

NATO PARTNERSHIP FOR PEACE
PROJECT FOR ASSISTANCE TO DISCHARGED DEFENCE PERSONNEL
WITHIN THE SCOPE OF DEFENCE SECTOR REFORM IN SERBIA

EXTERNAL INDEPENDENT END OF PROJECT SUMMATIVE EVALUATION



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I O M - N A T O T R U S T F U N D P R O J E C T

Assistance to redundant military personnel within the scope of defence sector reform in Serbia

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SUMMATIVE EVALUATION OF

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FUNDED THROUGH THE NATO/PARTNERSHIP
FOR PEACE TRUST FUND AND IMPLEMENTED
BY THE INTERNATIONAL ORGANIZATION FOR
MIGRATION MISSION IN SERBIA

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DISCLAIMER : the contents of this report only reflect the evaluation team's views and not necessarily those of the commissioning agency

ACRONYMS AND ABBREVIATIONS

BC	: Business Creation
BE	: Business Expansion (loans)
BIC	: Business Incubators
CIMIC	: Civil-Military Co-operation
FC	: Financed Courses
HQ	: Headquarters
ICRS	: Information, Counselling and Referral Services
IT	: Information technology
IOM	: International Organisation for Migration
JRP	: Joint Review Panel
M&E	: Monitoring and Evaluation
MoD	: Ministry of Defence
NATO	: North Atlantic Treaty Organisation
NCO	: Non-commissioned officers
NES	: National Employment Service
NTF	: NATO Trust Fund
PfP	: Partnership for Peace
PMU	: Project Management Unit
RF	: Results Framework
RFA	: Reintegration Fund Assistance
RRC	: Regional Resettlement Centres
SC	: Steering Committee
SO	: Strategic Objective
SS	: Salary Support
SSR	: Security Sector Reform
TF	: Trust Fund
TOR	: Terms of Reference

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2. EXECUTIVE SUMMARY

The project is a unique project for this type of reintegration assistance provided to discharged military personnel for several reasons:

- The excellent collaboration between the MoD and the IOM has permeated all levels from the Headquarters down to the field offices. IOM has clearly chosen the right attitude and approach to support the wider PRISMA programme through the NATO TRUST FUND Partnership for Peace Project;
- Staff quality and commitment is shown as excellent for both PRISMA and IOM given the exceptional ratings received from the beneficiaries, and the frequent lack of distinction between IOM and PRISMA advisors at field level;
- Donors have played a key role in providing support to the entire five year project cycle, including the preparation of an exit strategy to facilitate hand-over while building national ownership, something usually very rare;
- Donors and project management have invested in formative and summative evaluations throughout the life of the project and they have largely endorsed the evaluation recommendations in order to contribute to increased performance and Results Based Management practices, while enhancing the visibility of results through a number of publications;
- The business creation component of the reintegration fund assistance is much more of an integrated economic development project than a reintegration project. It goes far beyond the traditional short-term reintegration projects and can be compared to some successful economic revitalization projects undertaken by development actors and NGOs in the region. The very humane, caring and personalised approach followed during counselling has played in a number of cases a decisive role for beneficiaries to engage in the business;
- The process for the grant allocation ensures ownership and commitment from the beneficiaries as they must at least match the grant amount with their own funds or possessions, while it avoids the handing out of cash directly. Selected beneficiaries have been able to obtain up to three grants in the course of time to contribute to their sustainability based on defined criteria;
- Additional and inventive components, such as linking the MoD with business incubators, with proper professional training from SINTEF, have been included although they were not in the project design but contributed to the national capacity development within the MoD regarding business development models up to a point.

In quantitative terms, as of 31.12.2010 there were 10,259 referrals from the MoD of redundant military staff. Of these, 5,850 came to register with the NATO PFP Trust Fund, and the project has filed a total of 4,370 applications for assistance. From this figure 4,304 assistance applications were funded, with 45 rejected, 21 on hold and 229 cancelled. A total of 4,030 individuals have thus received reintegration assistance with 274 individuals having been able to receive a combination of financed courses, salary support or business creation assistance.

Table I : source NATO PFP Trust Fund Database

	total	"loss"	accessible potential clients	
referrals	10259	20%	8207	% of coverage
registered			5840	71.2%
assisted			4370	53.2%
				74.8%

In total the NATO PfP Trust Fund has been able to assist 53% of the total number of accessible potential clients during the five years of project implementation, also corresponding to 75% of the total number of people who registered with the NTF.

Some explanation must be given regarding the different categories.

Referrals are the names on the lists given by the MoD regarding the people who have been dismissed from the military. At the onset of the project, the IOM was conducting outreach activities in order to inform about the project and contact the potential beneficiaries. During this period, it was seen that a relatively large number of discharged military personnel could not be contacted through the personal information contained in the lists. In some cases, the wrong phone number was provided, and some people moved to other locations or could not be found.

IOM estimated that an approximate 20% of the referrals could not be located.¹

In October 2008 a privacy law was approved which required PRISMA to refer the beneficiaries to the IOM and IOM was no longer able to contact beneficiaries directly through their outreach activities. In order to obtain an estimate of the maximum number of potential project beneficiaries, the evaluation has used IOM's 20% estimate of "loss" to obtain a total number of potential clients of 8,207, or 2,052 people less than the total mentioned in the referral lists.

Of this estimate 5,840 people have been individually counselled and registered within the NATO PfP Trust Fund project, which represents some 71% of the total potential client caseload. From this number, 4,370 applications for assistance were actually filed, or almost 75% of all registered cases, meaning that for each four persons counselled, three actually requested reintegration fund assistance as per the modalities offered by the project.

Table II. Source : NATO PfP Trust Fund database figures

Assistance applications		31.12.2010
Submitted	4370	percentage
Approved	4304	98,5%
Rejected	45	1,0%
On hold	21	0,5%
Cancelled	229	5,2%

Of the approved assistance, 5,2% was subsequently cancelled when the beneficiary did not follow the rules during the field monitoring visits undertaken by the client advisors. This indicates that **95%** of approved beneficiaries are using the assistance according to the norms and rules defined by the project for the reintegration assistance.

The project caseload have increased from the initial target of 1,850 people over the initial two year project period (1st July 2006 to 30th June 2008) and has grown over the years to a total of 5,840 people registered and 4,370 applications submitted by 31.12.2010, in line with the initial figure of an overall assistance caseload projected for the five years of up to 5,100 people.

Table III. Source NATO PfP Trust Fund database figures

¹ The first external evaluation estimated a 25% cut-off from the referral lists, but based on the overall experience the figure of 20% seems more accurate to be applied to the total caseload.

	Nov.2007	percentage	Nov.2008	percentage	Dec.2010	percentage	overall increase
referrals	3912	of referrals	8612	of referrals	10259	of referrals	2.62
registered	1794	45.9%	3803	44.2%	5840	56.9%	3.26
assisted	781	43.5%	2934	77.1%	4370	74.8%	5.60
		of registered		of registered		of registered	

While referrals has increased 2,6 times, the registered beneficiaries have increased more rapidly to 3,3 times their number, while the assisted category has increased 5,6 times its number since the first evaluation. This is in part due to the fact that when the first evaluation was commissioned, the project has not yet reached its cruising speed, whereas from the second evaluation onwards, the assisted category has maintained itself at some 75% of the registered caseload. There is a slight 2% drop from end 2008 to end 2010 in the percentage of assisted versus registered (74,8% down from 77,1%), but the trend to extend assistance to three fourths of the registered caseload is maintained.

For the fifth project year (1st July 2010 until 30th June 2011), the target was established at 464 assistance packages based on the available funding. Considering that as of 31st December 2010 321 assistance packages were already approved, the total number of assisted beneficiaries by the end of the project will therefore be 4,370 plus 143 5th year assistance packages or **a total of 4,513 assistance packages granted** (an average of 900 yearly) during all five years. The number of beneficiaries registered is 115% of the overall PRISMA estimate of 5,100 beneficiaries, while the actual target of assistance is 89% of the projected figure.

The project itself has two distinct but complementary components that target beneficiaries directly: Information, Counselling and Referral Services (ICRS) and Reintegration Fund Assistance (RFA). Potential clients who come and register with the NTF/IOM client advisor may not have a clear idea of what sort of assistance to request or a clear knowledge of the available options. From the total number of people who registered almost 75% requested a specific form of assistance from the reintegration fund. After counselling, each registered client can opt for one, or a combination of, the options available from the reintegration fund, namely: Financed courses, salary support or business creation or expansion².

Information, Counselling and Referral Services (ICRS) are given individually to each of the persons who registered with the NTF/IOM client advisors. In this process the registration time takes 30 minutes on average and the counselling 90 minutes, according to the calculations of the IOM project staff. The ICRS process for the entire number of registered beneficiaries has therefore required some 11,680 hours of registration and counselling. The average of these 5,840 registered clients is 1,298 per year, or more than 100 beneficiaries registered on a monthly basis during the entire project period (for which 200 working hours is required of ICRS) until 31 December 2010, after 54 months of project implementation.

The second component of reintegration assistance requires a much greater time allocation of 11 hours per beneficiary including assistance in preparing the application,

² Initially a loan component was included in the project design as part of the reintegration fund assistance. However given the difficulty to find a financial intermediary, new banking regulations, the limited amount and the short one year repayment period, the loan component was in practice discarded due to the lack of demand and replaced by second and third grants for those businesses meeting the criteria.

processing the application, and assistance delivery. The total number of working hours for the caseload of 4,370 assistance packages is therefore equivalent to 48,070 hours of staff time, or over 890 working hours per month. Considering the fact that the number of IOM client advisor staff has ranged from 8 (2-3 per Regional Resettlement Centre of which one in Belgrade, one in Nis, one in Novi Sad) to a current total of 7 for four offices (including Kraljevo since June 2009), the minimum workload per person per client is 111 hours per months, with an increased workload of 127 hours for 7 staff – just for the reintegration fund assistance. Adding the ICRS workload, of 200 hours per month, the overall average staff time required ranges from 136 hours for 8 client advisors, or 155 for 7 client advisors on a monthly basis. This represents a very full working schedule no doubt, not counting the regular field monitoring visits and additional tasks that need to be undertaken by the staff, and in particular the time spent in working together and coaching the PRISMA client advisors from the MoD as part of the capacity development objective of the project.

While it is necessary to provide quantitative evidence of results, the most significant achievements are not necessarily only quantitative. Because both NATO PfP donor countries, in particular Norway, and IOM project management have invested in external evaluations processes as a means of learning and improving project performance, the evaluator has had the chance of undertaking all three evaluations – the first and second as formative evaluations, and the current summative end of project evaluation-. Thus it has been possible to follow the project's evolution and its achievements throughout its implementation as early as fourteen months from the beginning. This is a rare and valuable opportunity, as evaluations tend to be a one-time event, only reflecting the situation at a specific point in time. In this case, the knowledge and experience of three evaluations make it a live and dynamic report, which will be complemented by an ex post sustainability evaluation that will be undertaken end of 2011 as the final component to a full cycle of evaluations for this five-year project. It needs to be noted that ex post evaluations after the closing of the project are very seldom commissioned and particularly in reintegration projects of redundant military personnel which tend to be approached with a short-term perspective, a lack of specified exit strategy and capacity development of the national structure. Evaluations stems from a willingness to invest in the credibility of the process, its findings, conclusions and recommendations. This is why a mix of methods have been used including MoD and IOM staff as full evaluation team members for the second and third evaluation in a participatory approach, to ensure that the process, findings, analysis, conclusions and recommendations are based on a common comprehension of the tools used to gather evidence to support the findings while at the same time enhancing the applicability and use of evaluations by the different stakeholders.

A quick review at the history of the referrals shows how the project has been developing and gradually opening the eligibility criteria to the entire range of redundant military personnel. Initially only the higher ranking officers were concerned, then the second referral list included NCOs, and civilian MoD personnel were gradually incorporated as well. As a result of the second formative evaluation, the inclusion of professional soldiers (contract soldiers) was also accepted, so that in the total caseload all four categories are now included as follows:³

³ Source : NATO PfP Trust Fund database, data as of January 2011 – thus some slight differences with the data as of 31.12.2010

Table IV. Source NATO PfP Trust Fund database figures

Jan-11	OFFICERS		NCOs		Civilians		Prof. Soldiers		total
	male	female	male	female	male	female	male	female	
registered	2901	2	189	0	1836	679	321	5	5933
assisted	2187	1	138	0	1481	360	191	2	4360
percentage	75.4%	50.0%	73.0%		80.7%	53.0%	59.5%	40.0%	73.5%

As regards to the category of **assisted beneficiaries**, more than half are officers, 42% are civilian MoD personnel, while professional soldiers represent 4,4% and NCOs 3,2% only. Female redundant military personnel represents 8,3% of the total assistance caseload, of which 99% are civilian MoD personnel.

Table V. Source NATO PfP Trust Fund database figures

Jan-11	Officers	NCOs	Civilians	Prof. Soldiers	women only	total
	men	men	men	men	(99% civilian)	4360
assisted	2187	138	1481	191	363	
percentage	50.2%	3.2%	34.0%	4.4%	8.3%	

A proof of commitment from donors and project management to evaluation findings is the willingness to support funding for the project to implement a proper exit strategy in order to contribute to the capacity development of the MoD so that they are able to undertake the same assistance services as those given under the NATO PfP Trust Fund project. This is a unique opportunity to truly contribute to national capacity development, not only on paper, but in practice. The evaluation was able to obtain confirmation from the MoD at both field office level and at headquarters levels, as well as that of the NTF/IOM staff that the former PRISMA advisors (currently renamed Resettlement Group Advisors), are fully capacitated technically to continue providing the services that were undertaken by the NTF/IOM client advisors in order to provide the entire range of services as implemented under the project. This is unique in the evaluator's experience and the only drawback is the absence of any available funding in the MoD budget to continue reintegration assistance for business creation.

