

OFFICE OF THE INSPECTOR GENERAL

EVALUATION UNIT

**EVALUATION OF THE RETURN ASSISTANCE PROGRAMME  
FOR CROATIA (RAP)**

August 2000



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IOM International Organization for Migration

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## 1. EXECUTIVE SUMMARY

The Return Assistance Program (RAP) implemented in Croatia during 1998 and 1999 was a response to the needs of that country, as seen through the eyes of the donor, in the areas of reconciliation, return, and reconstruction. RAP was a USD 13.6 million program, funded entirely by USAID. This evaluation focuses on two problematic elements of the program; construction and management.

The success of the program, or the lack thereof, has to be seen in light of constraints resulting from what was a very problematic decision-making process and relationship among three partners: USAID, the US Embassy, and IOM. The partners found it very difficult to come to decisions on policies, partnership agreements, which projects to implement, measurements of success, etc. To add to that there were significant personality clashes that made a difficult situation even worse.

In general, the program was more successful in the more political aspects, e.g., reconciliation, and IOM staff were respected for their knowledge of the four geographic sectors in which RAP operated. There were certainly successes in opening up the administrative structure at the local level to policies intended to promote reconciliation and return.

Some targets were established by the program, e.g., to reach partnership agreements with 16 municipalities to which 30,000 people would return, although no direct assistance was provided to returnees under the program. These targets were nearly met, as agreements were signed with 14 municipalities, with 2 additional agreements ready for signing at the time that the program ended. To those 16 municipalities, the program final report records 30,100 returns, which included returns to all municipalities as from 1 January 1998, irrespective of when the agreement was signed.

The more problematic part of the program was that of project implementation, where construction was the main activity, as only USD 2.9 million was spent of the USD 10 million available. As nearly all of the budget for staff and office costs was spent, this meant that the ratio of staff and office costs to projects delivered was very high.

IOM's lack of success in construction can be attributed to having no institutional capacity in that field and to insufficient recognition of what this lack would mean in project implementation. IOM decisions, including staffing choices, made at both the Headquarters and Field level, contributed to these problems.

## 2. EVALUATION SCOPE AND METHODOLOGY

RAP was proposed as a priority for evaluation for the year 2000, and was accepted as such by the Director General in April of that year. It had been noted from various communications from the field that the program seemed to have had some difficulty, as evidenced finally by the decision of the donor to exclude IOM from the continuation of the program. Instead the donor decided to contract with a private firm for some of the activities, primarily construction, and to carry out by itself other activities, mostly the more “political” aspects. It was considered useful to see what lessons IOM might be able to draw from this experience.

An additional reason for conducting the evaluation is that there have been an increasing number of IOM projects that have involved the organization in construction activities, which is not a field in which IOM has institutional expertise. It was considered that it would be useful for IOM to determine whether such activities should be developed further, be de-emphasized, or be maintained, but managed in a different way. While the evaluation of RAP is not intended to provide a full response to this question, it is intended to form part of what will be a broader look at IOM’s involvement in construction projects later in the year.

Consequently terms of reference were developed (**Annex I**) which reflected these concerns. These terms of reference limited the scope of the evaluation to two areas which had been identified as problematic: construction and management. Thus other program areas, such as reconciliation, return, etc., are not addressed, or only addressed in passing. This decision to focus the evaluation on problem areas inevitably results in a report which appears unbalanced on the negative side. Nonetheless, as the program was continued by the donor through means other than by using of IOM, an emphasis on these negative aspects is warranted, indicating as it does that the donor considered that the problems were more with IOM than with the program.

The evaluator had at his disposal files in the office in Zagreb, and some few of the staff who had been working on the program. However, nearly all program activities were discontinued by December 31, 1999, and most project staff had finished their work by that time. Thus this evaluation, the bulk of which was carried out in May 2000, did not have access to all staff connected with the program.

Much of the communication during the program was done by e-mail, and the e-mail files of some of the senior staff were not available, nor was the paper file kept by the staff member at Headquarters who was most involved in the initial stages of the project. There was no overall lack of information, but it is conceivable that there were some closely-held files that may have provided some additional insight into the thinking of senior managers, but which were not available. To some extent this was balanced by discussions with those senior staff, but the contemporary files were not available.

It was possible to interview a number of people connected with the program, including some former IOM RAP staff members, using semi-structured interview techniques. The interview guide is attached as **Annex II**. Interviews were held with 36 people, including 8 donor representatives, 12 government representatives (3 national, 9 local), 7 former IOM staff members, and 9 other people knowledgeable either about the program or the overall situation in Croatia. A complete list of those interviewed is attached as **Annex III**, and a summary of points made during those interviews is attached as **Annex IV**. Statements in Annex IV have not all been verified, but simply summarize what informants said. For background information, additional discussions were held with four IOM senior staff, two technical informants, and one donor representative.

Visits were made to 4 of the 16 partner municipalities; one in each sector. At those sites interviews were conducted with representatives of local governments, among others, as detailed above, and non-technical visits were conducted to the construction projects.

