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Draft country programme for Serbia and Montenegro (2005-2009)

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Serbia and Montenegro

Introduction

1. The draft country programme for Serbia and Montenegro was prepared following consultations with international, United Nations, government and civil society partners. The proposed programme of cooperation derives from the common country assessment (CCA) and builds on the United Nations development assistance framework (UNDAF) prepared in 2003.

2. Under United Nations Security Council resolution 1244, the province of Kosovo remains formally under United Nations administration. Due to the special circumstances of Kosovo¹, no formal UNDAF was prepared separately for the programme cycle. Instead, the United Nations development organizations in Kosovo will be guided by biannual strategic plans that provide the framework for coordinated United Nations development assistance.

I. Situation analysis

3. After two years of progressive reforms that moved the country out of international isolation and towards Euro-Atlantic integration, in February 2003 the Federal Republic of Yugoslavia (FRY) was replaced by the State Union of Serbia and Montenegro (SCG). The State Union is constituted on the basis of equality of the two SCG member states, the Republic of Serbia and the Republic of Montenegro. Creation of the SCG has resulted in the development of agendas specific to the two SCG member states.

4. Much progress has been made to normalize relations with SCG neighbours, and regional cooperation continues to expand. Formal accession to the European Union is a priority goal, and SCG increasingly relies on European standards as a benchmark in shaping ongoing reforms. Necessary steps have been taken towards eventual membership of the World Trade Organization. SCG is a state party to the six core United Nations human rights treaties. Two reports have been already submitted.

¹ Currently under United Nations administration (United Nations Interim Mission in Kosovo) and referred to herein as Kosovo.

5. An interim Millennium Development Goals (MDG) report for Serbia observed that progress had been made prior to 1990 towards achieving key MDGs in the areas of education, health, and gender equality. As SCG members, Serbia and Montenegro recently adopted separate poverty reduction strategy papers (PRSPs). The Montenegro PRSP shows that 12.2 per cent – including refugees, internally displaced persons (IDPs) and Roma – of the population of Montenegro live in poverty, while according to the Serbian PRSP 10.6 per cent² of Serbia's population live below the poverty line. The PRSPs indicate an official unemployment rate, excluding under-employment, of 27 per cent in Serbia and 20.7 per cent in Montenegro.

6. An estimated 8.3 million people currently reside in Serbia and Montenegro³ (7.5 million in Serbia, and over 672,000 in Montenegro). Additionally, in spite of integration and resettlement programmes, there are still approximately 375,000 refugees from Croatia and Bosnia-Herzegovina residing in Serbia, in addition to 202,000 IDPs from Kosovo. In Montenegro, there are 13,241 refugees from Croatia and Bosnia-Herzegovina, and 18,047 IDPs from Kosovo.

7. By 2000, overall per capita gross domestic product (GDP) in the then-Former Republic of Yugoslavia (FRY) had fallen to about one half its 1989 level. This decline in GDP is the primary cause of the fall in the Serbia-Montenegro Human Development Index (HDI) value from 0.859 in 1990 (for FRY) to 0.763 by 2001 (for Serbia). In Serbia, economic growth has held steady at an annual rate of 5 per cent for the three years since 2000, but is projected to be approximately 1-2 per cent in 2003. In 2003, the growth in the GDP of Montenegro was 2.3 per cent.

8. Institutions in both Serbia and Montenegro would require programmes especially tailored to address the issue of corruption comprehensively and rectify the phenomena of organized crime and the lack of capacity and efficiency in the legislative, judicial and executive branches. The voice of civil society in Serbia should be further strengthened, since only limited participatory

² This figure does not include IDPs, refugees, the Roma or people living in collective centres, the great majority of whom fall below the poverty line.

³ Separate HDI figures for Montenegro have not yet been established, but its relatively small population means that the HDI for Serbia closely reflects that for SCG as a whole.

mechanisms exist. In Montenegro, a growing awareness among civil society led to a constructive and vocal response to the PRSP.

9. Damage to the natural environment from sustained industrial development was exacerbated by the combination of economic sanctions and the NATO bombing, resulting in the release of considerable quantities of toxic waste into the environment in Serbia, and a limited number of polluted sites in Montenegro.

II. Past cooperation and lessons learned

10. The first country cooperation framework (CCF) for the then-FRY (2002-2004) concentrated on three thematic areas: (a) democratic governance; (b) crisis prevention and recovery; and (c) energy and environment. A mid-term review⁴ of the CCF was conducted in July 2003, the key findings of which are summarized below.

