

# ANNUAL REPORT 2003





## LETTER FROM THE EXECUTIVE DIRECTOR

In last year's letter, I started by saying that 2002 was a challenging year for the Foundation. I ended that letter expressing confidence that the Foundation had found its place in Bosnia and Herzegovina (BiH) and that we were looking forward to new challenges...

In 2003, our third full year, we did not have to look hard! Soon after we began our work in community development in BiH we realised how unique the situation here is: as well as the challenges common to post-socialist countries making the transition to democracies and free markets, we are of course dealing with the legacy of a recent bitter conflict and the ethnic divisions that remain. This means there is much more that needs to be done in developing communities, our approach to doing it, and in building our capacity for it.

Some progress is being made, but civil society in BiH overall remains donor-dependent and apathetic and lacks a coherent vision for the future. There are good initiatives with a clear purpose that deserve to be supported, but our experience suggests that conventional grant approval processes are not always designed well enough to recognise indigenous civic initiatives in a post-conflict society. Therefore our efforts are now being focused on developing a grant-making methodology that will enable us to recognise groups with the greatest potential for sustainable positive impacts in communities, while building trust between people of different backgrounds and providing for conditions for stable peace and vibrant democracy.

The approach we have developed is a combination of the fruits of our cooperation with the King Baudouin Foundation, the Charles Stewart Mott Foundation, and Duke University School for Public Policy on the one hand and our own experience in working with NGOs and communities on the other. It still needs to be refined, but from this report I hope you will recognise that the impact has been significant. Our methodology is specific to BiH and is built on the conviction that real democracy starts at community level. We will of course continue to improve this process as we continue to improve as an organisation.

The Foundation has made great progress and that would not have been possible without the support of our committed Board, Advisory Groups, Community Facilitators and our Volunteers. Herewith I would like to thank them sincerely!

In the year 2004 we will continue to deliver flexible, tailored community grants aimed at resolving concrete problems in communities while maximising community support to ensure sustainability. At the same time, we will be working to develop a research capability to provide high-quality policy analysis of issues relevant to community development in BiH. With the support of Harvard Business School we will be conducting our first long-term strategic plan looking at years 2005-2010. With this plan we will set the ground for further growth and development of civil society in BiH.

Sincerely,

ZORAN PULJIĆ, EXECUTIVE DIRECTOR

## ABOUT THE FOUNDATION



1

### VISION:

ACTIVE, SUSTAINABLE AND INFLUENTIAL NGO SECTOR IN BOSNIA AND HERZEGOVINA (BIH).



### MISSION:

NGO DEVELOPMENT FOUNDATION IS DEDICATED TO DEVELOPMENT OF CIVIL SOCIETY (CS) IN BOSNIA AND HERZEGOVINA THROUGH STRENGTHENING THE POSITION OF ORGANIZED CITIZENS' INITIATIVES IN COMMUNITY LIFE.



As with any start-up enterprise, the Foundation's first few years have been characterised by constant development. In three years, we have developed from just an idea into one of the leading national, non-governmental foundations in the former Yugoslavia. Our approach to NGO development has evolved. In a country where priorities were mainly set by the international community, there was a tendency to establish NGOs to attract international funding in response to the agenda set by the international community. We decided to develop an indigenous approach to CS development, an approach that would not be driven by donors but by communities.

**FROM THE ECONOMIST (JANUARY 2000):**  
A YOUNG MAN THRUSTS HIS CRUDELY PRINTED CALLING CARD AT THE VISITOR. AFTER HIS NAME ARE PRINTED THREE LETTERS: NGO.  
"WHAT DO YOU DO?" THE VISITOR ASKS.  
"I HAVE FORMED AN NGO."  
"YES, BUT WHAT DOES IT DO?"  
"WHATEVER THEY WANT. I AM WAITING FOR SOME FUNDS AND THEN I WILL MAKE A PROJECT" (P.25)

The current philosophy developed out of the Living Heritage programme. This innovative regional programme allowed us to learn from experiences across the region and apply the latest thinking in the area of community development. As our experience and know-how grew, we became increasingly convinced that the key to sustainable development is inclusion and participation to ensure local resource mobilisation for solving local problems.

Therefore we broadened our thinking in that area and decided to test an approach that moves away from internationally imposed paradigms of development and allows local communities to work on the issues that they think are the most important for them. The results were interesting: whilst some NGOs who received significant amounts of funding from foreign donors in the past were confused by this new approach, others were very open to learning and have embraced it.

The Community-driven Development Programme (CDP) was developed to address the needs of those communities who take initiatives to improve their own living conditions.



## PEOPLE



### THE NGO DEVELOPMENT FOUNDATION

Address: Soukbunar 42, 71000 Sarajevo, Bosnia and Herzegovina, Telephone: +387 33 266 480, 265 290, Fax: +387 33 266 482, [www.nvofondacija.org](http://www.nvofondacija.org)

#### BOARD MEMBERS:

- Vinko Perić, President
- Dragana Vlačić
- Amira Hemović
- Šejko Pauković
- Selma Begić
- Emira Međanović

#### FOUNDERS:

- Marijana Dinek
- Zineta Rasavac
- Vinko Perić

#### VOLUNTEER SERVICE OVERSEAS VOLUNTEERS:

- Marjan Montazemi from Canada (Sept. 2002 - Sept. 2003)
- Niraj Saraf from the UK (Oct. 2003 - Oct. 2004)

#### CORE VALUES:

- INCLUSIVENESS ■ OPENNESS ■ TRANSPARENCY ■ MUTUAL TRUST
- DEDICATION TO LEARNING ■ COMMITMENT ■ ACCOUNTABILITY ■ CREATIVITY

#### STAFF MEMBERS:

- Zoran Puljić, Executive Director
- Vesna Balta, Finance and Administration Manager
- Renato Zrnić, Programme Manager CDP
- Eni Kurtović, Capacity Building Manager
- Ivana Goić, Project Coordinator (until October 2003)
- Samir Softić, Project Coordinator (starting September 2003)
- Ljiljana Tunjić, Media and Communications Officer
- Sunčica Kugić, Admin Assistant
- Muhamed Durmić, Programme Manager (March-August 2003)

