a close member. While harassment and ill-treatment of other groups occurred on both sides, this was not at a level that would prevent reconciliation for a generation once the offending behaviour ceased.

The second major difference from Bosnia and Herzegovina is the question of 'ethnicity' and intermixing. In a Bosnian context, 'ethnicity' is to a large degree a spurious concept, in that Serbs and Croats are of extremely similar background compared with Serbs and Albanians. Differences between Serbian and Croatian versions of Serbo-Croatian were in 1992 far less than those to be found in English between N.W. and N.E. England. Even Bosnian Muslims are related to both Serbs and Croats within the last few centuries, as Islam was largely introduced with, for example, one

brother in a family adopting the religion so as to provide certain tax advantages for the whole family. In 1992, intermarriage and mixing was so profound that many city-dwellers hardly knew or cared about what group their spouses and friends belonged to. The resulting conflict was therefore an internecine affair that left bitterness not only due to its intensity and length but also to its almost family nature.

Serbs and Albanians are on the other hand entirely different ethnic groups, who have for centuries co-existed but mixed and intermarried little. Conflict has occurred when the pressure of circumstances was high[5]. South Serbia is unlike Kosovo in that the latter has through modern history had a fluctuating status. Kosovo has last been united with Albania during the Second World War and, not long before that, the present borders were drawn up partly in order to deliberately split the Albanian populations as a result of conflicts between the Great Powers of the nineteenth and early twentieth centuries. In the former Yugoslavia, Kosovo was an identifiable administrative unit, which other Albanian-populated areas of South Serbia were not. There exist therefore Albanian nationalist aspirations in Kosovo that are not part of the South Serbian landscape, and unlikely to become so since the inviolability of the general principles on which border issues have been agreed in Europe since the Second World war are well-known.

It seems likely that Albanian nationalists in Kosovo have no serious expectations about annexing Presevo, Bujanovac and Medvedja to a putative independent Kosovo. The rhetoric in this direction, and the occasional security incident to support it, appear more to be an increasingly unsuccessful attempt to maintain a card to play in the endgame for the status of Kosovo. South Serbian Albanian leaders know their population well, and it is unlikely that there are now serious local groups present with a purposeful agenda to make trouble. There are however disaffected persons who have become used to the status and wealth of an insurgent commander that can be purchased by others over the border to create the odd incident.

Major factors outside of the UN programme that have influenced the return from conflict to normality have been focused around admirable government efforts through the Coordinating Body, and the credibility of key persons – chiefly Nebjosa Covic who has driven a strong political process, but also Presevo Mayor Riza Halimi, Milisav Markovic and others. These factors include:

- an equitable political agreement
- vastly improved discipline and correct behaviour of the security forces that have been brought under tight political control
- vacation by the army of an occupied Albanian school, factories, houses and other buildings
- 250 cases of compensation for destroyed or damaged property
- the amnesty process for former combatants
- uniformed presence reduced to 1/3 of previous numbers
- an OSCE-trained multi-ethnic police force (MEP) consisting of initially 121 Serbs, 275 Albanians and 4 Roma
- an extraordinary census and local elections generally judged as free and fair
- good communication with international organisations on both sides of the border, KFOR and UNMIK
- relaxed measures for accreditation of ethnic Albanian academic qualifications
- a start to reform of education, the courts, media, cultural institutions and sport, including bilingual issues.

The consequence of all this for the UNDP programme is that while good 'inter-ethnic' projects should still be sought, they will not be easy to identify as the communities do not mix a great deal in terms of dwellings, but rather co-exist. Mixed villages are few. Nor is it now an overriding priority to find such projects, as the process of becoming accustomed once again to cooperation and tolerance is well underway.

The measures listed above adopted by the government, together with strong international presence and visibility, and a programme that has brought some kind of tangible assistance to almost every village (and all in the GSZ), have combined to create an atmosphere of hope. The overwhelming majority of the Albanian population is prepared to give the post-Milosevic Serbian government a

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[5] Not always: contrary to nationalistic accounts, many Albanians fought on the Serb side at the famous battle of Kosovo Polje, and a major Serb commander fought on the Ottoman side.

chance to show that it can represent also their interests, since it has largely kept its promises in terms of the Covic plan. While Serbs are not overjoyed at losing a mayorship to an Albanian in Bujanovac, they have accepted the fact, aided again by strong government and international attention that goes a long way towards addressing also their fears.

The further process of consolidating peace and tolerance is essentially one of addressing the existential problems of the entire regional population: poverty, unemployment, responsive and undiscriminating authorities – creating hope for the future, especially for the young.