Key results

Democratic governance

11. The institutional reform projects in Serbia, and the then-FRY were undertaken within the framework of the \$10 million capacity building fund, which to date has supported 18 projects and deployed over 500 consultants in 14 ministries and four agencies. The capacity building fund also provided a framework for UNDP to work with the Government of Serbia in the restructuring of 10 public utilities to meet the conditions of the International Monetary Fund (IMF). This capacity building support permitted the establishment of a legal framework for a Serbian supreme audit institution and helped secure investments of over \$330 million through privatization auctions. A judicial training centre in Serbia has provided training for more than 3,500 judges, prosecutors and support staff. Based on the experience with the capacity building fund in Serbia and at the SCG level, a capacity development programme (CDP) was launched in Montenegro in late 2003 with financial support from the Government of Montenegro, the Open Society Institute, and UNDP.

12. In Serbia, UNDP has worked with its counterparts to support increased social cohesion through a number of initiatives, including policy and capacity support to strengthen NGOs. Also in Serbia, the UNDP 'Beautiful Serbia' programme provides short-term employment and vocational training for vulnerable populations. In Montenegro, UNDP supported the establishment of strong network of NGOs addressing issues related to the environment and to excluded and marginalized populations.

13. In both Serbia and Montenegro, UNDP supported the PRSP process by facilitating the inclusion and participation of civil society organizations (CSOs). In Montenegro, UNDP supported the execution of the PRSP process on behalf of the World Bank, provided policy advice and strengthened regional cooperation for monitoring and evaluation.

Energy and environment

14. In Montenegro, UNDP provided policy advice to authorities to develop a sustainable ecological state strategy and assisted in the establishment of a council for sustainable development. UNDP also facilitated the authorities of Montenegro to learn from the Costa Rican experience in economic development through ecological policies and programmes.

15. In Serbia, UNDP supported the repair of district heating systems in a public-private partnership bringing together municipalities, banks, and contractors in 40 cities and municipalities. In Montenegro, a new energy law has been adopted and energy legislation harmonized with European Union standards with inputs on renewable energy sources.

Crisis prevention and recovery

16. UNDP focused on supporting confidence-building in southern Serbia, applying the OECD/DAC principles for post-conflict recovery in collaboration with other United Nations organizations. The rapid employment programme provided funds for labour intensive infrastructure projects in four southern Serbian municipalities and generated 5,500 temporary jobs for ethnic Albanian, Roma and Serb inhabitants. The southern Serbia municipal improvement and recovery programme (SSMIRP) similarly promotes cooperative community building activities through the

⁴ "Building Blocks for Reform and Recovery" (2003)

establishment of municipal development funds managed by multi-ethnic committees. Over 1,200 community leaders have been involved in identifying and implementing more than 30 projects to address development needs.

17. In collaboration with the Stability Pact for South-Eastern Europe, UNDP contributes to stability and interregional cooperation on security issues by hosting a regional South-Eastern Europe small-arms clearinghouse initiative for weapons and ammunition destruction.

18. In both Serbia and Montenegro, UNDP – with the World Health Organization and the United Nations Children’s Fund (UNICEF) – played an active role, with the Joint United Nations Programme on HIV/AIDS (UNAIDS), to develop comprehensive strategies for HIV/AIDS prevention and control.

19. UNDP engaged in partnerships with a broad range of United Nations, bilateral and multilateral partners, bringing the total value of UNDP programming in Serbia and Montenegro to over \$56 million by 2004,⁵ doubling the initial resource mobilization target of \$28 million. Partnerships and contributions came from Austria, Canada/CIDA, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden/SIDA, Switzerland, UK/DFID, the Charles S. Mott Foundation, the European Agency for Reconstruction, the Fund for an Open Society, the Rockefeller Brothers Fund and the World Bank, as well as Government cost-sharing.

Lessons learned

20. The mid-term review of the CCF and other programme evaluations yielded important recommendations on the management and conceptual focus of projects. Post-project sustainability will require incremental ownership and budgetary provisions by SCG member states.

21. Due to the sub-optimal capacity of public administration, most UNDP assistance under the current CCF was provided through the direct execution (DEX) modality. While DEX allowed needed support to reach its target audience quickly and efficiently, it

sometimes lacked full managerial ownership by counterparts. Continuing substantive policy dialogue must underpin project entry and exit strategies with potential counterparts on a case-by-case basis.