#### FACILITATORS:

- Murisa Marić, Executive Director of NGO DON - Prijedor
- Željana Pjevalica, Executive Director of NGO Priroda - Bratunac
- Haris Halihodžić, Project Coordinator of NGO Pod istim suncem - Jablanica
- Nelvedina Meškić, Project Coordinator, BOSPO - Tuzla
- Petar Krajišnik, Project Coordinator, NGO DON - Prijedor
- Dušan Šehovac, Director of Human Rights Department, NGO DISS - Sarajevo
- Čedomir Knežević, Volunteer, NGO DON - Prijedor
- Roman Ivanković, Journalist, eFM Radio - Sarajevo



The NGO Development Foundation's Community-driven Development Programme aims to build communities in Bosnia and Herzegovina through the empowerment of formal (NGOs) and informal citizen groups to participate actively in, and mobilise resources for, initiatives that benefit the whole community.

## Community Facilitation at the Core of our Approach:

Community meetings, convened to define and prioritize problems that communities can solve by working together, are the foundation for our development approach. We believe that participation in planning and implementing of community activities is a strongest mean for empowerment of communities that enables:

- Efficiency through finding local solutions for local problems
- Efficiency through building sense of ownership over the process of development
- Sustainability through development of social capital

In continuous efforts to improve our community development approach and increase participation in our projects, in 2003 we continued with capacity building of already skilled and experienced facilitators. These 8 people that share our understanding of community building facilitated 85 participatory community meetings.

Facilitators' work is guided by main principles:

- Importance of building good relationships with community members
- Respecting and recognizing local knowledge
- Flexibility and contact with reality
- Simplicity
- Minimalism in actions



The NGO Development Foundation's Community-driven Development Programme (CDP) aims to build communities in Bosnia and Herzegovina through the empowerment of formal (NGOs) and informal citizen groups to participate actively in, and mobilise resources for, initiatives that benefit the whole community.

In 2003, through this Programme we supported 18 community projects and 3 specific training sessions, totalling KM 303,056 (€ 155,000). Training and community facilitations form key parts of our methodology and approach to grant-making. At this stage of civil society development in BiH, our grantmaking process is focused on the pre-award phase to ensure community participation and decision making, while avoiding one-person shows and ensuring project sustainability. In other words, through this Programme we are building communities by providing them with an

opportunity to deal with some of the day-to-day issues by bringing existing resources into play. We help them focus on tangible outcomes, while ensuring full community participation.

In 2003, our CDP consisted of three main grant-making projects: Living Heritage, Integral Sustainable Return Programme and Small Community Mobilisation Fund. We have also begun to implement a training project for facilitators within the Programme called the Participatory Practitioners Network and a small project to promote voluntarism in BiH. These projects support the CDP in its pre-granting phases (community facilitations and training).

All CDP projects share a common purpose - community development through the mobilization of volunteers and local resources. In these projects there are no set minimums of contribution required. However,

## OUR DEFINITION OF COMMUNITY:

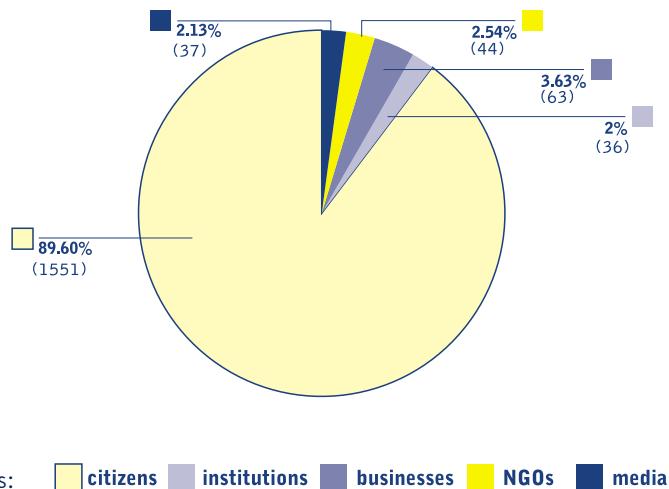
This is a complex term which relates to groups who are defined by geography (because they live in a particular place), demography (e.g. age, ethnicity or disability) or by a commonality of experience or interest.

communities we support on average contribute 34% of the total project value, without counting the hours of volunteer work. In order to assess the impact of CDP Projects, we have developed a comprehensive system of Monitoring and Evaluation that we will put to use in 2004. Findings from this analysis will be used to improve our approach to resource mobilisation for community development.

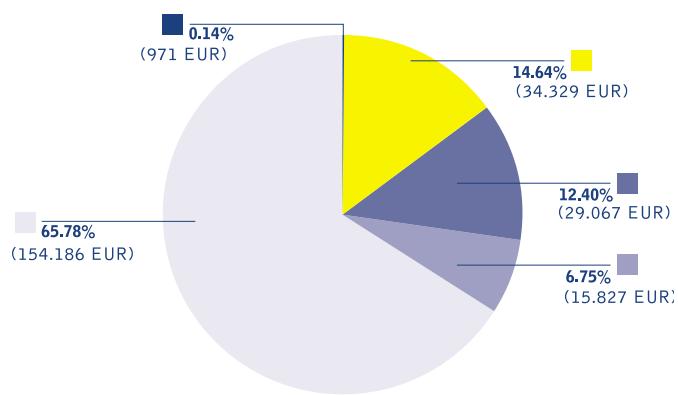


## INDICATORS OF LOCAL RESOURCE MOBILISATION

**TOTAL NUMBER OF PARTICIPANTS IN COMMUNITY PLANNING PROCESS IS 1713**



**TOTAL VALUE OF SUPPORTED PROJECTS IS 234.380 EUR**



% of funds coming from: █ citizens █ institutions █ businesses █ NGOs █ NGO DF Grant

In addition to monetary contributions, community invested  
**15,883 VOLUNTEER HOURS FROM 723 VOLUNTEERS**  
 to improve their lives through community action.