From the reintegration fund assistance options, the jewel of the crown is certainly the assistance to business creation. This modality of assistance has captured 79% of the total applications. According to the annual progress report from IOM for the period July 2009 to June 2010, no less than 84% of grant recipients are currently self-employed or employed and generating income.⁴ Although it is too early to appraise the sustainability of the business creation component, the results are highly encouraging and exceed the evaluator's experience of other similar projects. The ex post sustainability evaluation will concentrate on a stratified sample of businesses covering the entire period since the beginning of the project to appraise the degree of sustainability of the overall businesses created during the life of the project.

In terms of customer satisfaction this report draws on all three evaluations which include in-depth individual interviews to 88 beneficiaries selected on purposive sampling basis. While the results are not statistically representative of the overall caseload, the sampling criteria did include failures cases and covered the range of beneficiaries' profiles and assistance requests with a specific focus on gender even

⁴ 1. Brief summary, fourth paragraph.

though women only represent 8% of the assisted beneficiaries. Quotes and qualitative evidence abounds regarding the excellent quality of the work undertaken by the project, which speaks highly of the staff's skills, approach, and commitment to customer satisfaction. The second evaluation obtained a 4,73 rating out of 5 for the overall quality of the services, while the current evaluation obtained a 4,84 rating out of 5 (focusing on 4th and 5th year beneficiaries). The major requests were a higher grant amount and the possibility of financing a larger share of raw materials for some businesses. These figures show two things : 1) that the quality of the services has not diminished as the project continues its implementation and prepares its hand-over to the MoD; 2) that new customers (4th and 5th year) are even more satisfied with the assistance received as the beneficiaries from the first three years. Even more explicit is the rating received only for the ICRS services, of 4,93 out of 5, which indicates that referral and counselling are currently done at an extremely high professional level.

The project was able to create and ensure proper structures for management which have contributed to informed and timely decision making and information to all primary stakeholders. Project Management Unit and Steering Committee meetings have been regularly held to both report on progress and discuss and solve any outstanding issue, while the Joint Review Panel (JRP) was tasked with approval of the applications sent by the field offices. The structures contributed to the good performance of the project as the process for grant application and the rules were widely known and respected. The fact that only 229 of 4,370 applications were cancelled (5% of the total) shows proper field monitoring of beneficiaries and generally good compliance with the rules and procedures for grant use as defined by the project.

Looking back at the first evaluation, at a time when the MoD had difficulties in supplying the lists of referrals, initially only incorporating officers, and the various political changes and challenges faced, these constraints have been eventually overcome through the persistence and commitment of both the MoD and the IOM. There can be no doubt that much learning has taken place during the life of this project, and a series of lessons are identified for use and replication to other situations. The project was able to adapt to the changes while maintaining the objectives : due to lack of demand loans had to be replaced with additional grants, and new activities were undertaken in areas of business development, such as the linkages established through the project with the MoD for business incubators where a small number of beneficiaries have been admitted to develop their business in an enabling environment. This was not in the initial project design, but it does contribute to both the development of the national capacity and to the success of the beneficiary's business.

While the project is certainly a good example of success judging from the three evaluation processes, the discussions with primary and secondary stakeholders, and secondary literature, there are some issues which must be analysed in order to learn from this experience and be able to replicate successful models elsewhere. These are:

- Socio-economic reintegration is a time-bound process which requires more efforts than simply giving hand-outs or grants. All beneficiary interviews undertaken throughout the three evaluations have shown how important it was to be able to count with a receptive and humane approach from the clients advisors who undertook ICRS and reintegration assistance. This requires a sensible, humble, and client-oriented approach showing an empathy which is not always found in international organisations' projects. Here, the way beneficiaries were listened to and treated, was as much, if not more, part of

- the success than the actual business advice and coaching/support beneficiaries received from the client advisors;
- While the project was initially designed for a five-year period, the donor countries only accepted an initial two-year funding, with subsequent one-year extensions. This had two implications on the way the project was managed: 1) it did not allow to have client-friendly modalities for the loans, which had to be repaid within a one year period, something too short for many start-up businesses, and 2) the project monitoring and reporting focussed on yearly results according to the results framework introduced as a result of the first evaluation, but to the detriment of focussing on the overall results throughout the life of the project. As the project is drawing to a close, this means that IOM gave too much attention to the results of 5th year of activities rather focussing than on the whole of the project five year life cycle. The lesson here is that if donors undertake to support this type of project, it would be preferable to opt for funding on the basis of two years (requesting an external mid-term evaluation) and then based on the results a possible three years funding extension.
 - NATO PfP through the leading nation as well as IOM and the MoD have heavily invested in external evaluations, with two mid-term formative evaluations, one end of project summative evaluation, and one ex post sustainability evaluation planned six months after the end of the project. This is an important investment into evaluation processes and shows a clear commitment to Results Based Management principles. However both IOM and the NATO PfP have been implementing similar projects in other countries. One of the shortfalls is that evaluations have been carried out by separate entities and with different methodologies in various countries where socio-economic reintegration of redundant military personnel projects are taking place. However this does not allow the IOM nor the NATO PfP to compare across the different countries, as both the project components and the evaluation methodologies differ from one country to another. There should be an opportunity to capitalize on the experiences gathered so far and have a common model for project and project evaluation that should be used across the different countries in the region where similar projects are being implemented. This would finally allow for cross-country comparison and also could be useful in appraising not just one project, but a range of projects in the region, so that at Headquarters level, there would be a sense of the programme's achievement as a whole, rather than obtaining a collection of projects which deal with the same issues but in different ways.
 - Complete follow-up of the referral caseload. The total number of people referred (or discharged) in Serbia under this project according to the MoD is 10,259, identified by the MoD as a "high risk" category. At the onset of the project IOM undertook an outreach campaign to contact each of the potential beneficiaries. However when the privacy law came into effect at the end of 2008 IOM could no longer contact directly the discharged personnel and MoD/PRISMA advisors had to refer the clients to the IOM for registration. With an overall assistance of some 4,370 packages given during the five year project time-frame, this indicates that some 43% of all potential clients have applied for assistance through the reintegration fund. However because there is no available data for the people who did not register with IOM, there is no comparative group that can be used to give an overall image of the entire caseload. While there are clearly some people who did not need the assistance, a lesson to be learned for other similar projects is that if the entire caseload of

referral can be monitored from the beginning, evaluation processes should be able to offer a comparison between the group of people who opted for assistance and those who opted not to register for the project. It is particularly important from a human security perspective⁵ to know what reasons the group that did not register had for not wanting to take advantage of the benefits offered by the project. As long as there is no comprehensive picture of the overall caseload of discharged personnel, there can only be a partial success for those who did opt to be included in the project. Ideally this type of project should be allowed to track the overall caseload of discharged personnel from the beginning to be able to report more thoroughly on the entire caseload and compare the perceived value of the project between those who have chosen to request assistance and those who preferred not to.

⁵ Human security is a multi-dimensional approach to security, initially presented in UNDP's 1994 World Human Development Report, which transcends the concept of national security and opts for a people's centered approach to security in seven areas : Economic security, health security, food security, environmental security, personal security, political security, community security.

- **3. Introduction and project background**

The project was designed for a five year period, but was started with an initial two-year funding phase, with three one-year extensions from July 2008 until end of June 2011, as a support to the 5 year PRISMA programme implemented by the MoD from 2005 to end of 2010. Each of the four phases is marked by some specific aspects, which are explained in the following paragraphs. The project is to be closed at the end of June 2011, and the MoD structure which will replace the existing Directorate for Resettlement (to be called Resettlement Group) will have the task to monitor the PRISMA/NTF clients during the remainder of the year, in addition to its regular duties.

In terms of terminology, PRISMA has officially ceased to exist since 31.12.2010 and the remaining staff will now be called "Resettlement Group". It is placed under the direct oversight of the newly created Department for Standards, Traditions, and Veteran's Affairs. For all practical purposes however, the programme staff is still commonly referred to as PRISMA/MoD staff.

A. First phase of the project : June 2006 to June 2008 – 2 years

The International Organisation for Migration (IOM) had originally signed an agreement with the NATO-Partnership for Peace Trust Fund (NTF/PfP), represented by Norway as Lead Country, for the assistance to the already established Serbian Ministry of Defence (MoD) PRISMA programme in the reintegration of 1,850 redundant military personnel into civilian life (with a potential for further assisting a total of 5,100 redundant personnel for the period 2005 – 2010). The project was the first NTF/PfP to include a comprehensive approach combining support to the reintegration activities with the capacity building of the MoD structures. It was funded for a two-year initial period with a budget of 5,908,007 euros from June 2006 to June 2008⁶, with the following implementation modalities:

1) Registration and profiling; 2) Information, counselling and referral services, 3) Reintegration Fund assistance and 4) Capacity building.

The process was that once the MoD had established the lists of people who were declared redundant, the NATO PfP Trust Fund project, on the basis of the MoD referrals, complemented the reintegration mechanisms established by PRISMA offering a series of support activities in order to :

- 1) make the project and the activities known to the potential beneficiaries;
- 2) explain and counsel potential beneficiaries on the sort of assistance that could be useful to their reintegration into civilian life;
- 3) assist in the identification of the most suitable reintegration opportunities offered by the project;
- 4) follow and provide technical guidance and assistance during the period of implementation according to the choice of assistance obtained;
- 5) build the capacity of the PRISMA staff to assist discharged personnel.

The project was based on three different, and not mutually excluding, forms of assistance :

1. A grant support up to an amount of € 1,500 per person, which could be obtained :

⁶ As per the executive agreement between Norway and the IOM dated 2 May 2006

- a. Through grants for business creation;
 - b. Through grants for salary support for a one-year period
 - c. Through grants for professional training courses
2. Through a loan for expanding businesses up to the amount of € 3,000 over a one-year period (given banking laws and other constraints no loans could be given over the two first years of the project) – This component was a non-starter, as there was practically no demand for loans during the third year: it was redirected to additional grants instead of loans for those beneficiaries who met the requirements.

Initially when the project started it was foreseen that the MoD would provide lists of names (referrals) to the NTF that would then be incorporated into the programme. However, at the start of the project there were some difficulties in making available the lists in a timely manner, and the changing political environment leading to the creation of a new government also contributed to a slower than expected project implementation.

Project field implementation

Within the framework of the capacity building approach, the IOM had placed two to three field staff in each of the three Regional Resettlement Centres (RRCs) in Belgrade, Nis, and Novi Sad which cover the whole of Serbia⁷ for PRISMA. NTF and the PRISMA staff share offices in the same buildings, often located door to door; this facilitates the cooperation in the delivering of the assistance. By the end of 2008 and with the support of the NTF/PfP, all RRC offices had been furnished and refurbished and equipped (except for the Kraljevo office which was officially inaugurated on 1st October 2010 only).

B. Second phase of the project : July 2008 until June 2009 – one year extension

Based on a first mid-term external evaluation at the end of 2007, the NATO-PFP donor countries further supported the extension of the project for one year, from June 2008 until June 2009. An additional beneficiary caseload of 1,250 was determined for the third year, bringing the target for the total number of assisted beneficiaries over the three years of project life to 3,100. The third year budget was set at € 3.78 million; counting on some unspent funds still available from the first two years, the total project budget amounted to almost 6.74 million euros over the three-year period (June 2006 – June 2009).

The third year activities did however contain a number of variations, namely :

- 1) The privacy law limited the outreach capacity of the NATO PfP Trust Fund and beneficiary registration was done through the contacts facilitated by PRISMA; in this way the IOM became dependent on the PRISMA staff for achieving the target caseload for registration;
- 2) The MoD was able to refer a substantial number of redundant military covering officers, NCOs, as well as civilian MoD personnel, who were originally not included in the project;

⁷ IOM NTF comment : excluding Kosovo province

- 3) In line with the recommendations of the second mid-term formative evaluation, the Project Management Unit accepted new eligibility criteria for assistance. This decision was taken to avoid a high backlog which could have hindered the provision of assistance to the most needy. Recognising that socio-economic reintegration is a time-bound process, all those discharged prior to January 2007 became ineligible for assistance as the project entered into its third phase. This reduced significantly the target caseload from 8,612 persons to 3,503 discharged personnel as of June 2010 focussing on those discharged after January 2007, while those who had already been approved for assistance continued to be assisted in line with project implementation rules;⁸
- 4) The first loans were finally given out; however due to the very low number of requests loans were dropped and alternative systems were designed as follows;⁹
- 5) A number of flexible grants of up to 3,000 euros were designed also as an incentive for those who met specific conditions and were approved by the JRP after August 31, 2008;
- 6) A limited number of self-sustainable grants of up to 1,500 euros designed to successful clients who were further developing their business (looking at business sustainability)¹⁰
- 7) Joint support with the MoD to business incubators, paired with training and support by SINTEF (Norwegian firm expert in business incubators in Serbia) of both MoD PRISMA HQ staff (2 persons) and of those PRISMA/NTF beneficiaries selected for their placement in the business incubators (again trying to ensure business sustainability and create a critical mass of successful entrepreneurs from among those redundant defence personnel);
- 8) The national labour survey was forsaken in the third year as it was not adding value for the field staff and beneficiaries and the information it contained was too generic to be helpful to job seekers.

The project also developed and incorporated a formal M&E system which included :

- 1) A results framework stating the goal and strategic objectives of the project, as well as the corresponding logical framework;
- 2) The development of a client monitoring form to obtain beneficiaries feedback after the assistance has been provided;
- 3) Rolling out to the field the M&E tools that would be used by the project.

C. Third phase of the project : July 2009 – June 2010 – one year extension

Following the second participatory external evaluation the project was further supported for an additional one year-period. According to the Results Framework another 806 assistance packages were to be delivered during this period, bringing the total to 3,906 since the beginning of the project. The fourth year budget figure was set at € 2.14 million, bringing the total budget up to € 8.88 million for the entire project.