III. Proposed programme

22. The 2002-2004 CCF for the then-FRY marked a shift in UNDP assistance away from a post-conflict response and towards a development-oriented agenda. In line with the CCA/UNDAF, the proposed draft country programme for Serbia and Montenegro 2005-2009 seeks to further develop three thematic areas: (a) public administration reform; (b) the rule of law and access to justice; and (c) sustainable development.

Public administration reform (MDGs 1 and 8)

23. The intended outcome of this area of programming is improved efficiency, accountability and transparency in governance structures at both SCG and SCG member state levels. The reduction of poverty will depend on an effective, professional civil service and institutions capable of responding to the needs of the population.

24. The capacity building initiatives undertaken within the framework of the capacity building fund have laid a solid foundation on which to build further reforms of public administration. The success of the capacity building fund at in Serbia prompted a similar approach in Montenegro. Following its capacity building initiatives in Serbia and Montenegro, UNDP will continue to work with key institutions to identify core improvements through functional analysis, and to provide support for strategic planning and policy-making, drafting legislation, and human resource management consistent with European norms and best practice.

25. UNDP will work with its partners to promote increased transparency and accountability by further strengthening civil society and promoting the inclusion of CSOs in the policy-making process. Special attention will be paid to improving data collection and analysis. The publication of national human development reports in both Serbia and Montenegro will contribute to monitoring progress towards achieving the MDGs, as well as providing holistic analysis and policy recommendations for action.

⁵This figure does not include the resources mobilized by UNDP for its programme activities in Kosovo.

Rule of law and access to justice (MDGs 1 and 8)

26. As noted in the CCA, judicial reform is essential for fulfilling human rights and reducing poverty through access to justice. Judicial reform is also essential in promoting social and economic development for marginalized groups, including refugees, IDPs, and the elderly. The United Nations system will continue to support the efforts of Serbia and Montenegro to fulfill international commitments with respect to human rights treaties. Specifically, UNDP assistance will support capacity strengthening within the judiciary by providing policy advice and training, including professional advancement and competency improvement. UNDP will expand activities to expose legal professionals to best practices in rule of law and will promote judicial cooperation, especially in fulfilling international obligations.

27. In Serbia, UNDP will work with partners to conduct a functional review of the judicial sector and identify priority areas for capacity building support. By strengthening management capacities and information systems, UNDP will help address issues regarding the organization of the courts' caseload to expedite the processing and resolution of cases.

28. The assistance provided by UNDP will help establish policies and tools for qualified, free legal aid to ensure that all citizens have access to the legal system

Sustainable development (MDGs 1, 7 and 8)

29. Sustainable development is an essential component of reform and growth in the SCG. UNDP will apply appropriate programmatic approaches that build on the World Summit for Sustainable Development and the Johannesburg Plan of Implementation while adhering to the specific needs of SCG member states.

30. *Local sustainable development.* In Serbia, UNDP will build on the success of capacity building and experience gained in strengthening the Executive Council of Vojvodina, the standing conference of towns and municipalities. In southern Serbia, the success of the rapid employment programme and SSMIRP initiatives have led to a new municipal improvement and revival programme. The programme will combine

employment generation activities with grants for community enhancement projects managed by multi-ethnic municipal development committees. UNDP will undertake new local development pilot initiatives in both SCG member states that will seek to establish public sector economic development institutions and non-governmental support institutions.

31. *Sustainable development policy.* In Montenegro, UNDP will implement a republic-wide sustainable development programme that will emphasize links to global public goods and concerns in relation to development and sustainability. The policy initiative will be complemented by 'early success' projects in five key areas, including technical assistance to the Council for Sustainable Development, reform of the planning process, forestry management, renewable energy, and sustainable tourism.

32. Promotion and direct responses to relevant environment conventions will be supported through the Global Environment Facility (GEF), with national and local initiatives and execution.

Partnership strategy

33. UNDP will build on the successful partnerships it established with relevant authorities, international organizations, donors, foundations, and CSOs to realize its programme objectives for 2005 to 2009. UNDP anticipates an increased level of partnership with the SCG and SCG member state authorities, including cost-sharing⁶ as the relevant authorities take fuller ownership over development processes. UNDP will also continue to align its programming with European Union support to SCG integration. Finally, UNDP will seek initiatives with new partners, including the private sector, that will contribute to important objectives such as poverty reduction. UNDP will continue to promote donor cooperation to address emerging development priorities.