Three of the 36 construction projects implemented by IOM — all of which were considered to be particularly problematic — were the subject of independent reports undertaken by engineers found to be qualified by the Croatian legal system to conduct assessments of construction projects. For the purpose of this evaluation, a similarly-qualified engineer was contracted to perform an assessment of a project which was considered by RAP managers to have been successful.

As most of the project staff were not directly available, a questionnaire was developed to seek additional information. This questionnaire (**Annex V**) was sent to 14 former staff members, and responses were received from 12 of them. One of the non-respondents was subsequently interviewed in Geneva, and is included in the total of 7 former IOM staff members interviewed. A summary of points made in those discussion is attached as **Annex VI**.

### **3. HISTORY AND PROGRAM CONTEXT**

The Republic of Croatia was significantly affected by the break-up of Yugoslavia and the resulting military conflict. Parts of Croatia came under the control of local Serbs, most of which was brought back under government control through military offensives, and some of which came back after a period under UN control. The military solution left unresolved some issues of return for hundreds of thousands of people who had been displaced over time in the region.

The agreement between USAID and IOM can be quoted to give an insight as to the reasons why the project was conceived.

“The Basic Agreement on the Region of Eastern Slavonia, Baranja, and Western Sermium (the “Erdut Agreement”) was signed in Erdut on November 12, 1995 to create a framework for peaceful reintegration of Eastern Slavonia to Croatia. A UN Transitional

Administration for Eastern Slavonia (UNTAES) was established with executive authority to administer the process of transferring authority over the region to the Government of Croatia. Final transfer of authority will occur in January, 1998.

Successful implementation of the terms of the Erdut Agreement, particularly provisions safeguarding the right of return of all civilian populations, is essential for long term peace and stability in Croatia and the region. Facilitating the reintegration and permanent resettlement of all populations affected by the Erdut agreement is USAID's highest priority strategic objective in Croatia."<sup>1</sup>.

It was in this context that the RAP program was rapidly developed in the fall of 1997, after an initial approach from USAID to IOM to inquire about IOM's interest in carrying out a project to encourage returns to the former UN-protected areas of Croatia. The approach to IOM was based in large part on USAID's experience with IOM in an OTI-funded project in Haiti.

The program was developed locally, with significant assistance from what was at that time IOM's Emergency Response Unit (ERU). There was substantial time pressure to develop the program, as the approach from USAID was in mid-September and they wanted the program to begin by the time that the territory under UNTAES administration reverted to Croatian control. The program was designed to work with local authorities to encourage and support sustainable return, including minority return. To the extent that municipalities would adopt policies and practices that would promote return, and would agree to measurable indicators of that support, RAP would undertake to fund projects that the municipality considered as priorities.

At the time IOM reported that "USAID is interested in IOM serving an administrative/procurement role. They feel that IOM would be less bureaucratically bound than USAID in contracting and disbursing. Further, they seem to feel that IOM has distinct operational and political advantages over UNHCR."<sup>2</sup>.

The physical needs of the country that the project addressed were substantial. In the Fall of 1998 it was reported that of the 145,000-150,000 houses and apartments that required reconstruction (excluding holiday homes), approximately 80,000 had at that time been repaired.<sup>3</sup> A report of the International Crisis Group in November 1998 stated that the Government of Croatia at that time estimated that the cost of the reconstruction program at some USD 2.5 billion<sup>4</sup>.

During the time that the program was in operation, there was one substantial change in the environment in which the program operated, in that in June 1998 the Government of Croatia adopted "The Program for the Return and Accommodation of Displaced persons,

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<sup>1</sup> USAID Grant Letter, 2 February, 1998, Attachment 2, point 2.2.1

<sup>2</sup> Internal IOM memo dated 19 September 1997, reporting on a meeting with USAID representatives

<sup>3</sup> "Return of Refugees and Displaced Persons to their homes in Croatia", Report, Paragraph 68, Committee on Migration, Refugees and Demography, Olav Akselsen, Rapporteur, 9 April 1999.

<sup>4</sup> Bosnia breaking the logjam: Refugee Returns to Croatia, International Crisis Group 9, November 1998.

Refugees and Resettled Persons”, which formally recognized the “inalienable right to return of all Croatian citizens”.

Between USAID and IOM the project was structured as a cooperative agreement, one in which the partner — in this case IOM — had substantial authority and responsibility, but also one in which USAID expected “substantial involvement”. An alternative way in which the relationship could have been structured in the beginning was that of a grant in which USAID would have much less involvement. Disagreement about what “substantial involvement” meant had some impact on the difficulties that developed during the project. This aspect will be further developed in the chapter on managing relationships.

There was an additional aspect of the way that the project was initially conceived that would also have a substantial impact on the project. It was reported by staff members who worked on the project that it was the intention to make the municipality responsible for overseeing the reconstruction projects. This is not fully supported by a careful reading of the project document which makes IOM responsible to “monitor the progress of approved projects” (Project Document, 5.1 page 8). The same document also mentions that RAP will monitor partner municipalities in their “implementation of the reconstruction project (quality control and accounts)” (Project Document, 4.3, Page 7). Whatever the initial conception, full responsibility for this aspect of the program was subsequently shifted to IOM, and remained with IOM until the end of the program, with results that will be explored in more detail in the Section on construction aspects.