During the fourth year of activities the project continued to work along the established lines of implementation and assistance as defined during the first three years. New forms of additional grants were also identified to ensure sustainability of the business creation, and the actual support to the incubators was formalized. The project also

⁸ see the 9th PMU meeting minutes of 13th March 2009 point 8

⁹ Ibid., point 8

¹⁰ The stimulative grants, flexible grants and self-sustainable grants are not extra-budgetary as they use the unused funds originally planned for the loans

invested in visibility materials and produced an impact assessment on the economic and social impact of the project, as well as a practice note on socio-economic reintegration of redundant defence personnel. Other materials were also produced destined to increase the visibility of the project both in Serbia and abroad in accordance with the recommendations of the second external evaluation. Annual progress reports were also prepared during the period following the indicators and outcomes specified in the results framework for year four, which indicated that the project implemented was largely on track to meeting its objectives. Based on the internal progress report and discussion with the NATO Lead Nation and donor countries, the project was further supported for a final one-year period.

During the fourth year the project also developed an initial exit strategy in line with the hand-over that was anticipated at the end of the fifth year.

D. Fourth and final phase of the project : July 2010 to June 2011 – one year extension and implementation of the exit strategy

The final extension from July 2010 to June 2011 covered an additional 464 assistance packages in line with available funding, bringing the overall total of assistance packages over the five years to 4,370. The IOM results framework valued the assistance at some € 696,000, bringing the overall budget almost up to € 9.5 million. However considering the loan reallocation, accrued interests and other aspects the financial situation as of December 2010 indicated a total overall budget of Euros 8.18 million, details of which were communicated to the different donor countries. The findings part of this report also covers the efficiency of the project management and further discusses the financial aspects of the project. At the same time the project worked ever more closely with the MoD staff, and at field level the staff from MoD and NTF/IOM are currently filling together the client application forms and are undertaking the entire assistance process, including the counselling, in an integrated manner. This final year is therefore the critical year of hand-over to the MoD of the project, and the ex post end of 2011 evaluation will shed some light on the existing national capacity remaining once the IOM project has come to a close.

A number of publications and materials including a short film have been or are being developed, such as the on-going impact assessment for the fifth year, an overall narrative publication covering the life of the project, the ex post sustainability evaluation, and other material to provide further visibility and learning from the project implementation experience.

4. Evaluation methodology

This third evaluation is an independent, external and summative end of project evaluation. As such it is more judgement oriented and backwards looking than the previous evaluations which were of a formative nature. To continue the capacity development process the evaluation was again undertaken with one person from the MoD and three staff of the IOM assigned as full evaluation team members to work with the evaluator. The approach used was fully participatory. All key informant meetings were attended by a three member evaluation team comprising the evaluation team leader, the MoD and one IOM staff, except for Novi Sad where the team member was also client advisor. The eight meetings held in Novi Sad were thus only undertaken by the evaluator and the MoD staff member.

An initial meeting to present the evaluation objectives, approach and methodology was held on 14.02.11 in Belgrade for the IOM and MoD staff, open to donors as well. The evaluator prepared an evaluation framework (included as annex) that indicated who were the key informants for the evaluation, the type of questions that would be asked, and how the different stakeholders would be interviewed, as well as the resources needed.

Purposive sampling for beneficiary selection was discussed with the IOM in order to be able to interview at least 36 beneficiaries from a variety of activities, with a large caseload from the newly opened Kraljevo office (1.10.2010 was the official opening date of the office), a focus on 4th and 5th year beneficiaries, and the new assistance category of professional soldiers. Also the request was made that one fifth of beneficiaries interviewed be women, even though they only represent slightly over 8% of the assistance caseload.

Prior to the in-country field work, and during the evaluation –particularly for the latest statistics-, the evaluator undertook an analysis of the available project documentation (bibliography included as annex).

In addition to the literature review, the evaluation carried out a number of interviews as per details hereunder:

- 3 individual interviews with MoD at the political level;
- One group interview in each of the four field offices with PRISMA and NTF field staff (Nis, Kraljevo, Belgrade, Novi Sad);
- 4 individual donor interviews of one hour (Norway Lead Nation NTF/PfP, Denmark, The Netherlands, Switzerland), plus one interview with the NATO Liaison Office;
- 42 individual in-depth beneficiary interviews of 40 minutes each on average (equivalent to 28 hours of continuous interview), plus one group interview in an agricultural cooperative where 20 NTF beneficiaries are benefiting from support;
- 4 Internal IOM interviews with Chief of Mission and the technical staff and project management;
- 6 individual interviews with project partners (SINTEF, Belgrade Chamber of Commerce, EAI in Belgrade, and NES, National University, Handicrafts Chamber in Nis).

In total 64 interviews were undertaken during the evaluation, not counting informal working sessions with project management to provide some feedback on the progress made and seek further explanation and evidence on specific issues identified by the evaluation.

The evaluation team also used observation as a source of findings.

Findings were triangulated (confirmation by three separate sources).

On the last day (25 February 2011) the evaluation team gave a debriefing to donors and to IOM and MoD stakeholders supported by a power point presentation containing the preliminary evaluation findings (presentation included as annex).

The evaluator had already undertaken the first two mid-term evaluations and was therefore fully aware of the project evolution, performance, challenges and issues raised during the life of the project.

The content of this report is not based only on the methodology described above but has also incorporated the multi-methods used in the first two evaluations. As a result this report represents the sum of the three evaluation processes undertaken to date and has the unique chance of representing a dynamic process accompanying the project evolution, something that has been extremely rare as evaluations tend to be a one-off exercise that only captures the fixed picture at a given point in time. In this case, the report contents are involving all of the evaluation processes at the different times evaluations were undertaken.

POTENTIAL BIAS

Translation was necessary for beneficiary interviews. An excellent translation service was provided by the MoD staff and the NTF team members. To avoid potential bias all interviews were undertaken in the joint presence of the MoD and IOM evaluation team member except in Novi Sad where the IOM team member is also client advisor and the interviews were undertaken only with the MoD staff.

The participation of the MoD staff to the evaluation activities also contributed to the process of building the capacity of the MoD staff to conduct activities similar to those performed within the NTF project. By attending the entire evaluation process, the MoD staff has further gained a general experience that builds on the experience from the second mid-term evaluation which was attended by the current Head of the Directorate for Resettlement.

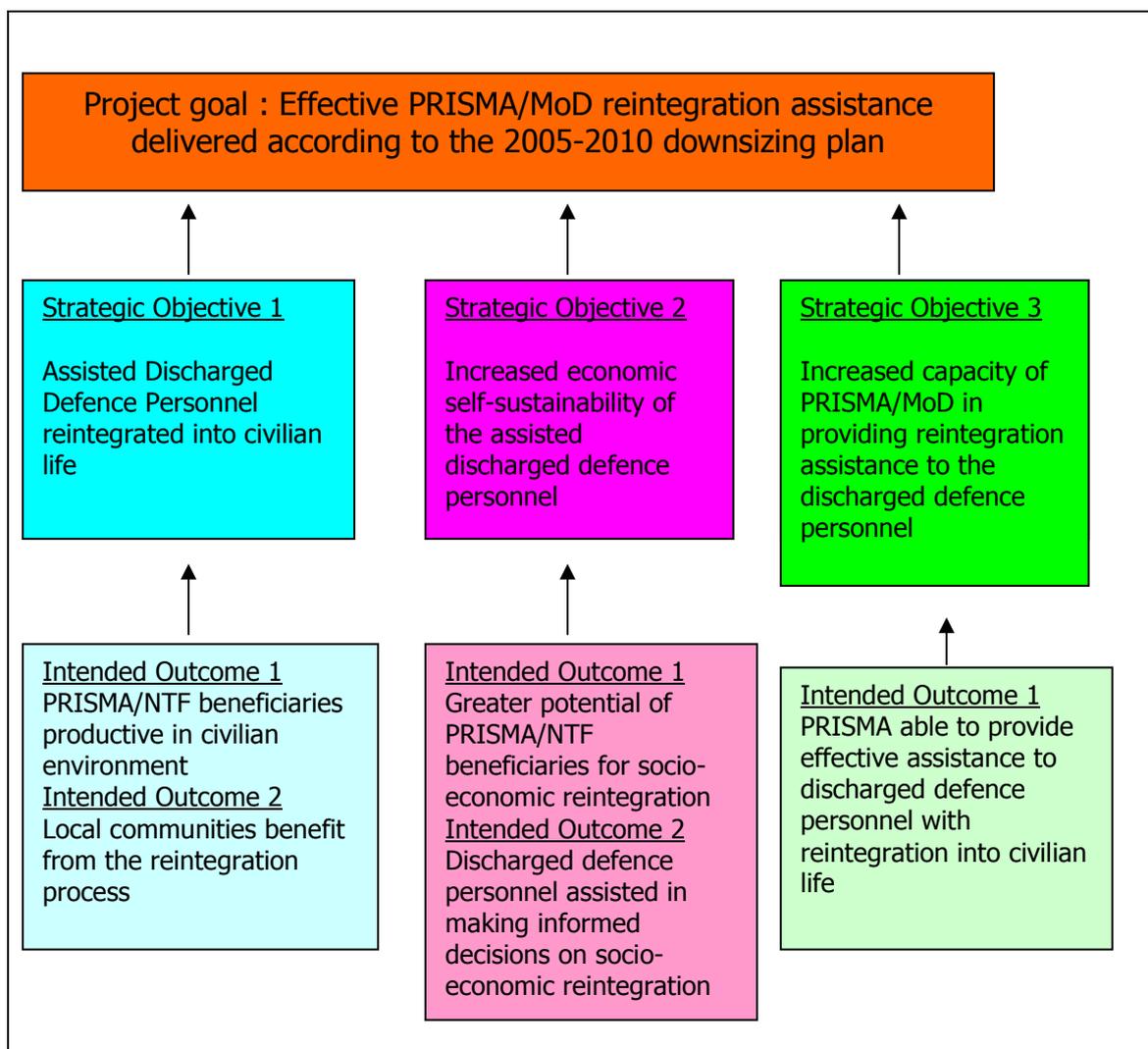
5. Project Results Framework (RF) and objectives

The project developed incrementally after the first two years of operations. The initial project document focussed exclusively on the figures of assistance provided and did not contain any qualitative information regarding the type of services provided by the NATO PfP Trust Fund over and beyond the number of people referred, registered and assisted. The first mid-term external evaluation showed that a critical component of success was the qualitative appraisal of beneficiaries in regards to their socio-economic integration and as regards to the assistance received. On the project management side, it identified the need for developing a results framework (RF).

During 2008 the project developed a Results Framework in order to fill the gap, as there was no appraisal or feedback on how useful and relevant the assistance was, nor was there any information regarding its impact on the beneficiaries.

The following RF was adopted at the sixth PMU on 27 May 2008 as well as the corresponding logical framework as "official project documents for third year activities"¹¹

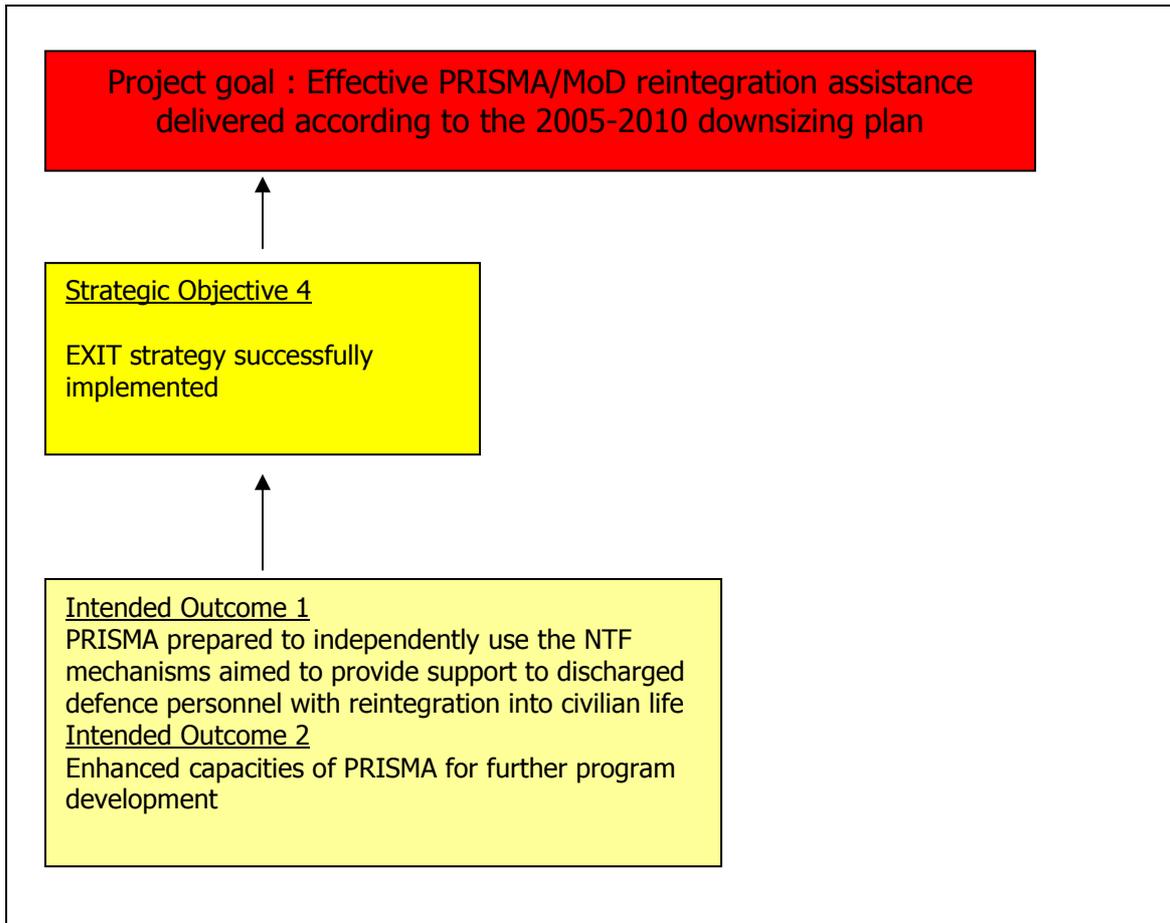
The RF architecture is the following for the project third year activities :



¹¹ PMU meeting minutes, p. 6

The RF is based on the elaboration of a logical framework and the setting up of an M&E system which allows to obtain qualitative and quantitative information on the project results. A first monitoring report was produced for the period of July to October 2008 and subsequent annual progress reports have been produced by the IOM.