IV. Programme management, monitoring and evaluation

34. The Ministry of International Economic Relations of Serbia and Montenegro will continue to be a focal point for coordination with UNDP, while the UNDP

⁶ Cost sharing will increase on an incremental basis through negotiation with relevant partners, on a case-by-case basis.

programme will be delivered at the level of the SCG and its member states, through the country office in Belgrade and its liaison office in Podgorica. UNDP will work to develop the capacities of its team members and counterparts for the gradual institution of full counterpart execution to promote efficient project implementation with greater counterpart ownership. As part of this strategy, UNDP will establish a broad-based steering committee for the SCG and the activities of each SCG member state, to engage with UNDP twice a year on key strategic issues related to programme development and implementation. UNDP will establish additional project-level steering committees comprised of relevant stakeholders for all new projects. UNDP will also commission external evaluations of its programmes to assess their impact on reform and development. Finally, together with international, government and civil society partners, UNDP will undertake a mid-term review of all programming under the new draft country programme to evaluate progress on the outcomes identified in the results and resources framework (see annex I).

Kosovo

35. The United Nations Development Group in Kosovo will be guided by bi-annual strategic plans that provide the framework for coordinated United Nations development assistance that are developed in consultation with the Provisional Institutions of Self-Government (PISG). The current plan can be found at <http://undg.ks.undp.org>.

I. Situation analysis

36. Kosovo continues to be administered by the United Nations Mission in Kosovo (UNMIK) under Security Council resolution 1244. However, the swearing-in of the PISG (in accordance with Security Council resolution 1244 and the Constitutional Framework for Kosovo) in early 2002 marked the beginning of a process of transition whereby many key functions of government were transferred from the United Nations to local leadership. Certain 'reserved' powers remain under UNMIK competence in accordance with the Constitutional Framework for Kosovo. While the duration of UNMIK operations and the current shared system of administration is dependent upon the settlement of the final status of Kosovo, the resolution of this issue is, in turn,

dependent in large part upon progress made by the PISG and local authorities in meeting the benchmarks articulated in the 'Standards for Kosovo' document, issued in December 2003 and subsequently endorsed by the United Nations Security Council.

37. An accurate rendering of the state of the economy is extremely difficult to determine. Estimates suggest that per capita GDP in 2002 was around \$1,000. Following double-digit growth rates in 2000-2001, estimates place the growth rate for 2003 slowing to around one per cent. Unemployment is severe in Kosovo, hovering around 44 per cent. Approximately 50 per cent of the population lives below the poverty line, with 12 per cent estimated to be living in extreme poverty. The HDI calculated for 1999 was 0.733, while most recent local estimates of HDI for 2003 reflect a decline to 0.680.

38. The post-conflict period in Kosovo has seen substantive economic growth mainly based on the expansion of small and medium-sized enterprises (SMEs) and a rebirth of small-scale agriculture production. However, this growth is slowing down (from the previous two-digit growth in the period 2000-2002, growth for 2003 is calculated at 4-5 per cent), and of the approximate 30,000 firms currently registered in Kosovo, very few are engaged in substantive value-adding activities. Thus, this economic growth is relatively fragile. The main issues to be addressed in order to enable further growth are the loose institutional framework for private sector development and the sustainability of the SMEs, due to their heavy reliance on donor activities.

II. Past cooperation and lessons learned

39. During the 2002-2004 CCF period, UNDP delivered assistance totaling approximately \$30 million in areas ranging from reconstruction to public administration support to returnee assistance to community-based reconciliation interventions. Reconstruction efforts have provided new homes, class-rooms and health centres to more than 7,000, 3,500 and 39,000 beneficiaries respectively, and over 70,000 people have benefited from the UNDP electrification programme. Projects supporting strengthened governance provided training for more than 2,700 civil servants from province and local

administrations, the Assembly, Kosovo Police Service and youth leaders. UNDP has been an advocate for human development in Kosovo through a wide range of reports, opinion polls and surveys (one in 20 Kosovans were polled on various issues by UNDP in 2003 alone). More recently, a campaign to raise awareness of the MDGs has been launched. The UNDP programme for 2002-2004 was largely financed through cost-sharing contributions from the Governments of Canada, Germany, Ireland, Italy, Japan, the Netherlands, Norway, Switzerland and the United States of America, and as well as the European Agency for Reconstruction and the Kosovo Foundation for Open Society (KFOS). The PISG itself now finances the largest UNDP programme, aimed at assisting the return of displaced persons to their homes.