In 2003, the Programme was supported by the King Baudouin Foundation, Open Society Fund, Charles Stewart Mott Foundation, Dutch Government/Care International (NL) and Balkan Trust for Democracy (of German Marshall Fund US).

## LIVING HERITAGE (LH)

5

Living Heritage is an initiative launched by the King Baudouin Foundation (Belgium) in Bulgaria, Macedonia, Romania and Bosnia and Herzegovina. It is a grant and capacity development programme aimed at enabling local community development in South-Eastern Europe through the promotion of sustainable culture and heritage initiatives. The LH programme builds on innovative approach to heritage and its interaction with local communities. Beyond its traditional understanding, heritage is to be understood here as a resource, a form of social capital which may contribute to the environment and quality of life of local communities.

The 3-year Programme in Bosnia and Herzegovina is implemented by the NGO Development Foundation with the support of the King Baudouin Foundation and the Open Society Fund. The project has been operational since September 2002.

Each partner from the four LH countries has developed its own approach to LH. Following the programme launch in August 2002, initial research to identify target communities in BiH was conducted. With this research, we have been able to identify and assess 20 local communities with the best potential for the successful implementation of LH projects. An Advisory Group was formed from prominent professionals in the field of heritage and community development. The group advised the work of field staff, selected 16 communities with the best potential and provided professional input to our facilitators to conduct community meetings. Community stakeholders identified in the previous assessment attended these meetings; this proved later to be key to successful project implementation. Training and consulting

activities followed, community groups were assisted in community resource mobilisation and involving potential partners.

In January 2003 the LH Advisory Group met to select 10 initiatives to award grants to. The 10 implementing partners received grants totalling €70,000. Projects were officially launched in May 2003. Monitoring visits followed to ensure sustainable development of initial project ideas.

As the programme is operated in all ethnic regions of BiH, initially we



### LIVING HERITAGE - ADVISORY GROUP

SVETLANA BAJIĆ /Ethnologist, National Museum/  
AIDA ČENGIĆ /Programme Coordinator, Open Society Fund/  
SELMA BEGIĆ /Architect, member of Board of Directors of NGODF/  
ADNAN MUFTAREVIĆ /Archaeologist, Sarajevo City Museum/  
IVAN VRHUNC /Ethnomusicologist, International Ethno Festival/  
NISVET DŽANKO /Journalist and geographer, magazine "Dani"/  
JAN ZLATAN KULENOVIĆ /Executive Director, Youth Information Agency/

were concerned that culture and heritage in post-conflict Bosnia and Herzegovina could be used to promote mono-ethnic agendas and divisions. Today we are happy to say that our approach was able filter these out and even promote cooperation between different ethnic groups. For example, Bosniak (Muslim) members of the Donji Vakuf community were invited and took part in the opening of the old traditional Serb (Orthodox) house in the community of Ribnik. Other good example of inter-ethnic cooperation are the communities of Višnjevo and Guča Gora.

In July 2003 we started with the second cycle (year) of Living Heritage. The methodology from the first year was adapted to take account of our experience from the first year. Seventeen communities were assessed in the region of



Central and Western Bosnia and Herzegovina. After the preparatory processes and decisions taken on involvement of communities, we received 12 letters of intention and subsequently 11 project proposals. The advisory group decided to recommend 8 more projects for funding in the next year.

## INTEGRATED SUSTAINABLE RETURN PROJECT (ISRP)

This was a nine-month pilot project carried out in conjunction with CARE International and funded by the Government of the Netherlands. The project comprised three major connected components: Reconstruction; Job Creation; and, Civil Society. It was the third of these components that we worked on.

Our main objective was to help community based NGOs mobilise people and resources from both returning and domiciled populations to deal with problems that are the concern of both. In this way, we succeeded in establishing the pre-conditions for the integration of returnees into community life and raised the tolerance level within both returnee and the domiciled population.

In the course of the project we worked with seven multi-ethnic communities in areas of return in Central and Eastern Bosnia and Herzegovina. The selection of communities in this case was made by CARE under the Reconstruction component. We supported 8 projects in the communities of: Skelani, Tegare, Fakovici (Eastern BiH) and Vinac, Kuprešani, Majdan and Bravnice (Central BiH). Despite this being part of a larger project, we insisted on running the activities in a manner consistent with our CDP and thus people from the local communities (returnees and people who had stayed throughout) had a chance to decide on which problems they wanted to focus. All the projects for which we allocated in total € 85,331 were very much based



on the active participation of the local volunteers in regulating local problems.

We believe that in our approach we succeeded in reaching the right target groups and that the original aims of the project were achieved. A summary of each of the projects can be seen in this report under "Projects Supported in 2003"

The buzz-words for our work would be Conflict Resolution and Reconciliation. However, it has been much more to us. It had such a positive impact that it has been praised by beneficiaries, government officials and media alike. For example, after we dealt with a local conflict between domiciled Serb and returnee Bosniak populations over access roads to returnee settlement over Serb-owned land, the Mayor of Bratunac invited us to deal with several more similar cases in the Bratunac Municipality. He recognised the value of our work and was ready to provide funding for it. The pilot ended on 30 Nov 2003 and at the time of writing the results are being evaluated.



## SMALL COMMUNITY MOBILISATION FUND (SCMF)

7

Through SCMF we aim to promote the spirit of community-based initiatives thus setting an example that problems can be solved if people are working together. The approach used in SCMF is slightly different from other projects under CDP. It works under the assumption that some NGOs already possess the capacity to organise citizens around issues of common concern. We assist community-based NGOs to strengthen their capacity and affirm their roots with their local communities and stakeholders through participatory means. In addition, we provide them with general and tailored training opportunities to strengthen their capacity to mobilise communities.

To ensure that projects are not donor-driven, communities can choose any community issue to work on, without almost any constraints from the donor. This approach has been surprising to potential partner NGOs (as they are used to seeing donors who come with a clear agenda) and has been very welcomed.