The above results framework was used from the third year until the end of the project life. It was unchanged for the 4th year, and for the 5th and final year one additional strategic objective was added as follows:



6. Main Findings

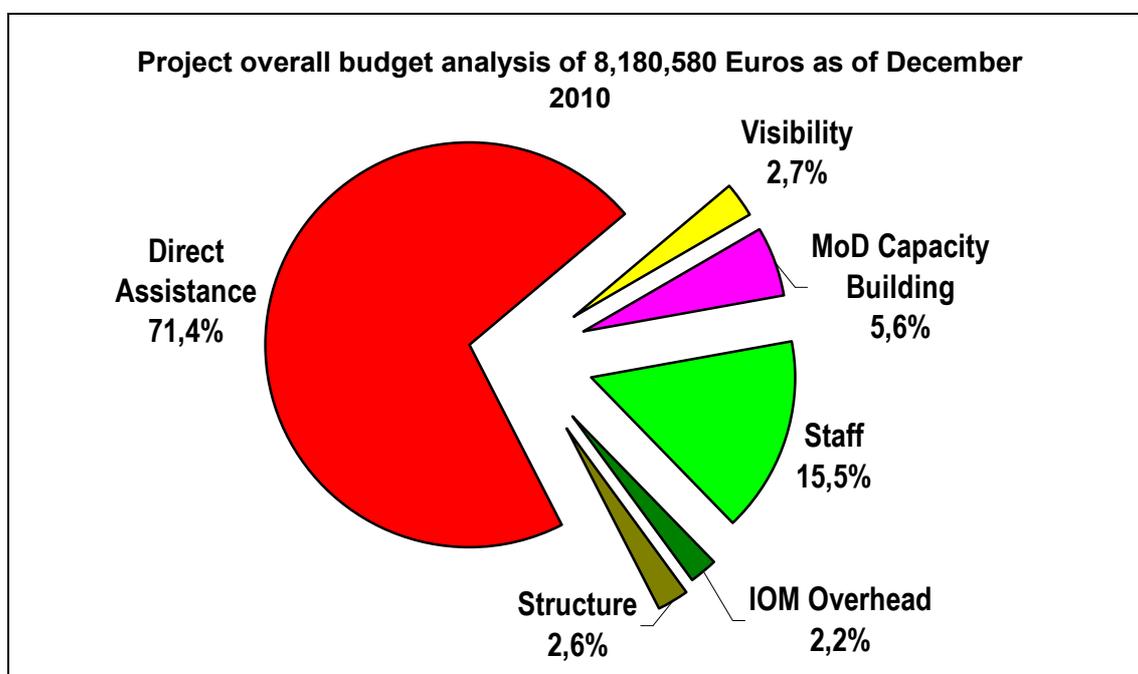
In order to facilitate reading, this report is structured according to the evaluation criteria as specified in the terms of reference (TOR) of this end of project summative evaluation. However under each of the criteria, the report may make reference to the changes from one evaluation to the next, in order to highlight how changes and improvements have taken place as a result of the evaluation processes and how the project management and the Project Steering Committee have largely taken on board the recommendations in line with improved organisational performance and Results Based Management practices. For each criteria the information is the result of a combination of quantitative and qualitative analysis, and the figures that are mentioned in this report have been supplied, discussed and vetted by the IOM project management, with the exception of the contents of beneficiaries' interviews which are the sole responsibility of the evaluation team as these were transcribed in writing using translation services and subsequently coded for analysis by the evaluation team leader.

- I. Project management efficiency (measure of how economically resources and inputs –funds, expertise, time, etc.- are converted into results)¹²

A. Staffing and costs

The project has shown a high level of efficiency throughout the life of the project. Initially the project staff included two expatriate staff, but the departure of one international staff as project officer was subsequently covered by national staff. As a result the cost structure for the project in terms of staffing is quite acceptable for a project of this size.

Graphic I : budget costs breakdown analysis – source : IOM project management



¹² Evaluation criteria are based on the widely used DAC Glossary of key terms in evaluation and results based management, 2002

The overall project budget of € 8,180,580 as of December 2010 shows a remarkable high proportion given to direct assistance (DA), with 71,4% of the total budget. Considering that another 5,6% is spent on one of the project stated objectives of MoD capacity development, the total percentage devoted to operational assistance is 77% of the total budget. Staffing costs are quite reasonable requiring 15,5% of the budget, and structure costs and visibility material account both for 5,3% of the total budget, with 2,2% charged as IOM overhead.

As mentioned the staffing has changed from the beginning and the only remaining international staff is the project manager as the other international staff was replaced by national expertise, something that contributed to lowering the staffing costs. In the last year the project manager also changed.

According to the IOM NTF PfP organigram, the project is currently managed by 16 people, of which two on part time basis. 7 of the 16 people are based in the field offices (down from previously 8 field advisors) and provide direct support to the beneficiaries as field client advisors. Therefore there are nine people, including the project manager, based in Belgrade to support and manage the project.

The work load of the field based client advisors' can be estimated on the basis of the IOM calculations for providing the range of services as follows:

Information, Counselling and Referral Services (ICRS) are given individually to each of the persons who registered with the NTF client advisors. In this process the registration time takes 30 minutes on average and the counselling 90 minutes, according to the calculations of the IOM project staff¹³. The ICRS process for the entire number of registered beneficiaries has therefore required some 11,680 hours of registration and counselling. The average of these 5,840 registered clients is 1,298 per year, or more than 100 beneficiaries registered on a monthly basis during the entire project period (for which 200 working hours is required of ICRS) until 31 December 2010, after 54 months of project implementation.

The second component of reintegration assistance requires a much greater time allocation of 11 hours per beneficiary including assistance in preparing the application, processing the application, and assistance delivery. The total number of working hours for the caseload of 4,370 assistance packages is therefore equivalent to 48,070 hours of staff time, or over 890 working hours per month. Considering the fact that the number of IOM client advisor staff has ranged from 8 (2-3 per Regional Resettlement Centre of which one in Belgrade, one in Nis, one in Novi Sad) to a current total of 7 for four offices (including Kraljevo since June 2009), the minimum workload per person per client is 111 hours per months, with an increased workload of 127 hours for 7 staff – just for the reintegration fund assistance. Adding the ICRS workload, of 200 hours per month, the overall average staff time required ranges from 136 hours for 8 client advisors, or 155 for 7 client advisors on a monthly basis. This represents a very full working schedule no doubt, not counting the regular field monitoring visits and additional tasks that need to be undertaken by the staff, and in particular the time spent in working together and coaching the PRISMA client advisors from the MoD as part of the capacity development objective of the project. The time does also not

¹³ Calculated as follows : registration 30 minutes, counselling 90 minutes, 130 minutes for assistance in preparing the application, 90 minutes for processing the application, and 7h20 for the delivery of the assistance. Reference "Comparison of the target group for the 5th year and the registered caseload", 31 December 2010

consider travel time to Belgrade for staff meetings and attendance to trainings which were given to develop internal capacity.

A special mention needs to be made regarding the capacity and skill set of the field client advisors. Throughout the life of the project, the client advisor is, for the beneficiary, the visible part of the IOM NTF PfP project. All assistance and counselling are provided by client advisors, and during the last year the former PRISMA advisors have worked ever more jointly with the IOM advisors in providing the assistance to NTF PfP beneficiaries, in line with the capacity development and exit strategy implemented in the last year of the project. Throughout the three evaluations, the 88 beneficiaries interviewed at different times showed to be very satisfied with the services provided by the clients advisors, including in those cases where the actual results of the assistance were not as positive or business was not up to expectations. It is also interesting to note that the average rating of 4,73 out of 5 from 37 beneficiaries for the assistance provided during the second mid-term evaluation was not only maintained, but improved during the end of project evaluation interviews with a rating of 4,89 out of 5. This indicates, together with the comments received from the beneficiaries, that the client advisors have attained and maintained the highest possible standards in terms of the approach, attitude and support to ensure beneficiary's satisfaction, something that is very seldom seen to such an extent in this type of projects, and speaks highly of the commitment and dedication of the staff.

It is further particularly interesting to note that if the actual assistance is excluded and beneficiaries are asked only about the ICRS provided, the rating is even higher from the last 42 interviews with a 4,93 out of 5. This finding needs to be highlighted as it shows how seriously the work was undertaken by the field staff and how they maintained a high level of professionalism throughout the life of the project. It is also important to note that 15 of the 42 interviews took place in Kraljevo, the recently opened office (officially on 1st October 2010), where a client advisor was posted from the Nis office as early as June 2009.

In terms of accountability, the project was audited by the independent auditor PriceWaterhouseCoopers (PWC) for the period from 1st July 2006 to 30 April 2008 and found to be in line with the accounting requirements – something which further supports the transparent information flow that has been a characteristic of this project.

B. Management structure and organisation

Three structures were created in order to facilitate project management and implementation: The Project Steering Committee (PSC), the Project Management Unit (PMU), and the Joint Review Panel (JRP). Each had specific functions as follows:

Box 1 : Project structures

The Project Steering Committee is the main oversight body created in order to provide strategic guidance, advice and oversight of the project. It is comprised of the primary stakeholders : all NATO PfP Trust Fund donor countries, the IOM and the MoD. It is chaired by the NTF PfP Lead Nation Norway. The first SC was held on 7th September 2006 and the last meeting (15th SC) was held on 19th January 2011 with the participation of the Swiss Embassy who also contributed to the Trust Fund. Meetings are held regularly every three months or on needs basis since the beginning of the

project to the full satisfaction of the donor countries¹⁴. Funding issues are also discussed at the PSC since all donor countries are invited to participate.

The Project Management Unit is more focussed on the operational decision making regarding the project and has therefore a more reduced membership which is not inclusive of all NATO donor countries. Norway, as Lead Nation, represents the NATO PfP Trust Fund, and MoD and the IOM are the other regular constituents. Depending on availability as well as the issues at stake, representatives of the NATO PfP countries who have made the largest contributions to the NTF also attend. It also meets on quarterly basis and has held the last meeting (15th PMU) on 18th January 2011.

The Joint Review Panel (JRP) is a body that was created to include the MoD and IOM plus initially the retraining institutions (e.g. those providing training to discharged military personnel) to establish the rules for access into the project as well as the rules for assistance. The first JRP took place on 30th November 2006 and these meetings are held when cases are presented by the field client advisors for assistance approval. The frequency of the meetings varies depending on the cases and applications for assistance, and can be held as often as once per week. Each case for assistance is presented and discussed in order to obtain the final approval. Once the JRP has approved the assistance, the client advisor is informed accordingly so that the beneficiary is able to take advantage of whatever assistance was requested (either in the form of business creation/expansion, financed courses, or salary support).

As project implementation unfolded and requests for assistance increased, the JRP established the rules for assistance to ensure that it was both administered and used correctly. Because this proved to be a learning process for all involved, originally there was some resentment from the client advisors when some application requests were not granted by the JRP. But as the project evolved and with the experience gained from the first phase, the process for assistance approval was streamlined and there were fewer cases of dissatisfaction from the client advisors. A list of JRP rules were therefore established in order to keep abreast of the changes and new regulations applicable to the assistance packages. The latest JRP rules established covered 15 different articles in both Serb and English languages.

Box 2 : Results obtained

The three structures have played their role well, with perhaps a little more difficulty at the JRP level since there were at times frictions between the recommendations of the client advisors and the JRP decisions taken. This is understandable in an evolving project, and should not be seen as a specific weakness, since it proved an asset for achieving good results with the stated target groups. With only 45 applications rejected from a total of 4,370 applications (e.g. 1%), this is an indication that the JRP structure was necessary and useful to facilitate the work of the field advisors and ensuring the success of the assistance process, particularly considering that a very small number of cases (229 or 5% of total) were cancelled as a result of improper use of the assistance received.

¹⁴ based on donor interviews and PSC meeting minutes

In terms of monitoring and evaluation, and as result of the first evaluation, project management designed formal monitoring systems with a six-month monitoring survey and annual progress reports that were shared with the primary project stakeholders, and gradually additional studies such as annual impact assessment were established, all of which provided a comprehensive picture of the project evolution.

II. Effectiveness (how effectively the different actions contributed to achieving the project objectives. To which extent beneficiaries received the expected outputs of the project and to which extend project results have been achieved, as well as timeliness of the support provided).

A. Effectiveness of the different actions contributing to achieving the project objectives.

As mentioned under chapter 5, the initial project document did not have a results framework established, and the only objective was to reach the number of 1,850 people assisted. As a result of the first mid-term evaluation, the project prepared a results framework with three strategic objectives (SO), and a fourth strategic objective (SO) added for the 5th and final project year. Those SOs are as follows:

Box 3 : Project Strategic Objectives according to the Results Framework

SO1: Assisted Discharged Defence Personnel reintegrated into civilian life

SO2 : Increased economic self-sustainability of the assisted discharged defence personnel

SO3 : Increased capacity of PRISMA/MoD in providing reintegration assistance to the discharged defence personnel

SO4 : EXIT strategy successfully implemented

SO1 : 4,370 assistance packages have been implemented from the beginning of the project until 31st December 2010, in order to assist the discharged defence personnel reintegrate into civilian life. The project is therefore fully on track with the stated objective.

SO2 : Increased economic self-sustainability of the assisted discharged defence personnel

As the project is coming to a close at the end of June 2011, there will be an ex post sustainability evaluation at the end of the year 2011 to look specifically at those aspects relating to beneficiary's self-sustainability. Given that the project is still ongoing and the end of project evaluation has focussed on interviews with 4th and 5th year beneficiaries, it was agreed with the IOM to specifically **focus on this component in the ex post evaluation at the end of 2011.**

Nonetheless and from the internal reporting and monitoring done by the IOM, it appears that the project is reaching its stated objective¹⁵. From the beginning of the project in July 2006 until June 2010, and based on the **Serbian Business Register Agency (BRA) information, some 75% of the NTF businesses are still active**, while 60% are fully active or operational. It is important to remember that 80% of all assistance given under the NTF has been for business creation¹⁶, versus 10% for financed courses and 10% for salary support.