40. Key lessons learned during this period include the need to: (a) combine immediate, short-term assistance with longer-term strategic support; (b) promote not only technical skills but also a sense of local ownership and leadership over the development process; and (c) further localize the design and nature of the transition to self-government, despite the ongoing uncertainties regarding the optimum pace of transferring responsibilities from international control.

III. Proposed programme

41. Despite the difficulty of long-term planning in this uncertain programming environment, Kosovo is firmly launched on its transition to a more development-oriented agenda. UNDP assistance will continue to be needed across a range of sectors.

Democratic governance (MDGs 1, 3 and 8)

42. At the provincial level, UNDP will continue to support both the executive and legislative branches in developing and implementing policies and programmes. UNDP will support the development of a more efficient, transparent civil service. Accountability in the civil service will be promoted through activities fostering civic engagement in the public sphere as well as e-governance. UNDP will work to strengthen democratic institutions through technical advisory services and consultative mechanisms between government institutions and the public.

43. At the local level, where municipal governments are on the front line for accountability and social service delivery, UNDP will work to strengthen partnerships between government and civil society in developing strategies that meet community needs. Capacity building efforts will promote the institutionalization of training and professional development for staff. UNDP will aid the improvement of vertical and horizontal information systems that connect administrative units to promote information sharing across sectors and with the public.

44. Another area of focus will be to strengthen the rule of law through partnerships between the authorities and the public that promote a more independent, effective judicial system, better access to justice, and increased respect for human rights. Strengthening the capacities of police services in upholding the law for all citizens will remain a high priority. At the local level, UNDP will work to improve levels of trust and cooperation between law enforcement and communities.

Reducing poverty (MDG 1)

45. High rates of poverty and unemployment in Kosovo call for a coordinated effort to devise strategies for public assistance to those affected, as well as urgent action to create new jobs. In parallel, there is a near-term need to continue targeted programmes addressing the immediate impact of the economic transition. UNDP plans to provide sector-based support to SME development, focusing on the sustainability of existing businesses and agro-processing, based on the acknowledgement that these sectors form the basis for economic growth in Kosovo. These activities would be coupled with short-term initiatives to alleviate unemployment through the creation of seasonal jobs, particularly targeting youth.

46. UNDP will strengthen government capacities to devise and implement longer-term pro-poor strategies. Together with other international partners, particularly the World Bank, UNDP will support and provide policy advice to the poverty strategy group within the office of the Prime Minister in the preparation of an updated analysis of poverty in Kosovo. UNDP will also work to strengthen the data collection and analysis capacities of the local statistics office and relevant NGOs through continued publication of local human development

reports, as well as strengthening local capacities for tracking progress toward the MDGs.

47. UNDP will strengthen local capacities to develop and implement policies that mainstream returnees and minorities into comprehensive pro-poor policies, rather than leave them as a special category associated with the aftermath of conflict in the region. As part of this mainstreaming process, planning capacity at the municipal level will be strengthened to promote employment and deal with the longer-term social impact of transition.

Recovery (MDGs 1 and 8)

48. At the community level, UNDP will continue its efforts to emphasize peace building ‘from the ground up’ by providing targeted assistance to returnees and other vulnerable groups and their host communities. The repair of community relations will target the development of leadership skills and trust, and will be complemented by measures to enhance security (such as small-arms reduction). As a complement to the medium- and long-term activities outlined above, UNDP will harness the talents of youth in consolidating the peace process, thus providing short-term alleviation of this potential element of instability. An additional feature of UNDP support will be promoting increased cooperation through UNDP sub-regional programmes, and tracking potentially destabilizing developments through the ongoing early warning reports programme.

Partnerships

49. UNDP will continue to rely on joint programming initiatives coordinated through the UNDG and build on partnerships among the international community to implement coordinated programmes of assistance. Cooperation with UNMIK, in particular the police and justice pillar, and the Office of Returns and Communities will continue to be important in the short-term.