## **4. CONSTRUCTION**

### **4.1 Relevance**

There is no question that the needs of the country for reconstruction in the targeted areas were immense, and that infrastructure was and continues to be a basic need. Although the overall reconstruction needs of the country were mentioned earlier, at the time of the evaluation the representative of the Croatian Electric Company in Lipik mentioned a very specific example. The representative stated that in the region covered by his office, 25% of the electrical network was still out of operation. He offered the example of one request for reconstruction which was submitted in 1994 and only in 2000 was being done. Moreover, with the exception of an EU-funded program carried out by ASB (Arbeiter-Samariter-Bund), no other program supported the kind of small infrastructure projects that the RAP was able to carry out..

The relevance of such activities to IOM’s migration management is more tenuous, as the connection with migration is more indirect, and institutional ability of the organization to support such activities more haphazard.

The migration link in the program is the promotion of a “climate that encourages returns by assisting selected communities in identifying, funding, and completing infrastructure and community development projects of benefit to the entire community” (Project Document, 2.0, Page 5). Through the establishment of agreements with partner communities, and subsequent addenda to those agreements that spell out specific indicators of achievement, certain return targets were to be achieved. However, there was no program involvement in the actual return, nor was there any causal link established between program activities and return. In fact the program agreed to accept as returns under this program anyone who returned to the partnership municipality after 1 January 1998, irrespective of when the agreement was signed. This is an indication that the direct connection was with the return policy of the municipality, not with the number of returns after agreements were reached and projects were implemented.

However, the organization has implemented other projects where the link with migration was somewhat indirect, being more concerned with creating conditions to reduce pressure to migrate, e.g., various projects in Haiti during the early 1990s, so a more indirect link with migration has been accepted elsewhere as being relevant to the organization’s overall goals.

**Conclusion:** RAP’s construction projects were relevant to the needs of the country, but the link to IOM’s overall migration work was tenuous.

## 4.2 Link to Service Areas

A more practical look at the question of relevance, that of the connection to IOM’s institutional expertise, would be the connection with the six service areas established by IOM in 1999. Although this program began before services were established, it was assigned to the Assisted Returns Service Area, and — according to the Programme and Budget for 2000 — was one of two projects, out of 14 listed, where no assistance was provided to individual migrants. (The other project was support for a meeting on participation of migrants in development of their country of origin.) The connection to other projects in this service area seems limited, particularly as the two main activities of the project were to work with municipalities to encourage policies that would promote return, and to carry out construction activities. In fact the official title of the program was initially “Return and Reconstruction Assistance Program for Croatia”.

Two other IOM projects in the 2000 budget document which involve construction aspects were assigned to the Technical Cooperation on Migration Service Area, although again the connection of construction to the overall mission of the service area was somewhat tenuous. The budget document for 2000 states that “IOM’s technical cooperation for migration management will serve to strengthen their institutional capacity to manage migration in a comprehensive way, while supporting subregional integration efforts.”<sup>5</sup> There is no obvious connection to construction, although there is a link with developing, together with the municipalities, policies to encourage return.

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<sup>5</sup>Programme and Budget for 2000, page 51.

In all three projects, as the bulk of the budget was intended for construction activities, and the need for institutional support was certainly greatest in that area, it may have been more reasonable to group them under one Service Area.

**Recommendation:** Projects should be assigned to Service Areas from which the greatest institutional support for project activities can come.

### **4.3 IOM Institutional Expertise in the Construction Field**

Insofar as construction goes, there is no logical place at Headquarters for IOM field missions to go for support. Indeed, there was no organizational capacity to support the field in this activity.

There are two broad areas to consider in this aspect of the program, procurement and engineering, which should normally be separated in implementation. Engineering is involved in both the design of the project, and the supervision of the works. Procurement is the process that falls in between the two phases of engineering expertise, e.g., that of qualifying firms to bid on projects, managing the bidding process, evaluating the bid against established criteria, etc.

Normally, in publicly-funded construction, in addition to separating the two broad areas, the firm doing the design work would be excluded from bidding on the construction. Not to do so could lead to problems, with the potential that information could be held back by the design firm that would lead to an unfair advantage for them in the bidding process.

When RAP was starting, the only formal document that existed in IOM that was in any way connected with this activity was General Instruction 1016 of December 1996, plus an amendment of February 1999, which addressed procurement issues in general, and was more related to the purchase of items required by a normal IOM office. These instructions were considered to be too limited to be of use in this program.

In the absence of useful guidelines in IOM, RAP developed “Guidelines for Local Project Implementation” in mid-1998, and replaced them with more elaborate “Procurement Rules and Regulations” in mid-1999.