In terms of economic self-sustainability and based on the IOM monitoring survey results, 45% of beneficiaries surveyed claim to have a higher income than when in the military, 20% claim to have remained at the same level, and 35% indicate a lower income than when in the military.

The **IOM reports** further that using a separate analysis of business sustainability than that of the BRA, results were that **81% of the beneficiaries** (both Small and Medium Enterprises – SME- and agricultural production) **remain active**¹⁷.

SO3: Increased capacity of PRISMA/MoD in providing reintegration assistance to the discharged defence personnel

Another very strong result of the project has been the level of cooperation and mutual trust between the NTF/IOM and PRISMA/MoD staff, which has been a key enabling factor to contribute to the capacity development of PRISMA/MoD. During the life of the project, there have been no less than 23 formal training courses organised under the NTF project covering the entire range of issues of interest ranging from business plan assessment and development, communication and team skills, monitoring and evaluation, for groups of MoD staff ranging from 12 to 25 people, as well as targeted training for specific needs. The duration of the training varied from 1 to 5 days. The complete list of trainings provided is included as annex to this report.

In addition to the formal training provided, the NTF/IOM staff and the PRISMA/MoD staff were able to define clear procedures for cooperation, as well as creating a clear definition of roles and responsibilities. In practice this translated into the NTF/IOM staff also functioning as “coaches” for the PRISMA/MoD staff, and much of the capacity development in the field offices took place by applying “learning by doing” methodologies. At present this means that applications for assistance are filled not only by the NTF/IOM client advisors but by the PRISMA/MoD advisors as well, and the PRISMA/MoD advisor participates in the process from the JRP decision to the actual

¹⁵ IOM internal progress report, July 2009-2010, p. 15 to 18

¹⁶ Comment from IOM NTF : “80% of assistance delivered for Business creation refers to both registered companies (in reports referred as SMEs) and the agricultural activities registered in a form of individual AG household. BRA registers and keeps the records only for the companies, but not for AG Households. Therefore , the figure of 75% of NTF businesses still active refers only to SMEs (which represent approximately 40% of all BCs)”.

¹⁷ Comment from IOM NTF: “SMEs sustainability is being checked through the BRA and that information is official, while for AG production a different method was used (interviews with all AG beneficiaries) as there is no other cost effective and reliable way to obtain this information. AG Households are being registered by the Ministry of economy – Public Revenue offices at municipality level, on annual basis. As Agricultural Households are not obliged to pay any taxes, the authorities do not really have an insight into their activity status. They can be recorded in the system, but not really operational. For that reason, a direct contact with the beneficiary was found as the most appropriate and the easiest method to see if the beneficiaries generate income from AG activities”.

delivery of assistance to the beneficiary, in the same capacity as the NTF/IOM client advisors. For all practical purposes, the current evaluation found no technical difference in any of the field offices between the NTF/IOM and PRISMA/MoD advisors, something that was confirmed by both the MoD and the NTF/IOM advisors themselves. As a result **there is a widespread agreement not only in the field offices but also at headquarters level that PRISMA/MoD staff are fully prepared and technically competent to provide reintegration assistance to the discharged defence personnel as provided under the NTF project.**

SO4 : EXIT strategy successfully implemented

In line with the recommendations of the second evaluation, the project developed an exit strategy in order to foster national ownership and national capacity development, so that after the project there might remain a national capacity to provide reintegration assistance in line with the approach followed by the project. This is a rather rare event, and it is a major success and achievement that the NATO Lead Country and the donor countries have agreed to support the implementation of an exit strategy. The absence of an explicit exit and hand-over strategy is often the cause of lack of national ownership, and many projects simply stop after the funding period is completed given lack of commitment from the national authorities. In the case of the NTF project, the implementation of the exit strategy was placed as an additional objective for the fifth and final year. A specific document detailing the hand-over process was elaborated by the IOM and was revised jointly with the MoD and further revised as a result of the 13th PMU meeting. In January 2011 a revised version of the exit strategy was presented reflecting the extensive consultation between NATO PfP Trust Fund and PRISMA/MoD. A series of activities have been identified, which are largely being implemented as planned in the exit strategy document. **Based on the evidence gathered during the end of project evaluation, the project appears to be on track to implementing successfully its exit strategy.**

B. Effectiveness in providing the outputs to the beneficiaries and timeliness of the assistance

In terms of customer satisfaction this report draws on all three evaluations which include in-depth individual interviews to 88 beneficiaries selected on purposive sampling basis. While the results are not statistically representative of the overall caseload, the sampling criteria did include failures cases and covered the range of beneficiaries' profiles and assistance requests with a specific focus on gender even though women only represent 8% of the assisted beneficiaries. Quotes and qualitative evidence abounds regarding the excellent quality of the work undertaken by the project, which speaks highly of the staff's skills, approach, commitment to customer satisfaction. The second evaluation obtained a 4,73 rating out of 5 for the overall quality of the services, while the current evaluation obtained a 4,84 rating out of 5 (focusing on 4th and 5th year beneficiaries). The most common requests were the possibility of financing a larger share of raw materials for some businesses and a higher grant amount. This last complaint is echoed in the internal IOM progress report for the period July 2009 to June 2010 which indicates that only 40% of the SMEs were satisfied with the **amount of** (and not services related to) the financial assistance received, versus over 50% for the agricultural households, and over 75% for the salary subsidy and financed courses assistance category.

These beneficiaries' ratings indicate two things : 1) that the quality of the services has not diminished as the project continues its implementation and is handing-over to the MoD; 2) that new customers (4th and 5th year) are even more satisfied with the assistance received as the beneficiaries from the first three years.

Timeliness of the assistance was another strong point of the project implementation, with a large majority of the beneficiaries reporting the very swift handling of their application and the very short time passing between the application and the receipt of the assistance. Given that IOM does not procure the goods directly but requires the beneficiaries to identify the supplier, and based on the proforma invoice IOM pays the supplier directly, there have been cases of complaints related to the supplier not being able to deliver the stated good on time, but this is linked to the supplier's delivery capacity and not to the structure or assistance of the NTF project.

III. Responsiveness –capacity of the organisation to adapt to changes keeping in focus the stated objectives

The project has had to adapt to numerous changes during its five years of project life. Many elements of a political as well as of technical nature have come as additional constraints to achieving the project objectives.

A. Political situation and challenges

A referendum was held at the end of October 2006 on a proposed draft for the new Constitution of Serbia. Parliamentary elections were held in January 2007 in Serbia, and the Prime Minister remained Dr. Vojislav Kostunica despite coming third in the number of parliamentary seats obtained (DSS-NS party). The unilateral declaration of independence of the southern province of Kosovo on 17 February 2008 triggered a series of political crises and changes within the government. A pre-term parliamentary election was held on 11 May 2008, barely one year after the previous parliamentary election. As a result of the election process the ZES coalition led by Boris Tadic won 102 seats out of 250 in the national assembly and a new PM was elected, Mirko Cvetkovic. A pre-term presidential election was also held in January and February 2008, during which Boric Tadic was re-elected as President.

Within the MoD changes were also taking place and initially the downsizing process was also facing internal criticism as some factions saw in the downsizing a deliberate weakening of the Serbian military capacity, rather than as an opportunity for reforming an institution largely inadequate to face current and future challenges. In this context, the NTF project provided a human face and obtained success stories which helped change the perception about the obvious negative aspects of the downsizing process that entails very unpopular measures of putting thousands out of a job. The consequence of the political crises was that referrals were not provided as smoothly as expected and additional delays within the MoD structure took place in line with the political changes.

All in all, MoD has recognized that the many challenges faced by the downsizing process are now largely surpassed and thanks to the persistence and commitment of the MoD and the IOM with support of the NATO Lead Nation these difficulties were eventually overcome. **However it should be clear that the project was not**

undertaken in a period of institutional stability, which makes results obtained all the more significant.

B. Technical challenges and constraints

The project itself also encountered several constraints during its implementation. The major single technical constraint was likely the initial incapacity, later the difficulty, and eventually the irrelevance, of the loan component. The project's original design was actually based on a loan component which was budgeted for one third of the operational costs for the first two-years of project implementation, and was designed prior to the start of the project.

However the new bank law (10.12.2005) required the mediation of a commercial intermediary, which increased the costs of loan implementation by an additional € 150 per loan. In addition, the limited amount of the loan (€ 3,000) and the very short repayment period (one year) made the demand for the product much less than anticipated. Loans were finally dropped and redirected to different forms grants as recommended in the external evaluation and agreed to in the 9th PMU meeting¹⁸. There are some lessons to be learned from this that are mentioned in the corresponding chapter.

Another change is the manner in which potential beneficiaries (e.g. all referred discharged military personnel) could be contacted. While initially MoD had difficulties in providing the first referral lists, the NTF/IOM staff started the project with an outreach information campaign to ensure that all potential beneficiaries had received the information about the NTF/IOM project and the different forms of assistance that could be requested. However the passing of the law on the protection of personal data (adopted on 23.10.2008) changed this and NTF/IOM could no longer contact the potential beneficiaries directly. PRISMA/MoD staff therefore had to refer the client to the NTF/IOM advisor, and as a result the registration and assistance capacity of the NTF/IOM was directly dependent on the PRISMA/MoD capacity to refer the discharged personnel for registration in the NTF PFP project. Thus the efficiency and commitment of the PRISMA/MoD advisors was key in order to allow IOM to implement the project, and the two entities had to collaborate very closely in order to reach their objectives. This did cause some initial delays in registration, but eventually the overall collaboration between PRISMA/MoD and the NTF/IOM advisors became excellent as it developed into joint team work through the persistence, commitment, and staff quality from both sides.

Another initial constraint was the lack of any results framework in the original project document. Only numbers were used as indication of success. As a result of the first evaluation, the project management prepared and used a RF from the third to the fifth year, which allowed the organisation through its internal monitoring process to inform regularly on the progress of project implementation and consider the essential qualitative elements of analysis to explain the reasons behind the figures.

¹⁸ Comment from the IOM NTF: "According to a PMU decision (9yh PMU meeting, held on 13 March 2009), access to loans was maintained at a limited scale to respond to specific requests of beneficiaries that are qualified and interested in receiving such financing scheme. However, since the beginning of the fourth year there were no interests for the micro loans schemes. In order to ensure the proper disbursement and monitoring of this assistance scheme and in line with the provisions of the exit strategy the opportunity to access this support ceased on 31 December 2010".

- IV. Impact (positive and negative, intended or unintended, direct or indirect effects of the project intervention) – Qualitative appraisal of the Project's impact on the social and financial independence of the assisted beneficiaries.

A. Impact on the social and financial independence of beneficiaries

All three evaluations have underlined the significance of the project ICRS on beneficiaries. Over and beyond the importance of the financial assistance provided under the project, the psychological dimension of providing an attentive ear to someone whose self-esteem has suffered a severe drop as a result of separation from his or her employer, often after decades of service, has been a recurrent and positive factor of success from the point of view of the assisted beneficiaries. While it is not possible to quantify or measure precisely this particular aspect, **it needs to be underlined that based on the most recent beneficiaries' interviews (n=42), more than 14% did mention that they "would not have been able to do it without them"** (meaning client advisors support and counselling). This resonates with the contents of the internal monitoring report that states on p. 19 "Looking back, over one third of the beneficiaries stated that beside the benefits gained from the project, the psychological support provided by the NTF to them was of the most importance".

The evaluation processes were able to identify some critical milestones on the road to civilian socio-economic reintegration. One of these is the timeliness of the counselling and support that is being provided. As reintegration is a time-bound process, the closer support is provided to the date the person has been discharged the better. However people do not wait four or five years to reintegrate, the process starts immediately, although the adaptation to the civilian life can take some time. Nonetheless arguably after four or five years from the date of discharge a person is either reintegrated or not, but no longer in a transition stage. This is why the initial caseload of discharged personnel was reduced in June 2009 according to the new criteria identifying the date of discharge from active service as of 1st of January 2007 or later, as some of the beneficiaries initially interviewed had been discharged as early as 2003¹⁹ and had by end of 2008 five years later clearly completed their transition process.

Another factor is that while the financial assistance is important, confidence and self-esteem are just as important. The way in which beneficiaries are able to convince themselves and decide to risk and invest their resources into an uncertain future shows confidence and self-esteem, which are also factors of success for their activities and businesses. The most common comment from beneficiaries during the third evaluation was that in the army, everything seemed to be set, unchanging, safe and secure. Employment in the army (or any state job) was largely seen as a life-time employment. In civilian life, on the contrary, there is much more insecurity and entrepreneurs have to rely on their own skills and resources to face the challenges ahead, as no one else will solve their problems for them. In a way, discharged military personnel have traditionally held a reactive attitude since the army would largely take care of all their problems, and the almost 80% of assisted beneficiaries that have gone into business creation are now largely adopting a pro-active approach as entrepreneurs to address

¹⁹ See second mid-term external evaluation table 7 with beneficiaries' discharge date collected from in-depth individual beneficiary interviews.

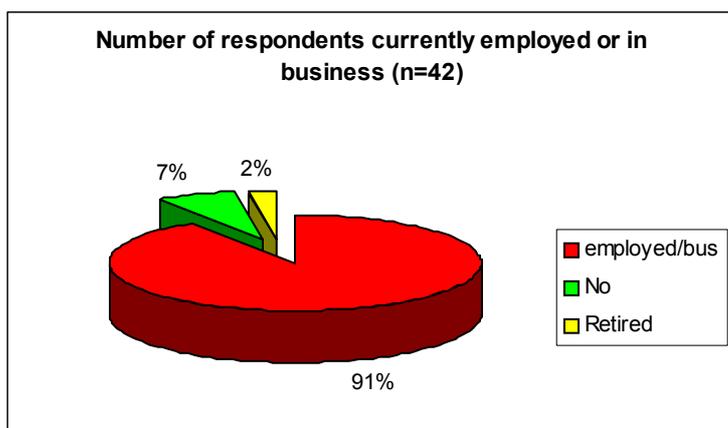
their constraints and look to the future with a newly found confidence in their possibilities and capabilities rather than expecting someone else to solve their problems for them. This also benefits the communities where the beneficiaries live as they become "respected citizens"²⁰ of their community and their work is also known to others and new constructive relationships develop around their newly established businesses.