IV. Programme management, monitoring and evaluation

50. UNDP will work to develop both staff and provincial capacities for the gradual reduction in the reliance on direct execution and the introduction of full

counterpart execution in Kosovo to promote efficient project implementation with greater local ownership. In line with the UNDP revised monitoring and evaluation framework, project steering committees comprised of relevant stakeholders will continue to be important mechanisms for project monitoring and review. Indicators will be defined for each specific activity and regular monitoring throughout the implementation period, coupled with annual evaluations of main projects in each area of activity, will provide a regular mechanism of impact assessment, at the same time enabling realignment of activities as needed. Together with international, government and civil society partners, UNDP will undertake a mid-term review of all programming to evaluate progress in the outcomes identified in the results and resources framework (see annex II), and in the MDGs.

Annex I: Results and resources framework* Serbia and Montenegro (2005-2009)

National priority or goal: Improved and equitable access to public services Intended UNDAF outcome: Efficient, accountable, people-centered public sector					
Programme component	Country programme outcomes	Country programme outputs	Output indicators, baselines and targets	Role of partners	Indicative resources (by goal)
Public administration reform <i>MYFF goal:</i> Fostering democratic governance	<p>Improved efficiency, accountability and transparency in the public sector</p> <p>Indicator: Existence of institutionalized mechanisms for regular consultation between relevant SCG member state and government partners, CSOs, and the private sector on relevant development plans/budgets</p> <p>Baseline: CSOs involved in consultations (irregularly).</p> <p>Target: CSO involvement and consultation institutionalized.</p>	<ul style="list-style-type: none"> Functional review of key relevant SCG and SCG member state institutions Introduction of capacity- and performance-related assessment in accordance with EU best practice Realigned structures empowered and capacitated Cadre of professionalized civil servants in relevant institutions Improved information systems for poverty data monitoring Improved social service delivery 	<p>Number of institutions completing reviews</p> <p>Baseline: 9</p> <p>Target: 20</p> <p>Performance-related assessment adopted by Government as standard</p> <p>PRSP indicators compiled for each SCG member state.</p> <p>Baseline: PRSP data set incomplete.</p> <p>Target: SCG member states statistics systems capture all relevant PRSP data.</p> <p>Indicator: Percentage of eligible recipients of social welfare services receiving entitlements</p>	<p>Participating ministries from SCG and relevant SCG member provide commitment and guidance in identifying capacity needs, and to ensure budgeting incremental Government cost-sharing over time</p> <p>International partners: European Agency for Reconstruction, Germany, GEF (energy sector reform), Netherlands, the Organization for Security and Cooperation in Europe (OSCE), the Open Society Institute (OSI), Swedish International Development Cooperation Agency (SIDA), UNICEF, United Kingdom/Department for International Development (DFID), the Rockefeller Brothers Fund (RBF), the World Bank</p>	<p>Regular resources</p> <p>\$1.5 million</p> <p>Other resources</p> <p>\$21 million plus Government cost sharing</p> <p><i>of which:</i></p> <p>Government cost sharing: \$ to be determined</p> <p>Third party: \$17 million</p> <p>GEF: \$3 million</p> <p>Thematic trust fund (TTF): \$1 million</p>

* The UNDAF results matrix is accessible at either the Executive Board web site (www.undp.org/execbrd/index.htm) or the UNDG web site (www.undg.org).