A total of 87 organisations and groups from 27 municipalities from the central and northern part of Bosnia and Herzegovina attended our project presentations. Fifty communities from 20 targeted municipalities expressed their interest in participating in the project. These NGOs and community groups organised community meetings to define and prioritise community problems.

The Foundation provided eight



will help NGOs improve capacity in project-proposal writing and community resource mobilisation.

The grants-selection meeting of our Advisory Group is planned for the beginning of next year. SCMF is supported by the Charles Stewart Mott Foundation.

### SMALL COMMUNITY MOBILISATION FUND - ADVISORY GROUP

IVANA TRKULJA /Network Coordinator, Danish Refugee Council/

AIDA ČENGIĆ /Programme Coordinator, Open Society Fund/

VLADIMIR PANDUREVIĆ /Coordinator, Volunteer Services Overseas in BiH/

LEJLA BAJRAMOVIĆ /Programme Coordinator, Youth Information Agency/

AMIRA HEČIMOVIĆ /Member of Board of Directors of NGODF/

skilled facilitators to help convene community meetings with a total of 540 registered community attendees. In total, 49 community meetings were successfully facilitated. We are very thankful to the representatives of local authorities who attended 22 of these meetings. It proved correct our assumption that most of these government officials will at later stage support defined projects.

As a result of this extensive community outreach, we received 43 concept papers from these communities, all developed with community participation. In addition, seven requests for Development Grants were received. These grants





## PARTICIPATORY PRACTITIONERS NETWORK (PPN)



Our efforts to improve our community development approach are ongoing. Therefore, on December 1st we initiated our latest project, the Participatory Practitioners Network. The project is a joint initiative with Youth Initiatives (Mladinski Inicijativi) - Macedonia and VSO (Voluntary Service Overseas) - UK (with offices in both BiH and Macedonia).

With this project we are aiming at increasing our skills and knowledge in the use of participatory community development methodologies, and enhancing advocacy and communications tools and strategies to increase public and stakeholder

awareness of the importance of participation and cooperation.

In 2004 the project aims to establish the PPN to foster cross-border sharing of knowledge and understanding of the concept of participation and peer-support, develop Centres of Excellence in BiH and Macedonia in promoting the concept and practice of participatory community development, and create tools and collect information necessary for raising public awareness, future advocacy and promotion of participation among NGOs and stakeholders.



## PROMOTING VOLUNTEERISM IN BOSNIA AND HERZEGOVINA

As our activities are focused on community mobilisation, we realised that volunteers are the biggest locally available resource for community development that are not being used sufficiently. One key reason is that legal frameworks do not recognise the term 'Volunteer'. We therefore developed a project to advocate for policy changes and institutional reforms to recognize and encourage volunteering in Bosnia and Herzegovina.

In cooperation with H.O. Altius, Youth Information Agency (OIA),

United Nations Volunteers (UNV) and Voluntary Services Overseas (VSO) we engaged NGOs from across the country to draft a strategy on how to effectively advocate introducing a positive legal framework on volunteerism and promoting civic engagement in BiH.

A document "Legal framework on volunteering in BiH" was developed and promoted. In addition, we also produced a documentary film to promote the best volunteering practices in BiH. This film, with a provocative title "Who Needs

Volunteerism Any More?!" sparked a renewed sense of obligation and new reasons for volunteering in BiH.

"Who Needs Volunteerism Any More?!" is available in English and BiH languages (duration: 20 minutes)

In cooperation with our partners, we used December 5th, International Volunteer Day, to promote the video and highlight effective volunteerism in BiH during the year 2003.

# COMMUNITY DEVELOPMENT PRINCIPLES

9



Our Programme is designed to empower communities and is guided by our development principles. These principles give recommendations for project development with community participation and serve as guidelines for selection and project evaluation:

■ **LOCAL BENEFIT.** Projects will be more successful in attracting the support of local people if they reflect the concrete, immediate interests of the communities.

■ **SUSTAINABLE DEVELOPMENT.** Mobilising local potential, participation, community contribution and the development of human resources are the keys for sustainability.

■ **INCREMENTAL APPROACH.** Setting realistic, achievable goals that are immediately visible to the community carries sustainable development forward. Every immediate goal reached is empowering to communities, while the next goal can be set to continue development.

■ **LEADERSHIP AND CLEAR VISION.** All successful projects have one thing in common: a very clear purpose. They are run by community leaders who have a clear vision of what they want to achieve, why and how, and who shares their enthusiasm.

■ **LOCAL PARTNERSHIPS AND FLEXIBILITY.** Partnership demands trust and this can grow only in a positive atmosphere, with honesty regarding motives and expectations from all involved. Partnership depends on flexibility from all sides, continuous searching for new methods in dealing with problems, and a constant effort to understand other members' views.

■ **VOLUNTEER WORK.** A key tenet of effective community engagement is to treat volunteer work as professional and respectable. Volunteer work will not succeed if employed staff consider volunteer work to be cheap and not worthy of respect.

■ **LOCAL SOLUTIONS.** Successful projects come from finding local solutions for local problems. Because of that the best people to define the potential of a community are the people who are members of that community.





## PROJECTS SUPPORTED IN 2003

### LIST OF THE PROJECTS SUPPORTED THROUGH LIVING HERITAGE

#### **WOMEN'S ASSOCIATION "ANIMA" COMMUNITY OF DONJI VAKUF**

TOTAL PROJECT COST:	15.058 EUR
COMMUNITY CONTRIBUTION:	8.078 EUR
OUR GRANT:	6.980 EUR

The old Clock Tower, the symbol of the Town, and its surrounding is functional again. This happened because a committed group of 12 citizens and 12 businesses, supported by the Municipality and local media, organised a group of 8 volunteers (890<sup>h</sup>) to work for this community cause. The opening will take place on the first day of spring, as this day traditionally is the day when the whole community comes together to celebrate the arrival of spring.