A further development in IOM work in this area occurred when the Regional Office in Costa Rica had to prepare guidelines for construction activities for a project in Honduras - “Contracting of Services” and “Procedure for Design, Monitoring and Evaluation”. That office reported that the only internal resource found was the same General Instruction from 1996, although RAP program managers had sent the RAP guidelines to Common Services and other units at Headquarters in October 1999.

The guidelines developed by Costa Rica were commented by the head of the Technical Cooperation Service Area — who coincidentally has an engineering background — and Common Services at Headquarters, and are now being adapted for more general use.

**Conclusion:** IOM was not institutionally prepared to assist the office in Croatia in implementation of construction projects.

For IOM to continue to implement projects with a major construction component, there is a need to have an institutional resource, which can provide guidance to field offices in project development and in making sure that guidelines, procedures, etc. are developed, maintained, and adapted to different countries. Such a resource should also assist in the process of recruiting technical staff for projects and ensuring that appropriate systems are set up to monitor progress, while serving as an overall technical expert.

This resource could either be an IOM staff member who provides on-going services, a consultant who is called upon only as needed, or an institutional relationship with an organization who has the expertise required. The requirement is for an expertise that is available to the organization to provide guidance throughout all phases of the identification of project opportunities and the development and implementation of projects, rather than expertise that is called on simply to help execute a project that has been developed without the benefit of the specific expertise.

**Recommendation:** If IOM is to continue in this field, the organization must invest in specific institutional expertise in the area of construction.

#### **4.4 IOM Local Expertise in the Construction Field**

IOM was woefully unprepared to undertake construction projects in Croatia. Institutionally, as outlined above, IOM did not have the expertise required to support this activity.

Locally, the initial emphasis was given to the reconciliation side, to developing relationships with local authorities that would allow partnership agreements to be signed and return to be supported. These agreements had to precede project implementation, so this emphasis was reasonable. This is born out by the staffing pattern, where none of the six international staff had any experience in construction, engineering, etc., which pattern follows the one used in the OTI-funded projects in Haiti where generalists were used.

For the engineering side, where nearly 75% of the budgeted funds were supposed to be spent, only 10% of the staff costs were budgeted for direct support to this function. To enable IOM to evaluate projects for “adherence to construction timetables, adherence to budget, quality of materials used, and quality of labor” (Project Document, 7.1, Page 10) there were two engineers, locally recruited, to make regular site visits. Although RAP was responsible to check on the implementation of USD 10 million worth of projects, there was no one among the senior managers of the project who had the background to understand what this entailed. In the words of one interlocutor, IOM “assigned engineering to political scientists”.

One additional point that needs to be made is that there was an initial expectation that the municipalities would be very much involved in project implementation, which can

partially explain the lack of staffing on the engineering side, although the program document assigned overall responsibility to IOM. Nonetheless, it became clear early on that this delegation of responsibility to the municipalities would not work, either practically (the municipalities did not have the capacity) or legally (IOM's responsibility for project implementation remained). There was no evidence of a broad revisiting of what this would mean for the program.

There were several outcomes associated with this lack of expertise:

- ◆ Lack of sufficient guidelines for project implementation
- ◆ Inadequate comprehension of the pitfalls of construction work
- ◆ Inadequate preparation of non-technical staff for dealing with construction projects
- ◆ Vulnerability of the organization to unscrupulous companies and individuals
- ◆ Weak position vis-à-vis the donor
- ◆ Loss of confidence by the donor in IOM's competence

In spite of the above problems, IOM did succeed in certain areas, particularly where the appropriate local expertise was recruited, and where IOM recognized its limits. The best sectoral example of this is with electrical projects in Sectors East and West, where IOM hired a very experienced local electrical engineer, and entered into partnership with the local electrical companies. This partnership, by and large, had the electrical company responsible for the actual work of installation, while IOM contributed the necessary materials. In general, this was seen to work very well.

Also, in Sector South, it was agreed that IOM had done a good job, under tight time pressure, to finish construction linking a newly-constructed housing settlement to the local water supply.

As part of this evaluation, a consultant was hired to audit the electrification project carried out in the village of Jagma in the municipality of Lipik, one of the last projects implemented by IOM. This expert concluded generally that the bidding process was in line with standards in Croatia, that project was carried out as foreseen in the scope of work, and that the cost paid by IOM was in line with similar projects in Croatia. He did note that the final inspection was not yet complete, as it was pending connection of certain houses to the electrical system, which connection was itself not part of the project. Due to its length, the expert's report has not been included as an annex, but is available from the Evaluation Unit at Headquarters.

In other areas, where IOM became involved in other kinds of project, there were greater problems. Building reconstruction seems to have been a particular problem, with two of the three project audits being done on building reconstruction. These were the only two building projects classified by IOM as reconstruction, although rehabilitation — a less comprehensive undertaking — was done on four other buildings. Two of those four rehabilitation sites were visited by the evaluator, and were without reported problems.

It was noted that the program did not do a good job of matching the specific expertise of various engineers to the projects being supervised. Although additional engineers were hired as from 1999, covering the relevant areas of engineering, they were dispersed to the field offices. At a meeting that took place on 18 October 1999, it was agreed “to send a local engineer to support specific projects when knowledge is lacking on a specific project”. This agreement was some three months before the project ended.