B. Impact from the beneficiaries' perspective.

All three evaluations undertaken have included in-depth interviews with a purposive sample of beneficiaries up to a total of 88 interviews held²¹. This section presents the results from the latest beneficiary survey undertaken during this third evaluation, but also considers and incorporates the results from the two previous evaluations in the analysis and interpretation of the data.

In the current evaluation, out of 42 interviews, 38 were employed or running a business, versus 3 who were unemployed and one person who retired. In percentage terms this is represented by the following figure:

Graphic 2 : Evaluation respondents employed or still in business

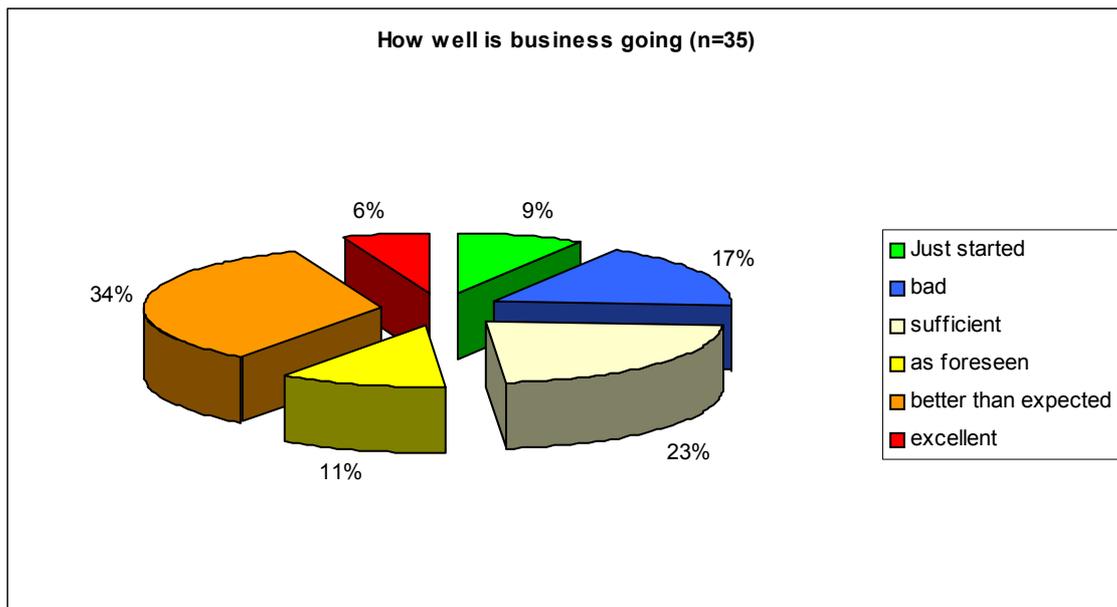


The interviews included 7 cases of salary support and financed courses. For those who were operating a business, the evaluation looked at how well business had been going. Considering that some of the interviewees are 5th year beneficiaries, it is too early to judge as the actual business is still in the take-off phase. Nonetheless from the comments obtained the financial situation can be represented by the following graphic:

Graphic 3 : How is business for evaluation respondents

²⁰ as mentioned during certain beneficiary interviews

²¹ Note from the evaluator : the first evaluation interviewed 9 cases at their workplace or home to appraise better the social dimension, 37 cases were interviewed in the second evaluation, and 42 cases were interviewed in the current evaluation.

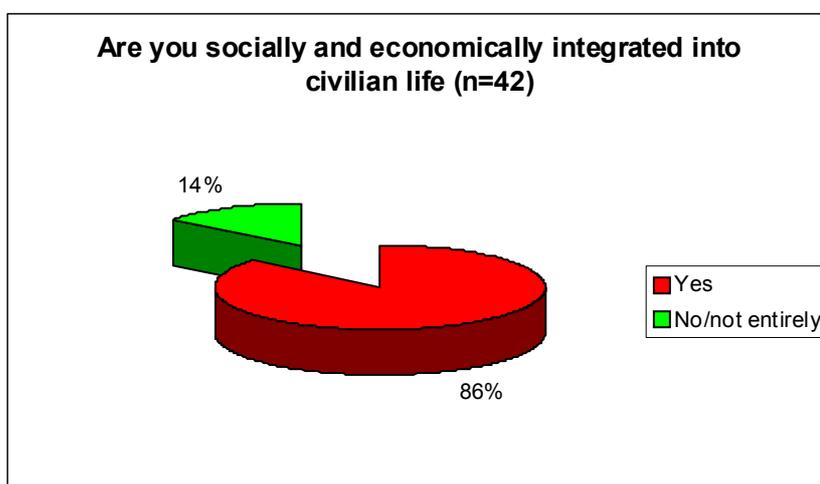


The categories of excellent, better than expected, and as foreseen, constitute over 51% of the pie. Almost one fourth consider business as sufficient, with one sixth considering business to be bad. In addition 9% are newly established businesses for which it is too early to judge results.

Two comments must be made. This is the first time during the three evaluations that interviewees recurrently mention the global economic crisis as a negative business factor. Another important aspect is that fifteen of the 42 interviews have taken place in Kraljevo, where a series of earthquakes have damaged numerous houses and buildings at the end of 2010, something that has also been mentioned as a negative factor for business there. In the current context however, it appears highly encouraging that more than half of the businesses are doing well despite the difficulties.

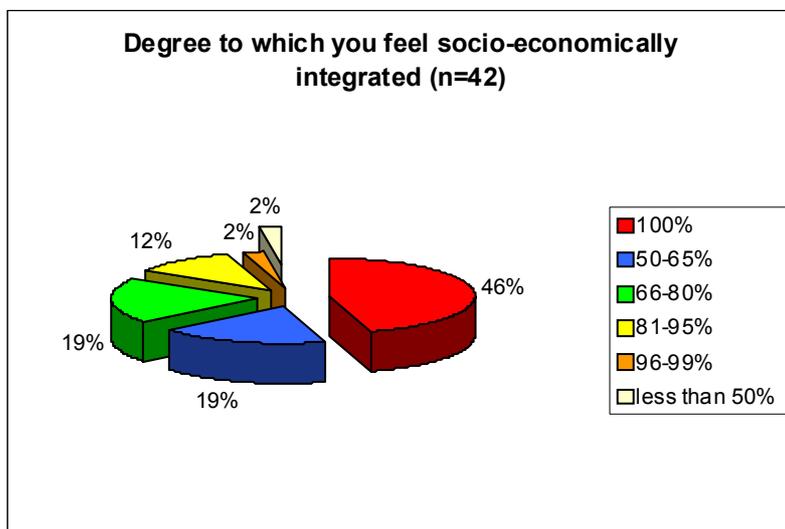
In terms of socio-economic integration, the same beneficiaries provided an interesting response, with 86% indicating they felt socially and economically reintegrated, as per the pie hereafter:

Graphic 4 : Are evaluation respondents socially and economically reintegrated



However when asked to what degree people felt reintegrated, the pie chart showed much more nuance with the following percentages:

Graphic 5 : Evaluation respondents' degree of reintegration

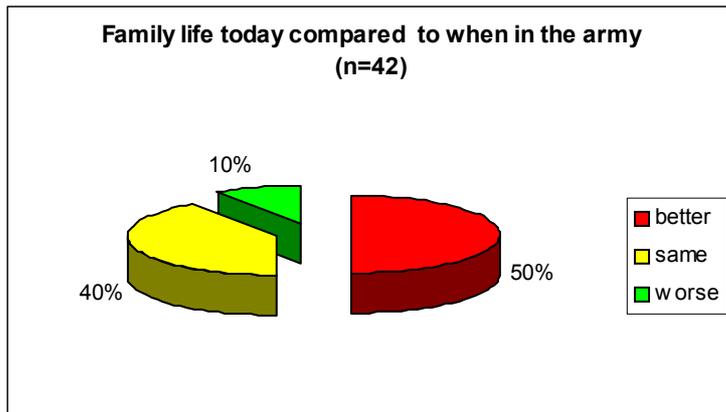


Although 14% of beneficiaries did not considered to be entirely reintegrated, only one case shows a reintegration percentage of less than 50% (actually the person mentioned 15% integration only). Practically half consider themselves fully reintegrated (46% at 100% +2% between 96-99%), and 12% feel largely reintegrated (81-95%), with 19% feeling partly reintegrated (50-80% categories).

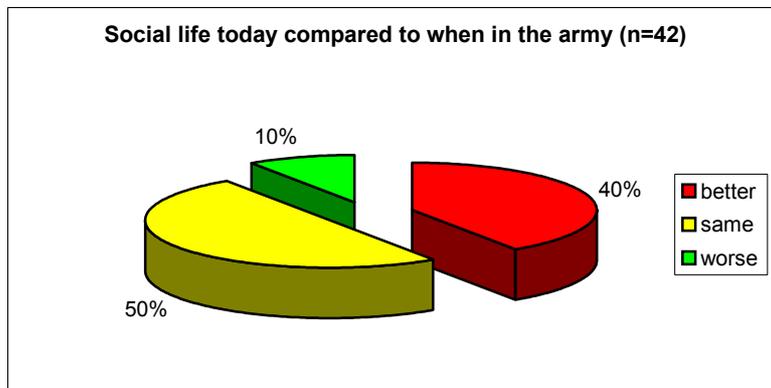
When asked about what constituted the missing percentages to feeling fully reintegrated, the answers were almost invariably job security and financial security as the primary elements.

Again from a social perspective beneficiaries were asked to compare their family and social life today with that they had while in the army. Half considered to have a better family life today (partly due to the fact that they spend more time with the family now, as many have family-run businesses or agricultural households), with a somewhat lower positive effect on the social life (given that not all beneficiaries have more free time now as they engage in business). In percentages the figures are:

Graphic 6 : Evaluation respondents current family life

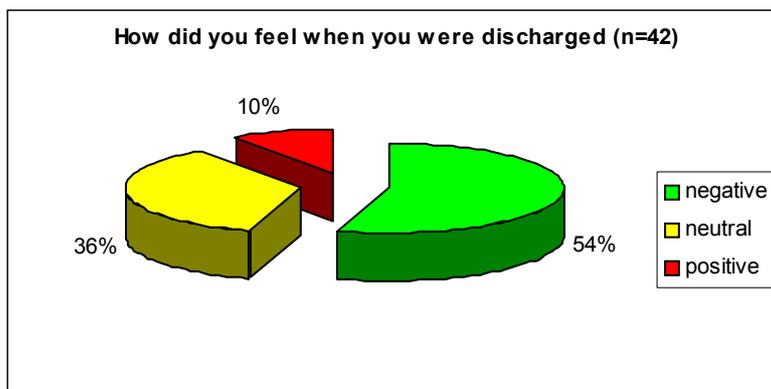


Graphic 7 : Evaluation respondents current social life



The current evaluation also asked beneficiaries about their feelings at the time of discharge. The results show that feelings were overwhelming negative, demonstrating a clear need for psychological and psychosocial support to be able to transform the negative feelings into positive energy applied to constructive endeavours such as business creation. Only 10% did have positive feelings about their discharge, with over one third having mixed or neutral feelings.

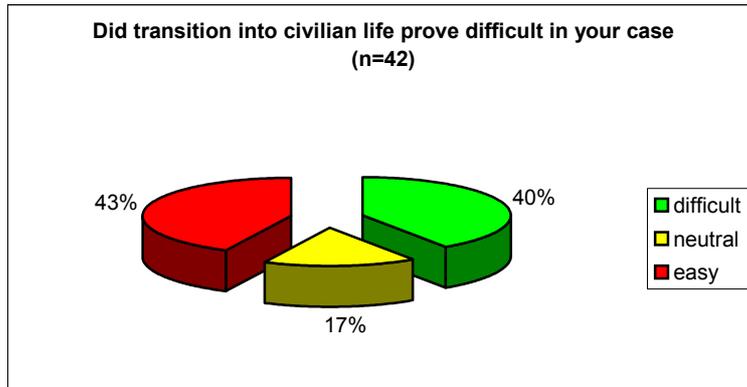
Graphic 8 : Evaluation respondents' type of feelings when discharged



Another question was whether transition into civilian life had proved to be difficult.

In this case the proportion of those who did not have any difficulty versus those who did is almost balanced, with 43% making an easy transition and 40% experiencing difficulties.

Graphic 9 : Evaluation respondents difficulty in transitioning into civilian life

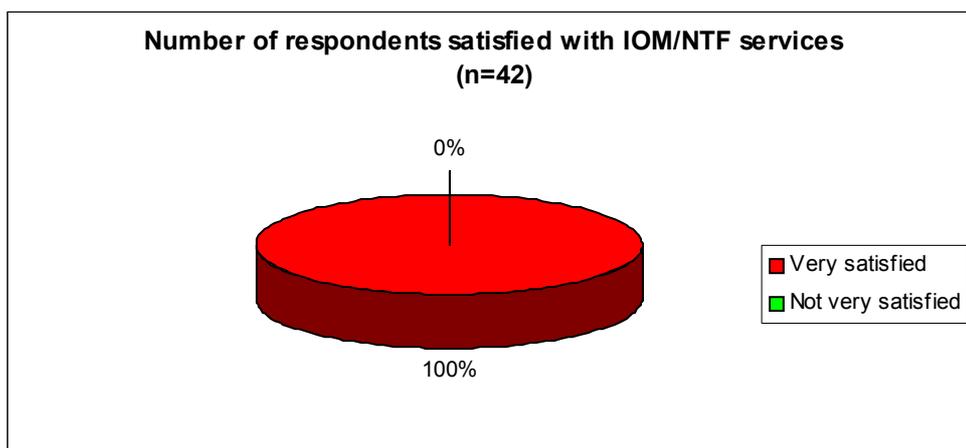


The combination of negative feelings and the difficulty to adjust to civilian life are two main factors which amply justify the need for a targeted support to the discharged military personnel to go beyond the mere provision of financial assistance in a comprehensive and personalised manner taking into consideration the dignity, self-esteem and psychological state of each beneficiary.