#### **FOLKLORE GROUP "SLOGA" COMMUNITY OF GUČA GORA**

TOTAL PROJECT COST:	10.500 EUR
COMMUNITY CONTRIBUTION:	3.502 EUR
OUR GRANT:	6.998 EUR

Traditional songs, dances and costumes of the village of Guča Gora can now be preserved. Four community based NGOs organised over 100 citizens, two businesses, local government and media to support reconstruction of the war-damaged community space (75m<sup>2</sup>). Twenty volunteers worked on the reconstruction. National costumes have been made and now community members of this remote returnee village use them to sing and dance as they did before the war.

#### **ECOLOGICAL-ETHNOLOGICAL MOVEMENT "DIMITOR" COMMUNITY OF RIBNIK**

TOTAL PROJECT COST:	25.065 EUR
COMMUNITY CONTRIBUTION:	17.907 EUR
OUR GRANT:	7.158 EUR

Zmijanje, the homeland of the famous local writer Petar Kočić, is known for its traditions, folk costumes and traditional house construction. In this village, 5 NGOs together with 15 committed community members managed to obtain support from 4 government institutions to build a traditional house. Government provided land and support, the construction of the building was followed by four national TV stations and newspapers, and 15 volunteers (1019<sup>h</sup>) built the house!

#### **ECOLOGICAL ASSOCIATION "STARI HRAST" COMMUNITY OF NOVI TRAVNIK**

TOTAL PROJECT COST:	16.564 EUR
COMMUNITY CONTRIBUTION:	9.408 EUR
OUR GRANT:	7.156 EUR

Some 100 community members and 3 NGOs agreed that they would like to convert the war-damaged old school into a museum of local living heritage. Five different government institutions, 3 local businesses and 4 TV stations and Newspapers supported these volunteers (350<sup>h</sup>) to reconstruct the school (160m<sup>2</sup>) and exhibit local heritage, highlighting ethnological, archaeological, photographic, and minerals collections.

#### **CULTURAL AND ART ASSOCIATION "MLADOST" COMMUNITY OF VIŠNJEVO**

TOTAL PROJECT COST:	10.262 EUR
COMMUNITY CONTRIBUTION:	3.104 EUR
OUR GRANT:	7.158 EUR

Citizens of this remote village are now less isolated. This was made possible because one NGO and a group of 107 citizens mobilised local community (School and Municipality) and media to support the building of a Cultural Centre (120m<sup>2</sup>). Some 100 volunteers (1870<sup>h</sup>) built the house that now serves as community meeting space and for traditional cultural events.

## PROJECTS SUPPORTED IN 2003

11

### CITIZENS' ASSOCIATION "SUNCE" COMMUNITY OF BUGOJNO

TOTAL PROJECT COST:	8.673 EUR
COMMUNITY CONTRIBUTION:	1.611 EUR
OUR GRANT:	7.062 EUR

The Centre of Living Heritage that this community established now serves as the community place to educate the citizens, promote and work on preservation of living heritage resources in Bugojno. This was made by a committed group of 5 NGOs and 81 community members who managed to involve local schools, culture and sports centres, town folklore group and media to support a group of 56 volunteers (1408<sup>h</sup>) who prepared the new space.

### CITIZENS' ASSOCIATION "VITOROG" COMMUNITY OF ŠIPOVO

TOTAL PROJECT COST:	6.979 EUR
OUR GRANT:	6.979 EUR

Šipovo is known for pottery. Some 30 community members and 3 NGOs were supported by local media, the elementary school and the kindergarten to build a workshop for pottery. The Municipality of Šipovo contributed by providing a space free of charge for the next 3 years, and 10 volunteers (50<sup>h</sup>) helped build the workshop. It is now used by schools and children to learn the traditional pottery of Šipovo.

### CITIZENS' ASSOCIATION "MUZIČKO DRUŠTVO" COMMUNITY OF TRAVNIK

TOTAL PROJECT COST:	18.238 EUR
COMMUNITY CONTRIBUTION:	11.080 EUR
OUR GRANT:	7.158 EUR

In Travnik, 17 NGOs and 50 citizens joined efforts to improve the park in the old town - a medieval fortification built at the end of the 14<sup>th</sup> and the beginning of the 15<sup>th</sup> century. These NGOs had support from 4 government institutions and 3 local and national media. Some 46 volunteers (608<sup>h</sup>) worked on this project. The whole community of Travnik is now using the park.

### CITIZENS' ASSOCIATION "KLUB UMJETNIČKIH DUŠA" COMMUNITY OF MRKONJIĆ-GRAD

TOTAL PROJECT COST:	6.927 EUR
COMMUNITY CONTRIBUTION:	1.790 EUR
OUR GRANT:	5.137 EUR

Authentic customs, traditional handicrafts, musical instruments and traditional clothes and dresses of the Mrkonjić region are now preserved from the imported culture and ethno contents of other places. An informal group of 275 citizens, 11 businesses and one radio station organised a group of 9 volunteers (1056<sup>h</sup>) to promote living heritage of this region.

### YOUTH ASSOCIATION "BENI" COMMUNITY OF TURBE

TOTAL PROJECT COST:	8.553 EUR
COMMUNITY CONTRIBUTION:	1.483 EUR
OUR GRANT:	7.070 EUR

Through the revival of the monument park, the community life of Turbe will be enriched and places important for the people will be protected and maintained. The youth of the community with the support of government, business and media organised a group of 25 volunteers (410<sup>h</sup>) to improve facilities in the park.

## PROJECTS SUPPORTED IN 2003

### LIST OF THE PROJECTS SUPPORTED THROUGH THE INTEGRATED SUSTAINABLE RETURN PROGRAM

**CITIZENS' ASSOCIATION "POVRATAK"  
COMMUNITY OF BRAVNICE**

TOTAL PROJECT COST: 10.715 EUR  
OUR GRANT: 10.715 EUR

The need to live in a healthy environment made 100 community members and the local government of this village with a returnee population appoint an ethnically diverse group of 75 volunteers (1800 hours of work) to clean the river banks.