One example of this is in Sector South, where an engineer whose area of expertise was mechanical engineering was hired for that field office as from March 1999. All of the projects which were subsequently agreed to for Sector South were water supply projects, which a civil engineer would have been more suited to supervise. This is not meant as a comment on the qualifications or performance of the individual in question, but rather on the way in which the program matched individual qualifications to program needs. See **Annex VII** for a list of IOM engineers; their specialization, experience, etc.

**Conclusion:** The lack of engineering expertise among the senior managers of the program had a negative impact on the program.

#### **4.5 IOM Procedures for Construction**

IOM first developed procedures for RAP, called “Guidelines for Local Project Implementation”, about the time that tenders for the first project, Phase 1 of street light rehabilitation in Darda, were being let. This was the official policy for the field offices to follow on how to implement projects, and was a brief 4-page document, which for example gives no guidance on how contractors are to be selected during a tender process.

The package containing these instructions was sent to the field on 1 July 1998 (attached as **Annex VIII**) gives insufficient information about how to manage the construction part of the program. For example, the section on choosing a contractor offers two options for selection, the second of which is “issuance of tenders (ideally three but should be done anyway according to existing market possibilities and fair competition rules)”. This was the sole guidance found that was provided to field offices, although presumably consultation with the Zagreb office was possible. The guidelines certainly gave leeway to each field office to decide for themselves what “existing market possibilities and fair market rules” were, particularly as there were no staff in these offices with any background in the construction field. Individual field offices may have developed their own procedures, e.g. Osijek, which is what was suggested in interviews had happened in Sector East.

USAID found these procedures to be inadequate and requested that better guidelines be developed. Much more detailed “Procurement Rules and Regulations” were finally developed, but only implemented during the first half of 1999, again without visible support from Headquarters.

IOM project managers certainly made efforts to address the problems when they were brought to their attention. The problem was that for an organization that professed “an

internationally acknowledged expertise in procurement”<sup>6</sup>, such an obvious lack of expertise did not build confidence. If USAID entered into an agreement with IOM based on levels of expertise in both the “softer” aspects of the program, e.g., working with municipalities on reconciliation, and the “harder” construction aspects, IOM performed well in the former, but seriously under-performed in the latter. One interlocutor observed that “USAID may conclude it’s not worth working with IOM to develop that (expertise) in-house, when there are already firms expert in this field”.

The lack of expertise on the part of IOM put the organization at a disadvantage in dealing with the donor at a management level, as IOM had no in-house experts on whom to rely for advice in the way that USAID could call upon the expertise of their technical staff in Washington. Although IOM did have engineers, they were locally-recruited, and did not appear to have been considered part of senior management. The one Deputy Coordinator, also locally hired, was focused on the more political side of the program.

A report by an internal consultant dated 24 October 1999 concluded that “due to general lack of experience in engineering implementation, RAP started engineering implementation too fast without proper preparation.” It went on to observe that “procurement was not properly institutionalized and delegated to a level that could not guarantee the needed control. All over lack of experience in this respect was one of the driving factors causing the substandard performance condition of engineering implementation.” The full report attached as **Annex IX**.

Eventually, as a result of local donor concern with RAP implementation, there was an audit made of the RAP program by the USAID regional office in Budapest. There was an extensive series of communication between USAID and IOM, at the end of which the auditor reported that “all findings are now resolved” (Letter from USAID Budapest, 20 December 1999, Signed Ayya El-Abd). This led IOM to conclude that no serious problems were discovered.

This has to be reconciled with persistent comments by USAID Zagreb that there had been findings, by USAID Budapest, of “gross mismanagement”. This comment has never been substantiated by USAID, despite requests, making it difficult for IOM to respond to. However, USAID Zagreb quoted this as being one of the reasons to discontinue the program, as for them to continue with a partner which had been found guilty of such mismanagement would leave them open to the same allegations, “so they had no choice but to stop”. When contacted, a representative of the Regional Contracting Office in USAID Budapest stated that there was no document available in that office alleging gross mismanagement of the overall program, nor were there any documented facts that would lead to such a conclusion. Although the representative stated that there were some specific issues that were still under examination, there was nothing that would support such an overall charge.

**Conclusion:** IOM’s lack of expertise in construction led directly to the donor’s lack of confidence in IOM’s ability to successfully manage this important program area. This in

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<sup>6</sup> Confirmation of Cooperation, 29 October 1998.

turn led to an overall dissatisfaction with IOM, and contributed to the loss of the program.

**Lesson learned:** IOM undertaking an important and visible project requiring the Organization to implement activities for which we have no institutional expertise exposes IOM to unacceptable risks of failure, and potential long-term damage to our reputation for competence. This lesson applies equally to Headquarters and the Field.

#### **4.6 Efficiency and Effectiveness**

The definition of efficiency used in IOM evaluation guidelines is “how well resources in general are used to undertake activities and achieve objectives”. Effectiveness considers the extent to which a project achieves its objectives and project purposes or produces its desired results. For the purposes of the evaluation of construction activities, these two will be considered together.