National priority or goal: Increased social cohesion and realization of rights of vulnerable groups					
Intended UNDAF outcome: Strengthened rule of law and equal access to justice					
Programme component	Country programme outcomes	Country programme outputs	Output indicators, baselines and targets	Role of partners	Indicative resources (by goal)
<p>Rule of law and access to justice</p> <p><i>MYFF goal:</i> Fostering democratic governance</p>	<p>1. Effective, independent judicial systems with increased access to justice for marginalized groups</p> <p>2. SCG and relevant SCG member capacity strengthened and mechanisms put in place to facilitate SCG compliance with international human rights obligations</p> <p>3. Effective relevant human rights institutions established, functioning</p> <p>Indicator:</p> <p>(a) Rationalization of court system; (b) free legal aid; (c) human rights reporting functioning</p> <p>Baseline: (a) Ministries of Justice unable to lead reform process; (b) free legal aid not available; (c) Two of six basic human rights reports submitted</p> <p>Target: (a) structure and functions of MoJs revised; (b) free legal aid mechanisms established and functional; (c) Human rights protection is provided in line with international norms and standards</p>	<ul style="list-style-type: none"> Alignment of laws with constitutional requirements compatible with European norms Reformed judiciaries and magistrates, exposed to global best practice Reformed ministries of justice Corps of trained and certified legal professionals Elimination of excessive backlogs of cases Establishment of economic legal aid services and societies Increased ministerial capacity for human rights treaty reporting Ombudsman systems supported through human rights expertise, assistance, training. 	<p><i>No. legal professionals trained</i></p> <p>Baseline: Main training beneficiaries are judges and prosecutors</p> <p>Target: Training expanded Ministry of Justice staff and magistrates</p> <p><i>Judicial cooperation, expanded</i></p> <p>Baseline: Lack of systematic international judicial cooperation</p> <p>Target: Formal channels of judicial cooperation established</p> <p>Baseline: Unequal access of marginalized groups</p> <p>Target: Free legal aid system recognized by Ministry of Justice</p>	<p>Ministry of Justice and court structures in Serbia to provide commitment and to ensure budgeting; incremental Government cost-sharing over time; Judicial training centres to organize training, professional associations to help identify training needs, NGOs to participate in capacity building training for legal aid provision</p> <p>International partners: Council of Europe, European Agency for Reconstruction, the Netherlands, OSCE, the Office of the United Nations High Commissioner for Human Rights (OHCHR), SIDA, the Office of the United Nations High Commissioner for Refugees (UNHCR), UNICEF</p>	<p>Regular resources: \$800,000</p> <p>Other resources: \$14 million plus government cost-sharing</p> <p><i>of which:</i></p> <p>Government cost-sharing: \$ to be determined</p> <p>Third party: \$14 million</p>

National priority or goal: Use of policy initiatives and global goods and concerns to promote sustainable development					
Intended UNDAF outcome: Increased municipal capacity to promote local sustainable development					
Programme component	Country programme outcomes	Country programme outputs	Output indicators, baselines and targets	Role of partners	Indicative resources (by goal)
<p>Sustainable development</p> <p><i>MYFF goal:</i> Achieving MDGs and reducing human poverty.</p> <p><i>MYFF goal:</i> Managing energy and environment for sustainable development (high-level policy initiatives linking developing/neighbouring countries' experiences in sustainability)</p>	<p><i>Sustainable development plans/policies effectively respond to the need of stakeholders, as well as promote employment and environmental protection</i></p> <p>Indicator: Regional HDI disparities</p> <p>Baseline: Data from NHDR 2003 reports for Serbia and Montenegro</p> <p>Target: Regional disparities reduced by 25 per cent</p> <p>Baseline: Responses to international conventions and agreements</p> <p>Target: First national communication to UNFCCC, biodiversity strategy and action plan, national capacity self-assessment document ever submitted to GEF</p> <p>Baseline: Montenegro sustainable state strategy, MDG costings and the United Nations/Economic Commission in Europe</p> <p>Target: To be determined</p> <p>Baseline: Promotion of the Johannesburg Plan of Action</p>	<p>Country programme outputs</p> <ul style="list-style-type: none"> Relevant government/civil society/private sector inputs on environmental protection linked to the sustainable development councils Improved sustainable development policies Employment creation in the poorest regions of Serbia and Montenegro Policy and institutional frameworks established for sustainable development Noticable net economic stimulus and SME growth 	<p><i>Number of community leaders involved</i></p> <p>Baseline: 1,200 (from SSMIRP programme)</p> <p>Target: additional 2,000</p> <p><i>New functions and management systems for Standing Conference of Towns and Municipalities in Serbia in place</i></p> <p>Baseline: Management systems currently being assessed</p> <p>Target: 2 municipal training and project development units functional</p> <p><i>Number of jobs created</i></p> <p>Baseline: 5,500 (rapid employment programme)</p> <p>Target: 50,000 more</p> <p><i>New implementation capacity for GEF in each SCG member state</i></p> <p>Baseline: No GEF implementation capacity</p> <p>Target: GEF PIU operational in each SCG member state</p>	<p>Relevant SCG member state and municipal governments, private sector, NGOs to provide commitment to cooperation. In Serbia, the Standing Conference of Towns and Municipalities, Ministry for Public Administration and Local Self-Government, and participating municipalities to provide leadership in reforms, relevant ministries for social affairs, health, environment, labour and education</p> <p>In Montenegro, policy development and approval through the Council for Sustainable Development, which includes all line ministries and is chaired by the Prime Minister.</p> <p>International partners: European Agency for Reconstruction, the Council of Europe Development Bank, European Bank for Reconstruction and Development,</p>	<p>Regular resources: \$1 million</p> <p>Other resources: \$25 million (government cost-sharing)</p> <p><i>of which:</i> Government cost-sharing: \$ to be determined</p> <p>Third party: \$18.5 millions</p> <p>TTF: \$1.5 million</p> <p>GEF: \$5 million</p>