**WOMEN'S ASSOCIATION "VIKTORIJA 99"  
COMMUNITY OF KUPREŠANI**

TOTAL PROJECT COST: 11.004 EUR  
COMMUNITY CONTRIBUTION: 767 EUR  
OUR GRANT: 10.237 EUR

Returnee and domicile groups living in this area, Croats, Bosniaks and Roma (86 volunteers from these groups) joined forces to build 1,700 meters of road to connect their villages. Their efforts were supported by local government and media.

**WOMEN'S ASSOCIATION "ŽELJA"  
COMMUNITY OF SKELANI**

TOTAL PROJECT COST: 10.737 EUR  
OUR GRANT: 10.737 EUR

Students from all surrounding villages of both ethnic groups now have a place for sports and cultural activities (200 m<sup>2</sup>). The multi-ethnic group of 25 volunteers gathered by this NGO worked together to improve conditions for their children education, by reconstructing local school indoor sports facility.

**ECOLOGICAL MOVEMENT  
"ZELENKOVAC"  
COMMUNITY OF MAJDAN**

TOTAL PROJECT COST: 19.098 EUR  
COMMUNITY CONTRIBUTION: 8.370 EUR  
OUR GRANT: 10.728 EUR

Returnees and domicile population in this small village were facing serious health issues due to lack of potable water. Together, they managed to mobilise volunteers, local businesses and media to reconstruct the water supply.

**WOMEN'S ASSOCIATION "GOLUB"  
COMMUNITY OF FAKOVIĆI**

TOTAL PROJECT COST: 11.300 EUR  
COMMUNITY CONTRIBUTION: 568 EUR  
OUR GRANT: 10.732 EUR

Citizens of Fakovići, both Serbs and Bosniaks are now able to deal with the administrative issues in their village, as they used to do before the war. Together, they reconstructed the war-destroyed community building (450 m<sup>2</sup>) with support of local government and media.

## PROJECTS SUPPORTED IN 2003



13

### IN TEGARE:



BEFORE...



COMMUNITY PLANNING...



RESULT...

### WOMEN'S ASSOCIATION "PRIRODA" COMMUNITY OF TEGARE

TOTAL PROJECT COST:	11.219 EUR
COMMUNITY CONTRIBUTION:	511 EUR
OUR GRANT:	10.708 EUR

Two local roads (4000 m and 250 m) were built by Bosniaks and Serbs working together. The NGO Priroda helped build links in this difficult returnee area, and succeeded in obtaining support from local government and media.

### CITIZENS' ASSOCIATION "JAJCE" COMMUNITY OF VINAC

TOTAL PROJECT COST:	22.753 EUR
COMMUNITY CONTRIBUTION:	12.016 EUR
OUR GRANT:	10.737 EUR

Community members of this village, returnees and domicile population, mobilised 75 volunteers and with the support of local government reconstructed 1500 m of local roads.

### WOMEN'S ASSOCIATION "ŽELJA" COMMUNITY OF SKELANI

TOTAL PROJECT COST:	10.737 EUR
OUR GRANT:	10.737 EUR

Through this project 20 km of local roads were reconstructed with the support of 20 volunteers. This was a pre-condition to enable the Care Reconstruction Department to build houses for returnees. By mobilising the community to work together, this NGO also provided the conditions for the integration of returnees.



## CAPACITY BUILDING OF SELECTED COMMUNITY GROUPS

The Foundation is focused to best satisfy the needs of our grantees. Our community development approach is flexible and responsive to best assess the level of assistance that can be provided to support communities while avoiding creating dependence.

After we carefully select our grantees, we organise tailored training of high quality (see evaluation reports below) to help NGOs mobilise communities and community resources for community benefit. The training sessions listed below were attended by 57 participants from 34 Community Based NGOs.

### TRAINING FOR COMMUNITY BASED NGOS PARTICIPATORY MANAGEMENT

#### Living Heritage

- July 25 -27, Jajce NW Bosnia

### PROJECT DEVELOPMENT WORKSHOP

#### Living Heritage

- February 14-16, Travnik, Central Bosnia
- February, 21-23, Jajce, Central Bosnia
- November 2 - 4, Livno, SW Bosnia
- October 30 - November 1, Fojnica, Central Bosnia

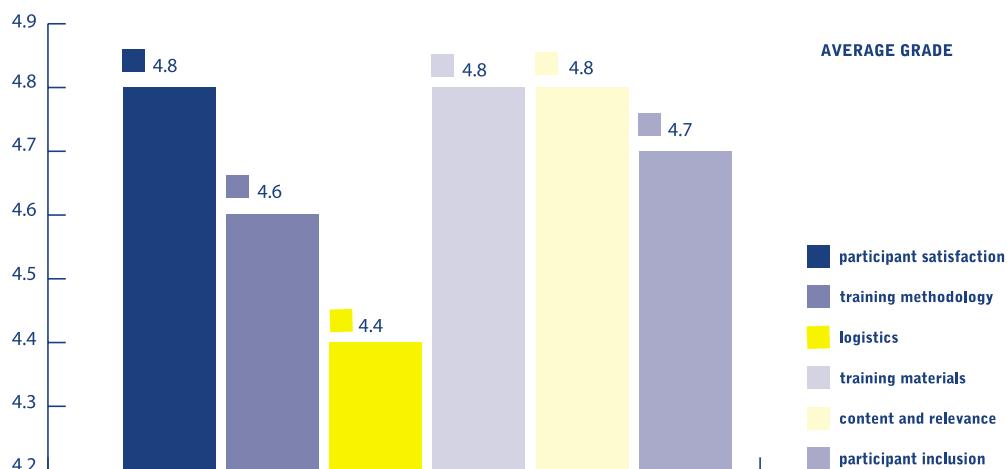
### LOCAL RESOURCE MOBILISATION

#### ISRP Project

- October 7, Teslić, North Bosnia

## PARTICIPANT AVERAGE TRAINING EVALUATION (ON THE SCALE FROM 1 AS TO LOW; 5 AS THE HIGHEST):

	Facilitation of Participatory Community Development	Participatory Management	Participatory Monitoring and Evaluation	Project Development Workshop	Project Development Workshop	Local Resources Mobilization	Average Grade
Participant Satisfaction	4,9	4,9	4,6	4,6	5	4,6	4,8
Training Methodology	4,2	4,8	4,4	4,6	4,9	4,8	4,6
Logistics	4,8	4,8	3,6	4,6	4,2	4,9	4,4
Training Materials	4,6	4,9	4,6	4,7	4,9	4,8	4,8
Content and Relevance	4,9	4,8	4,8	4,6	4,9	4,9	4,8
Participant Inclusion	4,7	4,8	4,5	4,6	4,6	4,8	4,7



## NETWORKING



At the Foundation we recognise that we do not exist in isolation and are acutely aware of the importance of keeping in touch with others engaged in achieving objectives similar to ours, learning from them and giving them the benefits of our experience. We do this through both formal and informal means.