In general, in the specific field of construction, the efficiency of the program was dismal. Instead of delivering USD 10 million worth of projects at an administrative cost of USD 3.6 million, the program delivered USD 2.9 million in projects at a cost of USD 2.6 million. In the words of one person interviewed, “IOM’s overhead costs were scandalous”. Of course, RAP was not solely a reconstruction program, but a reconciliation program with a reconstruction component, and as such had costs that would not be associated with a pure reconstruction project, such as the whole process of developing partnership agreements and indicators. Approximately half of the money expended on projects — over USD 1.4 million — was spent in the last quarter of 1999, just as the project was coming to an end.

There were certainly constraints on program managers that led in great part to this lack of efficiency, most notably the involvement of two other program partners in the decision-making process, USAID and the US Embassy, one of which, the Embassy, was not foreseen in the original project document.

It can also be inferred, again from the staffing pattern of the program, that the emphasis was not on implementation of construction projects, but rather on working with municipalities to get them to adopt policies that would encourage return. This was of course the part of the program that had to precede actual construction projects.

There was also a shift in the kinds of projects that could be supported, from being either infrastructure or “quality of life in the community”, which was further specified to relate to safety, culture, recreation, education, or the economy. While some of the earlier projects fell under this second category, there was a decision taken at a later time, at the request of the donor, to focus the program on infrastructure projects.

This restriction on the type of project that could be funded not only limited the possibilities to spend the funds, but also channelled all funds into construction, the area of IOM’s greatest weakness, and away from the program’s initial, broader conception.

RAP's cumbersome decision-making process, and frequent changes of direction, were referred to by a number of interlocutors as a barrier to undertaking projects. It was necessary for projects to go first through the Technical Process Team (TPT), and then the Approval Committee (AC), in almost all instances more than once. Opportunities were lost to cooperate with other actors in the field on projects when RAP could not make a decision in a timely manner.

**Annex X** lays out the various projects that were considered for one municipality, Dragalic, in Sector West, where projects began to be assessed in July of 1998, and none were approved until a year later, and that one was not finished by the time the program ended. That project was a water and sewage project, but during the time when the program was attempting to get approval for a project, things as diverse as a playground, a morgue, and bus stops were also proposed, considered by IOM staff as an example of the difficulty in finding a project that would meet with the donor's approval.

**Conclusion:** Insofar as construction goes, the program was neither efficient nor effective, due in large part to IOM's lack of expertise in construction. However, there were constraints in the program, primarily in the decision-making process, which contributed to that inefficiency and ineffectiveness.

#### **4.7 Impact**

There was no question raised during the evaluation about the positive impact of the projects on the municipalities assisted. Even when the project implemented was generally conceded to be problematic, a positive impact could be determined.

For example, in the municipality of Biskrupja, there were, and continue to be, significant problems with the reconstruction of the municipal building, e.g., leaking roof, plaster falling off walls, doors without useful locks, etc. The court-appointed auditor remarked on IOM's expertise.

*"USAID has hired IOM for the works for which, back in 1998, it did not have either the necessary skills, or equipment, or a sufficient organizational level". "...the appointment of a mechanical engineer as the person in charge (Chief Engineer) for a job outside his competence, as well as only occasional site controls and visits by the supervisory body have made it possible for the contractor to do as he pleases." "The illegal INTERNAL HAND OVER of the works performed to the municipality, with incomplete financial documentation, is also questionable, and indicative of IOM's inexperience."*

*Completion of the Construction Assessment of the Reconstruction of the Municipal Building in Biskupija, October 1999, page 19*

In spite of this, it is the case that residents can now apply for assistance from their municipality locally that they previously had to go much further to obtain when the municipal offices, for lack of space, were located in the neighboring municipality. The impact of the project was thus positive.

In Kistanje, problems with construction were even worse, in that people who previously had water service were cut off from it.

*“A lot of responsibility also lies with the Investor who should have kept all project stages under control by adhering to the investment programme, bringing pressure to bear on all the parties involved in the project construction, first of all by checking each invoice coming in.”*

***Reconstruction of Zecevo-Varivode-Devrske Water Supply Piping, 12 May 2000.***

*NB – In this context, the “Investor” refers to IOM.*

However, no doubts were expressed that the project will eventually have a positive impact on the village, when it is finished. There will be an additional financial benefit for the municipality in savings on electricity costs. Because there was so much water lost through the old system the municipality could not pay the bills from the electric company for pumping the water, and so had its electricity shut off.

It is clear that the RAP projects which have the potential for the most direct link to return are those which either restore, or provide, electricity and water, given that restrictions written into program did not permit it to reconstruct housing. All interlocutors agreed that these were basic services without which it was much more difficult for people to return. Thus, in terms of the overall objective of the program, to encourage sustainable return, these are the kind of project with the closest link. However, given that returns were counted in the program from 1 January 1998, no matter what the date when the partnership started, such a statement is based more on what is commonly reported by knowledgeable observers than by hard numbers of those who linked their return directly to projects. Again, the logical link in the program is with the policy and practice of the municipality, not with the return of individuals.