	<p>Target: Develop and start implementation of sustainable development strategies</p>		<p><i>Newly implemented policy and legislative framework for sustainability in Montenegro</i> Baseline: MSSP adopted by Montenegro Council for Sustainable Development Target: Three new policy initiatives adopted and implemented in relation to tourism, energy and development planning</p>	<p>RBF, the International Labour Organization (ILO), the Food and Agriculture Organization (FAO), GEF, OSCE, the Swiss Agency for Development Cooperation, Canadian International Development Agency, Foreign Investment Council, OECD, International Finance Cooperation</p>	
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Annex II: Results and resources framework Kosovo (2005-2009)

Provincial priority or goal: Consolidation of democratic structures in Kosovo; increasing transparency and efficiency of the administration Intended UNDAF outcome: N/A					
Programme component	Country programme outcomes	Country programme outputs	Output indicators	Partners	Indicative resources (by goal)
Democratic governance <i>MYFF goal:</i> Fostering democratic governance	<i>An effective and responsive civil service</i> Indicator: public satisfaction of govt. services Baseline: 51 per cent (Kosovo mosaic date) Target: 20 per cent improvement	Competencies clarified and codified	Number of institutions completing codification of competencies Baseline: competencies not defined Target: division of responsibilities between central and municipal level defined and codified.	Ministry of Public Services, Office of Prime Minister, Association of Municipalities, KFOS, PISG International partners: UNMIK, OSI, Norway, Italy, the Netherlands, SIDA, DFID, EAR, USAID, UNDG	Regular resources \$600,000 Other resources \$19 million <i>of which:</i> Third party: \$18 million TTF: \$1 million
Provincial priority or goal: Promoting economic development and increasing employment Intended UNDAF outcome: N/A					
Programme component	Country programme outcomes	Country programme outputs	Output indicators	Partners	Indicative resources (by goal)
Fighting poverty <i>MYFF goal:</i> Achieving the MDGs and reducing human poverty.	Reduction of extreme poverty Indicator: Level of extreme poverty Baseline: 12 per cent Target: 6 per cent	Pro-poor policies devised and implemented at central and municipal level.	Unemployment rate in disadvantaged areas Baseline: 2004 unemployment rate Target: 10 per cent improvement	Office of Prime Minister, Ministry, Labour and Social Welfare, Ministry of Agriculture, municipalities, Ministry of Education, Statistical Office of Kosovo, PISG International partners: UNMIK, World Bank, IMF, OSI, Norway, Italy, the Netherlands, SIDA, DFID, EAR, USAID, UNDG	Regular resources: \$522,000 Other resources: \$18 million <i>Of which:</i> Third party: \$16 million TTF: \$2 million

Provincial priority or goal: Integrating all ethnic communities into Kosovan society					
Intended UNDAF outcome: N/A					
Programme component	Country programme outcomes	Country programme outputs	Output indicators	Partners	Indicative resources (by goal)
<p>Recovery</p> <p><i>MYFF goal:</i> Supporting crisis prevention and recovery.</p>	<p><i>Normalized relations among social groups and between citizens and institutions</i></p> <p>Indicator: Fluctuation of trust in institutions</p> <p>Baseline: 10 per cent difference between yearly high and low</p> <p>Target: 5 per cent</p> <p>Indicator: Fluctuation of perception of personal security</p> <p>Baseline: 10 per cent difference</p> <p>Target: 5 per cent</p>	<p>More engaged civil society</p>	<p>Level of volunteerism</p> <p>Baseline: 16 per cent (Kosovo mosaic data)</p> <p>Target: 20 per cent increase</p>	<p>Ministry of Youth, Culture, Sports and Non-resident Affairs, Office of Community Affairs, municipalities, local CSOs</p> <p>International partners: UNMIK, international NGOs, Ireland, Japan, the Netherlands, Norway, USAID, UNDG</p>	<p>Regular resources: \$200,000</p> <p>Other resources: \$35 million</p> <p><i>Of which:</i> Third party: \$30 million TTF: \$5 million</p>