### LIVING HERITAGE NETWORK.

Partnership meetings and trainings:

- Sofia, Bulgaria (May 2003), organized by the Workshop for Civic Initiatives Foundation (Key topics: Promotional Techniques and Collection and Use of Data in Heritage Projects)
- Ohrid, Macedonia (November 2003), organized by the Foundation Open Society Institute Macedonia (Key topics: Professional Development, Management Meeting and Network Constitutional Meeting)

- "Marguerite" - Group of LH facilitators (Romania, Bulgaria, Macedonia, BiH) established by trainers and consultants who want to integrate more fully creativity in all processes and products of the LH programme in South-East Europe.

- Grantmakers East Group, 8<sup>th</sup> Annual Meeting - Bratislava, Slovakia (October 2003)

### NGO COUNCIL IN BOSNIA AND HERZEGOVINA

Member of Executive Committee



### PARTICIPATORY PRACTITIONERS NETWORK

NGO Development Foundation partners with Voluntary Services Overseas, UK and Mladinski Inicijativi (Youth Initiatives), Macedonia to develop a regional Participatory Practitioners Network (see CDP.).

### EUROPEAN FOUNDATION CENTRE ANNUAL ASSEMBLY AND GRANTMAKERS EAST GROUP

- Community Philanthropy Initiative, 6<sup>th</sup> Annual Networking Meeting - Lisbon, Portugal (May 2003)



### MEMBERSHIPS

NGODF members are involved in projects and work of other organizations and institutions:

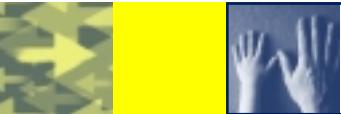
- South-Eastern European Network on Non-Profit Governance
- ECA NGO Network - Regional-level CSO network for policy and practice, sharing information on and monitoring World Bank policies and practice.
- Advisory Board for Youth to Mayor of City of Sarajevo
- Steering Group for Balkan Youth Project, organized by European Youth Forum and Care International
- Advisory Group for Capacity building program, organized by Youth Information Agency and Allavida

### OUR MAIN PARTNERS IN 2003

Care International, Volunteer Service Overseas (VSO), UN Volunteers, Altius, Youth Information Agency (OIA), European Stability Initiative.

<sup>1</sup>ECA (Europe and Central Asia) region includes 28 countries: Former Soviet Union and Turkey.





## CAPACITY BUILDING OF THE FOUNDATION



### MANAGING PARTICIPATORY MONITORING & EVALUATION

Our Capacity Building Manager participated in a 5-day training organized by INTRAC in Oxford from June 2 to June 6, 2003 to prepare for developing a comprehensive system of Monitoring and Evaluation and training of facilitators.

### WORKING WITH CHANGE AND DEVELOPMENT IN COMPLEX ENVIRONMENTS

Our Programme Manager participated in this two-day training in October in Bratislava (Slovakia) organized by European Foundation Centre and the Development School UK.

### EUROPEAN STABILITY INITIATIVE (ESI)

Our key staff participated in this 2-day training (April 4-5) on field research methodology and the use of case studies and ways to access key sources of information. The training was used to share ideas on how to influence the policy making process.

### DUKE UNIVERSITY, TERRY SANFORD INSTITUTE FOR PUBLIC POLICY

As one of the Fleishman Fellows in Civil Society, during the month of October, our Executive Director carried out research to develop the framework and a strategy for establishing a think-tank within the foundation. For more information, please visit: [www.pubpol.duke.edu/centers/civil/fellows.html](http://www.pubpol.duke.edu/centers/civil/fellows.html)

### URBAN INSTITUTE / USAID - POLICY FELLOWS COURSE

Our Executive Director and Capacity Building Manager participated in this 10-day training (December) to learn about policy analysis and the experience in Former Soviet Union and Central and Eastern Europe.

### TRAINING OF FACILITATORS

#### Facilitation of participatory community development

- ISRP Project, March 14 -17, Jajce, NW Bosnia

#### Participatory Monitoring and Evaluation

- CD Program, August 29 - September 01, Vlašić, Central Bosnia



# FINANCIAL STATEMENT



17



**"A.C.A. System Revizija" d.o.o.**

Azba Šećrbegović bb \* 71000 Sarajevo \* 033 / 652 134

"A.C.A. System Auditing Services" Sarajevo

## Independent auditor's report

### *Introduction*

We have audited financial statements of the NGO "Foundation for development of nongovernmental organizations" as of December 31, 2003. These financial reports are responsibility of the NGO "Foundation's" management. It is our responsibility to express our opinion on these financial reports based on the performed audit.

### *Scope*

The audit was performed in accordance with the International Auditing Standards. These standards require us to plan and perform the audit in such a manner, which will provide sufficient evidence as to prove that data in the financial reports were not significantly misrepresented. The audit includes examination of evidence that supports the amounts and comments on the financial reports, based on testing. The audit also includes an assessment of the accounting principles applied and of significant estimates made by the management. We believe that the audit provided us with an adequate basis for forming our opinion.

### *Opinion*

In our opinion, financial reports present the financial position of the NGO "Foundation" on 31 December 2003 in a realistic and impartial way, in accordance with the International Accounting Standards and Accounting Standards of Federation of BiH.

A.C.A. SYSTEM REVIZIJA d.o.o.