Other projects, such as the reconstruction of the municipal building in Petrinja, also problematic (see below), or the rehabilitation of the kindergarten in Lipik, appear to have more tenuous links to return. As the program called for the municipalities to participate in the prioritization of projects, it is reasonable to have allowed them some choice.

*“...I can assert that the implementor of the Client’s tasks and the subject that performed the supervision did not perform in the professional manner the tasks they were entrusted with on the project...”*

***Analysis of Investment Need for the Rehabilitation of the Building for Local Authorities of the Town of Petrinja, August 1999.***

*NB - In this context the “implementor” is IOM, and the “Client” is USAID.*

However, the local authorities stated that the impact of the repair of the municipal building was more psychological, that it is “important to have a building representative of local authority for those who come here to get help, to show that something is being done. If the building is in ruins, people would think what help could they get from those who work in such a building”.

**Conclusion:** The projects implemented by RAP, in spite of the problems that may have been involved in their construction, had a positive impact on the community. The impact on return was likely highest for water and electric projects.

## 5. MANAGEMENT

The term “management” as used in this report needs some additional explanation, as who exactly had management responsibility is the subject of some debate. Day-to-day management of the program was in principle in the hands of the Program Manager, an international official based in Zagreb, supported for most of the time by the Chief of Mission, who left in August of 1999 and was not replaced. Overall program direction was provided by a joint committee composed of representatives from offices in Zagreb of the US Embassy, USAID, and IOM. This committee was chaired initially by an IOM official from Geneva, then by the IOM Project Manager, and finally by the Deputy Chief of Mission of the US Embassy. This committee approved municipalities for participation in the program and projects for funding. There was a subsidiary committee, with similar participation, where recommendations on municipalities and projects were made.

Once the Committee took a decision, the implementation of the projects was under the management of IOM. Oversight of the program from the USAID mission was close and constant, with what appeared to be daily contact. Both USAID and the Embassy made visits to the sites where the project was carried out.

Thus it can in general be concluded that while IOM was responsible for the management of the implementation of the program and its projects, it was not — due to the process of decision-making — fully responsible for the management of the overall direction of the program. If either USAID or the Embassy objected to the inclusion of a municipality in the program, or to the projects requested as a priority by the municipality, IOM was not able to proceed. The management of the relationship with the donors was therefore crucial.

Thus, where necessary for clarity a distinction will be made in the use of the term “management” between those areas where IOM had more control — call it “line” management — and those areas where that control did not exist, which could be referred to as “relationship” management. There is a third way in which the word “management” could be used, which is to collectively refer to those staff who had a management role in the program. In this instance, and to avoid further confusion, “managers” will be used.

### 5.1 Construction

“Line” management of the construction aspects of the program, where IOM had management authority, was addressed in the preceding Section. In brief, construction was not well-managed, primarily due to a generalized lack of expertise.

## 5.2 Reconciliation

This part of the program, again more “line” management, was better managed. IOM was given credit by all interlocutors as being extremely knowledgeable about the political situation at the municipal level in the four sectors in the field in which the program operated.

Certainly the experience of the staff selected for the program were much more related to this part of the program, as many had had experience in out-of-country voting for elections in the country, which had a much more political orientation. As that program was ending, it was relatively natural for staff to be absorbed into RAP.

In terms of effectiveness and efficiency, this part of the program slightly underperformed in terms of measurable targets. The final program report noted that the target of 16 partnership municipalities had been met. However, of the 16 municipalities, only 14 partnership agreements were signed by the end of the program. Only 13 of the 14 were signed by month 18 of the program, a requirement which can be deduced from the original program document, which limits “assessment of conditions for service delivery” (which includes by implication the signing of the agreements) to months 1-18 of project implementation. This presumably is to take into account the time required for implementation of projects after the partnership agreement is signed.

In the two municipalities where no partnership agreement was signed, no projects were carried out, and in the municipality where the partnership was signed in December 1999, one project was constructed, also in December 1999.

It is reasonable to conclude that an earlier signing of agreement would have permitted additional projects to be carried out. However, it should be noted here that in the same way that IOM was not in full control of partnership approval, IOM also did not have full control of when the partnership agreement was signed.

It should be noted that one of the factors constraining effectiveness and efficiency mentioned in the previous chapter as having impacted construction also apply here. The decision-making process among the three partners in the program was a cumbersome one, and the delay between a municipality being proposed for an agreement and the agreement being signed could be lengthy, generally as a result of questions raised or changes requested by the donor. An examination of the minutes of the RAP decision-making body, the Approval Committee, and the Technical Process Team (TPT) showed that from the time the partnership agreement was presented, it could take up to 57 weeks for it to be approved, although the average was 17 weeks. This period does not include the work that was done prior to the partnership agreement being submitted to the TPT. Data is contained in **Annex XI**.