While not the focus of its evaluation, the Evaluation Team will nevertheless take into consideration any contribution in the present UNDP Programmes in the southern part of Serbia may be making to peace and stability in the wider region. The Evaluation Office may consider initiating an evaluation of if and how the UNDP COs' programmes in the states of the region that aim at contributing to preventing conflict and consolidating peace have done so.

Finally, experience around the world or within a region has shown that, while lessons can be learned and best practices applied, there is no "one answer" for all post-conflict challenges. In the south east European region, sometimes simplified and summary interpretations of the causes of conflict and subsequent methods elaborated and applied for bringing about sustainable peace have not always reaped the results expected. Efforts invested in the southern part of Serbia must therefore be based on a combination of factors including lessons learned from past experience, situation specificities and innovative approaches. The evaluation may therefore also provide a more in depth understanding of the degree to which each of these factors contributes to achieving peace and human development.

The Albanian-populated parts of South Serbia are one discreet piece in the regional puzzle. Among the other, and larger pieces are of course Kosovo and the FYROM. The dangerous situation in the FYROM that developed in 2001 had perhaps greater implications for regional stability than that in South Serbia, but they were and remain interconnected. The concentrated and successful efforts made in Serbia by the government with the support of international organisations constituted an important support to the solution of the confrontation in FYROM, which at some fragile points could have failed.

Inter-ethnic animosity in Kosovo cannot be expected to subside definitively until a solution perceived as permanent has been finalised. Until then, it will always suit Albanian separatists to ensure an ever more Serb-free population as an element in the de-facto Albanisation of the province. Once a solution is generally perceived as permanent, there will be no longer be any reason for ethnic Serb citizens be seen as a threat to separatists, and violence will lose its driving logic. Until then, one may expect the occasional overspill into surrounding areas; but with the basic reasons for popular complaint being energetically addressed, violence will no longer find fertile soil in South Serbia.

This overspill of violence is a phenomenon that the UN can do nothing to prevent in a narrow South Serbia context. What it can do is to ensure that the occasional cross-border firebrand finds no readily inflammable material on this side of the border. If successful, this in itself will constitute a stabilising factor for the region as a whole.

With the immediate crisis passed in South Serbia, and fairly normal ethnic co-existence re-established, addressing past grievances has become a more regular development activity. As this report concludes, further progress will depend on the four pillars of: economic development, government capacity building, social development and Civil Society development.

Work on these subjects must be seen now as embedded in a context whose major development characteristic is that of a post-communist transition economy, and a specific one at that. This has key consequences for programme design policies.

The former Yugoslav form of communism was both similar and different to those of other Central and Eastern European countries. Experience from other transition countries is therefore relevant, but it can be difficult on the basis of other experience to predict many aspects of the best solutions to Serbian problems. Programmes ought therefore to retain a good degree of opportunism in their approach.

One of the former Yugoslavia's greatest difficulties is its past success. Many citizens remember several periods through the last 40 years in which economic progress was considerable. Living standards were for many years the highest in communist Europe, and a Yugoslav citizen could travel freely to the West. Because of this, many Serbians see progress as starting with a return to the 1980s, and see no reason to challenge their concepts of that era. To alter this culture of complacency is possibly the greatest development challenge.

Generating the motivation for this culture change requires considerable creativity. On the background of *lessons learned from past experience*, careful attention to understand Serbian attitudes is required (*situation specificities*), together with *innovative approaches*. Judging the relative importance of these qualities has little meaning since they are all required. However, the one that can be enhanced or stifled most in programme design is that of openness to the unforeseen opportunities that arise in the course of implementation.

This report will argue for a tighter, more systematic practice than hitherto, especially at the strategic level with the introduction of RBM at the centre of an attention to the whole project cycle. It is important that this tightening should not be made in such a way as to excessively pre-determine the activities or methods required to achieve the objectives.

Finally, some mention of the more specific programme context should be made. REP covered four municipalities and SSMIRP six. The diversity of these municipalities is great: Presevo is populated almost entirely by Albanians, who are not present at all in Lebane; Leskovac is a dynamic, medium-sized town with a capable intelligentsia whereas Medvedja is little larger than a village; Vranje has seen political stability and continuity whereas Lebane has only recently emerged from a period of bitter division that has seriously hampered progress and relations to the programme; two municipalities were the focus of open hostilities and military operations whereas others had no such experience. Naturally, the peaceful, urban centres have been faster in their response to and use of the programme.

Although the programme's overall objective has been to contribute to the establishment and consolidation of peace in an inter-ethnic conflict, inter-ethnic peace has not been an issue at all in three of the municipalities, and only minimally in a fourth.

It is not easy to design procedures for a programme covering such diverse places, and it is clear that variations in programme success are largely due to such diversity. Flexibility and sensitivity to local conditions must remain keywords.