Sasa Vujić

Licensed Auditor



## BALANCE SHEET AS OF DECEMBER 31, 2003

	(in EUR)	NGODF FY 2003	NGODF/NGO Stichting voor BiH* FY 2002
<b>I ASSETS</b>			
<b>Fixed Assets</b>		<b>30,332</b>	<b>37,193</b>
Furniture and Equipment		13,252	11,656
Vehicle		17,080	25,537
<b>Current Assets</b>		<b>60,023</b>	<b>24,363</b>
Money and money equivalents		59,845	16,417
Other current assets/ Prepaid expenses		178	7,946
<b>Total assets</b>		<b>90,355</b>	<b>61,556</b>
<b>II LIABILITIES</b>			
<b>Current liabilities</b>		<b>1,449</b>	<b>1,033</b>
Accounts payable		1,449	1,033
<b>Long-term liabilities</b>		<b>80,401</b>	<b>27,569</b>
Accrual income from donations for projects / Program Funds		71,130	0
Deferred income		9,271	27,569
<b>Capital</b>		<b>8,505</b>	<b>32,954</b>
Capital		102	0
Retained surplus of income over expenditures / Net Assets		8,403	32,954
<b>Total liabilities</b>		<b>90,355</b>	<b>61,556</b>

\* NGODF operated under foreign registration until new BiH law on foundations was adopted to allow for state-independent activities on whole territory of BiH. Please see "About the Foundation" for more information.



## STATEMENT OF REVENUES AND EXPENSES

**STATEMENT OF REVENUES AND EXPENSES**  
(in EUR)

	NGODF 2003	NGODF/NGO Stichting voor BiH 2002
<b>SUPPORT AND REVENUE</b>		
Grant revenue	297,945	183,235
Other grants and contributions	2,991	
Other revenue, interest and miscellaneous income	5,633	993
<b>Total Support and Revenue</b>	<b>306,569</b>	<b>184,228</b>
<b>EXPENSES</b>		
<b>Grants distributed in the fiscal year</b>	<b>147,843</b>	<b>63,393</b>
<b>Overhead (Administrative expenses)</b>		
<b>Staff (gross)</b> Executive Director, Admin Officer, Finance Manager	32,148	32,777
<b>Running cost</b> Office Rental, Utilities, Office Supplies	6,472	5,701
<b>Other</b> Staff training, Travel-International, Meetings and Retreat, Vehicle (Insurance and Registration), Amortization and Audit	13,625	2,896
<b>Total Overhead Cost</b>	<b>52,245</b>	<b>41,374</b>
<b>Direct Cost</b>		
<b>Project staff (gross)</b> Programme Manager, Capacity Building Manager, Media and Communication Officer	50,886	24,780
<b>Project Supporting Services</b> Facilitators, Office Supplies, Communications, Project Workshops, Vehicle (Fuel and Maintenance), Local Travel, Info Campaign	36,773	18,653
<b>Total Direct Cost</b>	<b>87,659</b>	<b>43,433</b>
<b>Sundry</b>		
Bank fees, Exchange rate Differences,		
<b>Unexpected cost</b>	<b>10,382</b>	<b>3,073</b>
<b>Total Expenses</b>	<b>298,129</b>	<b>151,273</b>
<b>Changes in Net Assets</b>	<b>8,440</b>	<b>32,955</b>

## STATEMENT OF REVENUES AND EXPENSES

19

<b>Grants Revenue (in EUR):</b>	<b>2003</b>	<b>2002</b>
Charles Stewart Mott Foundation	68,807	
CIDA Canada	11,688	131,003
King Baudouin Foundation	70,838	42,795
Open Society Fund	70,000	
CARE International	132,887	
Balkan Trust for Democracy	12,405	535
DFID/ British Embassy	2,449	
World Bank		7,874
Freedom House		1,028
<b>Total donations received</b>	<b>369,074</b>	<b>183,235</b>

**NOTE**

As of June 2004 we will be called:

**Mozaik - Community Development Foundation**

New contact information:

Tel: +387 33 265 290, 266 480  
+387 33 265 291  
Fax: +387 33 266 482  
Soukbunar 42, 71000 Sarajevo,  
Bosnia and Herzegovina  
[www.mozaik.ba](http://www.mozaik.ba), [info@mozaik.ba](mailto:info@mozaik.ba)

**NEW LOGO  
TO BE  
DETERMINED**

**in pressum:****Editor-in-chief**

Zoran Pujić

**Contributors**

Eni Kurtović

Renato Zrnić

Vesna Balta

Samir Softić

Ljiljana Tunjić

**Proofreading**

Niraj Saraf

**Design**

Aleksandra Nina Knežević

[ninAdesign.co.ba](http://ninadesign.co.ba)

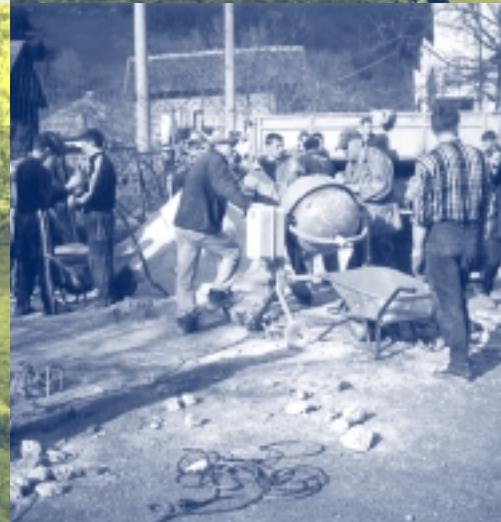
**DTP**

Status Design, Sarajevo

**Printing**

CPU, Sarajevo

Sarajevo, April 2004





**NGO DEVELOPMENT FOUNDATION**

Tel: +387 33 265 290, 266 480

+387 33 265 291

Fax: +387 33 266 482

Soukbunar 42, 71000 Sarajevo, Bosnia and Herzegovina  
recepција#nvofondacija.org, [www.nvofondacija.org](http://www.nvofondacija.org)