C. Customer satisfaction and project performance

Beneficiaries were also asked to appraise the quality of the services received through the NTF project. They gave an excellent rating to the assistance received, but with a particularly high mark for the counselling and support services (ICRS) provided. All declared to be very satisfied with the IOM NTF services.

Graphic 10 : Evaluation respondents degree of satisfaction



When looking at the ratings given, the overall quality of NTF/IOM services from a range of 1 to 5 is an exceptional 4,89 out of 5. This is even higher than the ratings given during the second evaluation at the end of 2008:

Table VI. Source : Evaluation interview notes and coded analysis, 2nd and 3rd evaluations

Overall quality of project services	counselling only	
Dec. 2008	4,73	N/A
Feb. 2011	4,89	4,93

In terms of justification each rating is matched by a qualitative explanation to support the rating given, so that there are many reasons that explain the very high marks received. In a nutshell the success is essentially due to the very professional attitude and enduring commitment of the field client advisors that go far beyond the call of duty. Noteworthy to mention that in a number of cases clients did not make the distinction between the IOM and PRISMA advisors, so the ratings can be seen as a sort of joint results of the team work of the various field advisors. The entire set of comments and ratings are attached as an annex to this report. Here are some beneficiary quotes about the quality of the overall services from the client advisors:

Box 4 : Beneficiaries comments about the quality of the assistance received.

<ul style="list-style-type: none"> • “At first I didn’t know about the programme, they phoned me to advise about the opportunities, and everyone on this floor is very correct. I got counselling from PRISMA and NTF/IOM. I registered with PRISMA for attending training courses and when I decided what I wanted, I opted for NTF assistance and they counselled me with the business plan.”
<ul style="list-style-type: none"> • “I would not have started the business without them, I wouldn’t have had the courage”
<ul style="list-style-type: none"> • “Very professional and to the point”
<ul style="list-style-type: none"> • “I received the answers to all my questions, sufficient time and information were provided”
<ul style="list-style-type: none"> • “They explained everything so they tried to help me find a job, gave me examples, so all was well done”
<ul style="list-style-type: none"> • “If it hadn’t been for them (NTF/IOM) I wouldn’t have begun. So I came for the assistance, but I realised that the coaching and advice was more important because that’s where it all started from”
<ul style="list-style-type: none"> • “I felt at the time nothing would come out of it, when I heard about the project. When I talked to the client advisor I realized I could do it, so without the counselling I would not have started this business with the current volume I have now”
<ul style="list-style-type: none"> • “I’m thrilled with the PRISMA and NTF/IOM advisors, they pushed me more than I believed in myself, and without them I would not be here today”
<ul style="list-style-type: none"> • “I wanted to find a job but had not clear idea. I talked to both PRISMA and NTF/IOM advisors and after discussing with both the options I realised that I wanted to open my own business”
<ul style="list-style-type: none"> • “What is really good is that I had the business but didn’t see it as a formal business, and with the encouragement (from the client advisors) I realised it could be a full-time business”

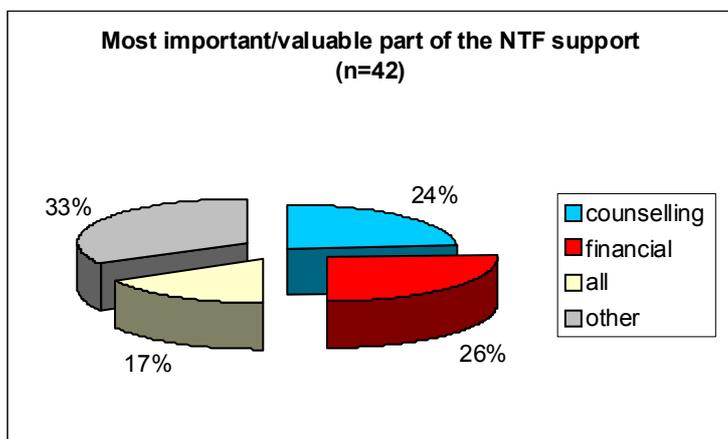
It is also relevant to mention that over 14% of the beneficiaries interviewed indicated that they would not have been in business without the support of their client advisors.

The reason for a lower assistance rating between the overall quality of the project services versus the counselling only in table VI is the fact that grant amounts were often deemed to be too small for start-up businesses, and in some cases the limitation on the use of the grant money (for example not allowing to purchase raw materials) were the reason for lower assistance ratings. Nonetheless the ratings are very

impressive, particularly considering that the purposive sample does not target only successful clients but contain all varieties of assistance and client categories.

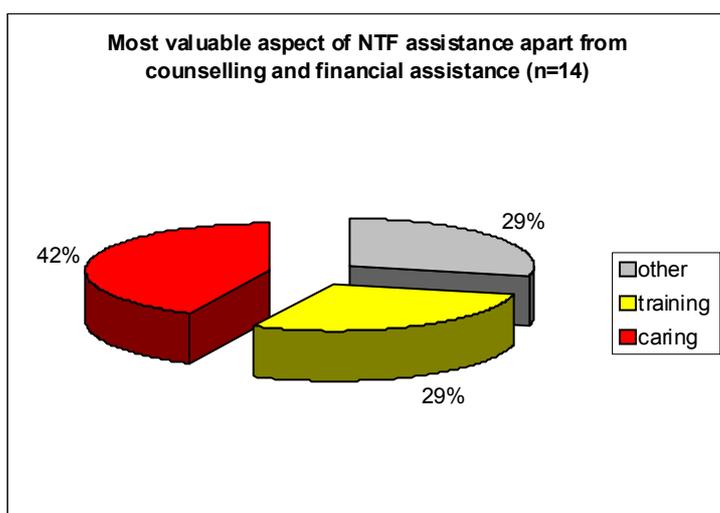
Beneficiaries were also asked to identify which of the project components had been more valuable and/or important to them.

Graphic 11 : Evaluation respondents most important/valuable aspect of NTF support



Almost the same number (one fourth) mentioned counselling and financial assistance as the most important components, while 17% stated that they were linked and could not be dissociated. One third however indicated other aspects of the project as being the most important. From this one third of respondents, the empathy and human factors came first and foremost with 42%, followed by the training courses and other issues detailed in the annex. It is also relevant to note that in the training course category, SINTEF training was specifically mentioned for its high level of quality and applicability by the beneficiaries.

Graphic 12 : Evaluation respondents most important aspects except ICRS and RFA



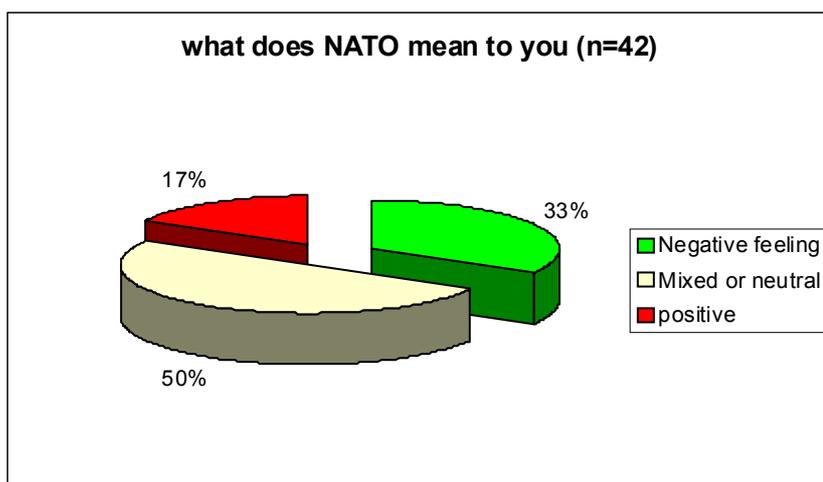
Looking at the external dimension of the project and after discussions with the project management, it was agreed in the interest of the donor countries to ask a specific

question about the beneficiaries' perception of NATO. Beneficiaries were therefore asked what NATO meant to them, the first thing that came into their minds.

This question proved a little difficult and required a certain interpretation when transcribing the results. Many people felt reticent to answer openly and freely, and most people were clearly uncomfortable with the question. Nonetheless the evaluation attempted to group the comments into three categories : negative (only related to the 1999 bombings and destruction/death); neutral or mixed (involving both negative and positive, or no clear feelings identified) and positive feelings.

The results are slightly different from those of the presentation on 25th February 2011 on the last day of the evaluation to the primary stakeholders given a coding mistake. Nonetheless it appears that discussing NATO is highly emotional and requires a very careful and sensitive approach. However it proved possible to ask the question during this evaluation, whereas it might have been much more sensitive and difficult to ask the question a few years ago.

Graphic 13 : Evaluation respondents' views of NATO



The pie chart indicates that one third have negative feelings and associations when it comes to NATO, with half having mixed or neutral feelings, and 17% having clearly positive feelings.

However this is based on the actual answers from the beneficiaries and results should be taken with caution. **From the body language and the dynamics of the interview, it appears to the evaluation team that a good half of those qualified as "mixed or neutral" could actually be included in the negative feeling category, and that a more realistic breakdown would be that well over half of respondents would have negative feelings, one fourth would have mixed feelings, and 17% have a positive feeling.**

It was also interesting to see that beneficiaries did not see this project generally as compensation for the 1999 bombings (see individual answers included in annex).

- V. Sustainability – appraise the degree to which the capacity of PRISMA/MoD was developed through the hand-over of the project and the exit strategy

For the purpose of this evaluation, sustainability was defined as the capacity development of PRISMA/MoD through the hand-over and exit strategy of the project. The exit strategy contains a detailed plan for activities to be implemented until the end of the year with a clear time-frame. The fifth year Results Framework was also modified to incorporate this additional strategic objective.

The evaluation approached the capacity development of PRISMA from two separate and complementary angles, both through the work undertaken at the field office level and joint meetings between the IOM/PRISMA at field level, where clients advisors provide the support to the NTF beneficiaries, but also with the Headquarters and individual interviews with the Head of the Directorate for Resettlement, the Head of the newly created Department for Traditions, Standards and Veteran's Affairs as well as an interview with the Head of the Human Resources Sector Personnel Department of the MoD.

In addition, IOM documentation and progress reports were used to appraise the efforts placed into this capacity development component, which is also budgeted at 5,6% of the overall project budget to date.

It terms of formal training, the project has invested into 23 training modules since the beginning of the project, some specifically targeted for two people only –such as for the Business Incubators-, others for groups of MoD staff of up to 25 people, on a wide range of subjects of direct relevance to the work of the MoD/PRISMA staff. In addition to the formal training, IOM also refurbished and equipped the offices, and provided an additional support to upgrading the MoD/PRISMA IT system as the client database will also be handed-over, in order to ensure compatibility between the two IT systems used (PRISMA and IOM NTF). At the field level and as foreseen in the exit strategy, the coaching from IOM advisors with their PRISMA counterparts intensified and joint activities are becoming the norm. From PRISMA and IOM's own recognition, the MoD staff are now technically capable to continue providing the services that were part of the NTF project, and the sustainability of the hand-over process should be ensured when the project closes definitely. Some practical issues remain to be solved, but the essential part – skills, know-how, technical and material support- are now fully anchored in the MoD/PRISMA structure. All relevant regional and international fora and events were also attended jointly by the PRISMA/MoD and the IOM.

Nonetheless and as mentioned in the exit strategy, "it is unlikely that all the reintegration activities/funds offered by the NTF will continue to be available to PRISMA beneficiaries after the end of the NTF. The idea behind this component of the exit strategy is to further build the capacity of the MoD to deal with the ICRS process including the process of evaluation of the business idea and the disbursement of grants".²²

Based on the documentary review as well as on the key informant interviews, the evaluation can attest that **the capacity development of the PRISMA/MoD is in line with the stated objectives of the RF and should allow the MoD to ensure a continuation of the services provided over and beyond the end of the project, in line with their own results framework.** However this specific aspect will also be covered by the ex post evaluation foreseen to take place at the end of 2011, after the closing of the NTF project.

²² IOM exit strategy point 3.0 a), p. 7

7. Secondary sources and regional comparisons

In addition to the documentation available from the project and the different evaluations that have taken place, there are also some secondary sources that can be used dealing with NATO PfP Trust Fund in Serbia.

The most recent external documentation is the NORAD commissioned evaluation report of Norwegian Development Cooperation with the Western Balkans, undertaken by Scanteam. In this report (Report 7/2010 – Evaluation – Volume II), it is stated:

“The IOM-implemented NATO Trust Fund took about a year to design – a normal time span – but got off to a slow start when less than a thousand beneficiaries were referred to the fund in the first round. This was addressed, and the project now has received praise as a good mechanism to complement other efforts to help demobilized military personnel re-enter civilian life, while also assisting Serbia’s ministry of defence build its capacity in this field.”²³ The project was further appraised as highly relevant, highly effective, and with positive impact and likely sustainability.²⁴

However the history of developing partnerships between IOM and the NATO PfP also extends to neighbouring countries such as BiH, where the first project was implemented in 2002, or Croatia. In BiH three separate evaluations of the IOM project were undertaken in 2004 by Columbia University, in September 2008 by York University PRDU, and by PRISM Research in October 2009. Unfortunately unlike in Serbia the TOR for each evaluation did not build up on the previous evaluations and the methodologies used varied from one evaluation to the next given its different authors. Nonetheless while sample size and methods used are different, it may be interesting to compare one of the findings of the most recent evaluation in BiH with the findings of the current evaluation in Serbia, since the same scale was used.

According to PRISM Research, “On the scale 1 to 5, where 1 is „Completely dissatisfied“, and 5 „Completely satisfied“ **average ratings of quality of procured goods/services; speed with which the goods/services were obtained; advice/support received from IOM staff; training received in the NTF Programme range from 3,50 to 3,65**”.²⁵

In the Serbian case, ratings obtained were of 4,73 in December 2008 and 4,89 in February 2011. Comparison with Croatia is not possible, since apparently there has been no formal evaluation on the work of the IOM project in support of the SPECTRA programme there.

8. Conclusions

The project has developed in turbulent times and with numerous constraints to the large satisfaction of the beneficiaries and of the primary stakeholders. It has come a long way from the early days of a low caseload and difficulties in obtaining MoD referrals. The project today is clearly in line with and meeting the stated objectives of the Results Framework, including the additional 5th year strategic objective.

²³ Evaluation Report volume II page 92

²⁴ Ibid page 98

²⁵ PRISM Research, Independent final evaluation report, October 2009, p. 10

The capacity development of MoD has also been foremost among the project priorities, and carried out throughout the life of the project, to the full satisfaction of the PRISMA/MoD.

The total assistance caseload of 4,370 assistance packages delivered between July 2006 and December 2010 is a good numerical result, even more so when considering the quality with which the beneficiary assistance was given throughout the project. By the end of the project an average of 900 beneficiaries will have been assisted annually during the full five years. The assistance packages given represent 75% of all registered beneficiaries under the project, and the individual registration and counselling was extended to encompass 5,840 people from June 2006 until 31st December 2010.

The project proved particularly strong in the approach followed with the potential clients, in its uniquely constructive and trustworthy relationship with PRISMA/MoD which was earned through persistence and commitment, and has been effective in reaching all its stated objectives in support of the project goal. Despite having shed one of the essential assistance components initially envisaged, the loans, it was able, through sound management, supportive networking with the NATO Lead Nation and donor countries and the MoD, and creative responsiveness to identify new forms of grants to substitute the loan component. This enabled the project to accomplish its strategic objectives in support of the wider PRISMA programme that was implemented from 2005²⁶ until the end of 2010 by the MoD. **There is no doubt that we are witnessing a unique example of civil-military cooperation mechanism in this project, and the various documents produced on the project will contribute to its visibility and extracting good practices.**

The excellent support and understanding of the NATO PfP Lead Nation was also a key factor that allowed the project management to improve its performance and efficiency in line with the Results Based Management Principles. Furthermore, the recurrent investments made in external evaluations and the development of comprehensive internal monitoring also contributed to improved management and implementation practices to the benefit of the project results.

Compared to other projects that support socio-economic reintegration of discharged military personnel, this project goes beyond the immediate needs and takes a comprehensive, medium-term time-frame to address the difficult and complex multi-dimensional issue of reintegration of discharged personnel. It has earned an outstanding record in terms of customer friendliness and in terms of the already known and much appreciated ICRS that IOM has used in other projects in the past and that was so successfully used in this project thanks to the high standards set and the very high staff quality.

9. Lessons identified

There are many lessons to be drawn from this project, and some of these have already been captured in the materials produced by the project. The current list does not claim

²⁶ Comment from IOM NTF: "PRISMA was established by Ministerial decision in December 2003".

to be exhaustive. There are lessons for the implementing agency, lessons for the donors, lessons for the MoD and also lessons for SSR researchers, academics and practitioners as regards some of the good practices that have been followed in the course of this project and should be streamlined into all similar projects. Evaluation in a broad sense is a process of continuous improvement. Some of the lessons are meant to further contribute to project management improvement in the future.

9.1 Lessons for the IOM

- The project should be designed with a logical framework, results framework and a monitoring and evaluation system from the beginning, rather than during project implementation;
- Any project considering loans should be based on a more thorough analysis of the financial market conditions and ensure that its modalities are customer-friendly in order to attract demand. The loan amount was small and the repayment period was too short to make the loans attractive for clients. The banking law at the end of 2005 only caused delay and additional costs in setting up the loan component, but it is not the reason why loans were not in high demand by the clients. A more careful assessment is needed for future projects;
- The grant amount was determined up to an amount of € 1,500, which is quite small for start-up businesses. The introduction of second and third grants to ensure expansion and sustainability was an important novelty in the assistance procedures that contributed to offset the absence of the loans, although it did not replace the need for loans altogether;
- The investment in the business incubators to join both MoD and beneficiaries in an enabling business environment was a good initiative but it faced a number of challenges and did not reach its full potential, yielding initially good prospects but of doubtful sustainability after the end of the project. Transfer mechanisms towards national ownership proved difficult as MoD has no specific structure to develop BIC and is unable to do so without support from other government services, such as MERD (Ministry of Economy and Regional Development);
- While the project has been producing a large number of materials, it is important to keep the proper terminology for each of the publications: the annual IOM report should be entitled as "progress report", and the 4th and 5th year research should be entitled "impact assessment". The word evaluation should only be used in conjunction with a formal evaluation process, which is not the case for these publications.
- Another lesson is to consider the need for establishing a Quality Assurance (QA) system to review and vet the various materials produced under the project. IOM project staff cannot possibly be expected to possess all technical knowledge of every subject area. The QA system takes the form of a group of 2-3 expert resource persons that are required during the life of the project to provide inputs in their area of expertise. This is being used by some donors (for example AusAid) in order to ensure that all material produced are meeting the quality standards. It is understood that some of the materials under this project were not originally meant for the public domain, but there are some gaps and methodological questions, particularly in the impact assessment publications, that should be addressed before publication, and which would be corrected by a QA system. Of course the quality assurance system has a (limited) cost that should be discussed and approved by project donors, but it does contribute

directly to the quality of the outputs produced and to internal capacity development.²⁷

- One other lesson that was identified in a previous evaluation was that the experiences and success stories from beneficiaries could be further used to create a network of formerly discharged military staff, a sort of advisory group for newly discharged personnel showing the results that can be obtained in successful cases. While these were advertised and shown in fairs and other visibility materials, there was however no formal group structured with this intent, and such a group (running costs supported by the Reintegration Fund) could have played an important demonstrative and advisory role as agents of change to recent discharged personnel, supporting the work of PRISMA and IOM.
- Further efforts to develop linkages with civilian entities would be useful to facilitate beneficiaries' transition into civilian life, particularly at the municipality level.
- In some projects it may be useful to negotiate with the Ministry of Finance/Budget/Economy a one-year (12 months) tax exemption for new businesses created under the RFA. This would contribute to facilitating take-off and reaching a critical mass for new businesses, and could be part of a transition period at least for the most vulnerable cases (and based on defined and agreed vulnerability criteria).

9.2 Lessons identified for the NATO Lead Nation – donor countries

- A very supportive and strong commitment to the project objectives and results and the willingness to support the project for the full five-years makes Norway as Lead Nation for the NATO PfP Trust Fund a reference for this type of project;
- Investing in Results Based Management Practices as well as in the full series of external evaluations show donor commitment to quality results and project performance;
- Norway, as chair of the PMU with first hand information on the operational results of the project and in its capacity as NTF PfP Lead Nation, played a key role to advocate and lobby for donor countries support;
- This sort of project – reintegration of discharged military personnel – cannot and should not be undertaken on an emergency short-term basis if it wants to achieve sustainable results. As such, it would be preferable to work as much as possible on a funding modality of 2 + 3 years, or 3 + 2 years, with a mid-term external evaluation before the second funding phase. This allows for better planning and avoids to have the implementing agency focus monitoring and progress essentially on yearly results given the funding period to the detriment of the overall results over the project life-time. But obtaining funding over five years has been a key element of success for this project;
- The support of the donor countries to developing an exit strategy for the project to contribute to national ownership through a formal hand-over process is another clear strength and good practice that should be maintained in all such projects;

9.3 Lessons for the MoD

²⁷ These resource persons are normally home-based and review the materials produced, but can be available to travel to the project country on a needs basis if required by project management.

- Developing a sound and trustworthy collaboration with international agencies can be conducive to strong internal capacity development and can help overcome internal challenges;
- MoD's participation at all stages of project implementation with the IOM, including in the evaluation exercise, is a good example of developing ownership of the process, and denotes a high degree of willingness on how to streamline the redundant caseload into the regular human resource management of the MoD as part of the regular HR process;
- Civil-military partnership with experience international organisations such as the IOM can be conducive to improved practices and efficient and effective handling of the discharged military personnel.
- All policies and programmes developed should be gender sensitive, even if the caseload of women is small.

9.4 Lessons for SSR researchers, academics and practitioners

- Investing in recruiting high quality staff is a key element of success; the ICRS capacity being a good example and a major factor of success for the project;
- A very high percentage of reintegration fund assistance, almost 80%, has gone into business creation and expansion, including agricultural households, with only one tenth for financed courses and roughly the same for salary support. It would be very interesting to compare these figures with other similar projects to identify the different trends – across countries – and reasons behind the choices of assistance obtained;
- The unit of analysis of practically all the assistance provided is based on family businesses or agricultural households. There are very few cases of beneficiaries coming together to form an association or a large scale organisation comprising a large number of beneficiaries. The reason behind the widespread choice of individual assistance versus collective modes should be further researched;
- The internal figures concerning sustainability of the businesses seem to be encouraging, pending the ex post end of year evaluation. If indeed some 80% of the businesses created since 2006 to date remain active despite the negative economic environment, it should be very useful to research the causes for this success. One interesting factor when comparing projects across countries is the issue of national characteristics (understood as socio-educational background and culture) of the beneficiaries. While IOM, MOD and NATO are clear actors that have contributed to the success of the project, the work of preparing, setting-up, running and managing the business is largely the responsibility of the individual beneficiaries. Thus it would be useful to compare across the countries if the disciplined workforce found in the military in Serbia has been a factor of success when transitioning to business management in civilian life.
- Reintegration is a time-bound process that is multi-dimensional and should be seen in the context of human security. It is essential that counselling support in particular be given on an individually tailored basis as soon as possible after discharge from the competent structures, be it within the MoD or international project implementing agencies.
- A comprehensive reintegration project should be established for a five-year period if any sustainability and quality care is to be provided. Other similar short-term assistance projects are likely to achieve a limited contribution to the objectives of social and economic reintegration of the discharged personnel.

- In Serbia there is a social safety net provided by the National Employment Service (NES) which provides support to unemployed persons that are registered with any of the NES branch offices and meet NES eligibility criteria and therefore is also available to professional soldiers and civilian MoD personnel, including some grant and/or favourable micro loan possibilities. The primary difference with the NTF RF assistance is the manner in which the support and counselling are provided, as well as the added paperwork required by the NES. It would be useful to tabulate how many NTF beneficiaries have also been able to qualify for grant support from the NES and compare the two modalities.
- Considering the four beneficiary categories involved in the project (officers, non-commissioned officers, professional soldiers and civilian MoD personnel), it is questionable whether to speak of reintegration is the proper term to use. Many of the officers and NCOs have spent all their active life in the military, and the term of socio-economic "integration" may be more applicable as they are not going back to something they were in before joining the army. This also applies to some of the professional soldier and civilian category. In any case it needs to be underlined that the current social and economic and political environment of free market economy in Serbia is certainly not the socialist centralised style planning that was in force in the former Yugoslavia during the discharged military personnel's youth.

10. Recommendations

To the IOM:

- IOM should produce a case study on the Serbian NTF project to share good practices and lessons nationally, regionally and internationally, as many elements are identified as good practices for project management and implementation.
- Maintain an updated NTF client database in order to prepare the stratified sample which will be used for the ex post evaluation.
- All field offices should be transparent about the end of the project and hand-over to MoD without worrying about a surge in their applications. The field coordination has established specific projections for the number of cases to be assisted by the field offices in line with the budget. Therefore all IOM field advisors should give information openly about the hand-over to beneficiaries as there is no need for further extension of this project.

To the NATO Lead Nation Norway and NATO PFP

- In order to enhance learning and obtain some comparability across the countries where downsizing and reintegration projects are undertaken under a single funding umbrella, such as the PFP, NATO should contemplate the feasibility of setting up and undertaking regional programme evaluation mechanisms, which would ensure that the same sort of TOR and methodologies are applied in the different countries that share similar projects. This would contribute to increasing the understanding of the success factors and also identify how and what elements of the national context can condition the performance of the projects. In order to do so a single evaluation firm should be identified to carry out the evaluations in each of the countries. Furthermore a meta-evaluation of the individual projects evaluated should also be undertaken.

To the MoD

- The on-going restructuring of the Directorate for Resettlement as a Resettlement Group under the direct supervision of the Department for Traditions, Standards, and Veteran's Affairs should also ensure that at field level the resettlement advisors remain be streamlined into the MoD structures. **To maintain the specific and client friendly orientation and services, it would be highly desirable to place the advisors in a specific structure where they would provide added value, such as Recruitment Centres,** rather than modifying the chain of command under which they have been operating, and even more so given the projections of a further 500 professional soldiers to be dismissed by the MoD in the course of the year.
- While the technical capacity clearly exists now in MoD to assist discharged military personnel, further downsizing to only one advisor in each field office at a time of further discharges raises the question about the work load that can be ensured by only one individual, not counting illness/vacation and unforeseen absences. **It would be highly desirable to maintain a presence of two advisors per field office at least over the next one year period** and review staffing needs in line with any further discharge planned.
- MoD should approach donors before the end of the project if the entire range of benefits must continue to be offered to discharged military personnel even after the end of the project, so that MoD may look for funds in a timely fashion – at this stage, there is no indication that reintegration fund assistance as in the NTF project will be made available past the end date of the NTF, but efforts will focus on the ICRS and the training courses with the support of the Nordic Initiative.

General recommendation

- The range of evaluation processes undertaken under this project, including the up-coming ex post sustainability evaluation, are good examples of utilization-focussed evaluations. It constitutes also a rare case of commitment to the full cycle of evaluations during the project life from the implementing agency and the NATO PFP Lead Nation. The evaluation team leader recommends that these evaluations be presented at an upcoming Evaluation Society Conference and hereby requests the authorization to use the materials from the evaluations in order to present these findings at the relevant Evaluation Society Conference in accordance with the Conference themes. The conference material will be shared with the IOM and NATO Lead Nation PFP if requested.