A review of the above-mentioned minutes from a different angle shows the development of the way in which the approval of projects was considered throughout the program:

- ◆ Approval Committee, January 1998: USAID’s “primarily and ongoing interest in RAP will be determination of municipality eligibility, overall cost of returnee and continued eligibility based on performance”.
- ◆ Approval Committee, April 1998: there will be a committee “to deal with full spectrum of implementation issues related to municipalities and projects”.
- ◆ Technical Process Team, September 1998: “according to AID/IOM Agreement IOM has sole responsibility for selecting projects once partnership agreement signed. Therefore project selection should not be pre-condition for PA.”
- ◆ Technical Process Team, May 1999: “second Kistanje project will be approved regardless of compliance”.
- ◆ Approval Committee, June 1999: “RAP’s principle is to endorse municipalities simultaneously with at least one priority project.”

Certainly IOM staff believed that the donor was constantly changing the requirements of the program, leading one non-IOM interlocutor to observe that “one side’s refining the requirements is another side’s moving the goal posts”. Additional excerpts from the Minutes can be found in **Annex XII**.

**Conclusion:** The efficiency and effectiveness of the political part of the program, as measured against established indicators, was better than that of construction, but was not high, due certain constraints in the program, particularly in the decision-making process.

### **5.3 Relationship with the Government of Croatia**

There was no reported involvement by the Government of Croatia in the development of the program. The program itself was designed to minimize the Government’s involvement at the national level, by dealing primarily with the Government at the local levels.

During the evaluation, government representatives reported very good relations with IOM representatives in the field. Those national government representatives contacted also appeared to have good relationships, although the knowledge of the program was not widespread. Among the most knowledgeable government interlocutors, it was mentioned that the projects chosen by RAP for support, although important, were not those that would have been the priority of the central government. Another observed that when the needs of the country are so great, any assistance is a benefit.

**Conclusion:** Relationships with the Croatian authorities were well-managed.

### **5.4 Relationship with the Donor**

This was by far the most problematic aspect of the management of the program, as the relationship among the three partners was very difficult.

When the program was being developed, there were only two partners foreseen, USAID and IOM. In fact, from the outset someone from the Embassy had been present at almost

all meetings. Two partners became officially three with the agreement in June 1998 that a representative of the Embassy would be present at all meetings of the Approval Committee.

In the Fall of 1998, this addition of the Embassy to the process was made even more formal in a Confirmation of Cooperation Agreement between IOM and USAID. The agreement stated that “all decisions reached in regard to program activities shall be by consensus between USAID and IOM” and went on to further state that the Embassy “will be involved in the consensus process”.

As reported during interviews, there was not always agreement between the Embassy and USAID on specific municipalities or individual projects. This effectively meant that there were three partners, not two, thus increasing the difficulty of the decision-making process and making it more time-consuming, which reduced program efficiency and effectiveness.

There were also some difficulties caused by the changing participation in the formal program decision-making bodies. This was more notable on the Embassy side, although there were three Senior Program Advisors involved sequentially from USAID. For its part, IOM had two Program Managers over the course of the program, with the change coming in April 1999. A record of attendance at these meetings is attached as **Annex XIII**.

The increased involvement of the Embassy can be attributed to RAP being the largest US-funded program in Croatia, amounting to USD 13.6 million over two years, including USD 7.5 million the first year. This compares with overall USAID funding for Croatia during the US financial year 1998 of USD 17,258,000. RAP was thus 43% of the total for the year. The visibility of the program, and its size, were such that the Ambassador took a personal interest in it, lifting it into an intensely political arena. It was not a low-key technical program, but rather the US Government’s flagship program for assistance to Croatia.

In addition, the program came at a time when some of the other major activities that had called for heavy Embassy involvement were diminishing, making the RAP program even more prominent.

In Croatia, the Ambassador was known to identify projects for inclusion in RAP. For example, the electrification project in Tremusnjak and Gora, Sector West, was developed after a visit to one of the villages by the Ambassador in which he noted that school children were having to study at home by candlelight. In another case, there was an agreement reached personally between the Ambassador and the Minister for Development and Reconstruction that RAP should support a water project in Kistanje, a municipality for which no partnership agreement had yet been approved. It is noteworthy that the partnership document for Kistanje was signed not only by the mayor and the IOM Chief of Mission, but also by the US Ambassador and the Minister. This was the only occasion on which this happened.

An additional complication was the type of agreement which was initially signed between USAID and IOM, a “cooperative agreement”, which gave USAID “substantial involvement” in implementation. USAID typically considers that substantial involvement includes “approval of annual implementation plans”, “designation of key positions and approval of key personnel”, participation in advisory committees, “selection of sub-award recipients”, and “authority to immediately halt a construction project” (SOURCE: “Results-Oriented Assistance: a USAID Sourcebook Frequently Asked Questions – [www.usaid.gov/pubs/sourcebook/usgov/faqs](http://www.usaid.gov/pubs/sourcebook/usgov/faqs)).

Of the normal types of substantial involvement expected, only two are explicitly covered in the agreement for RAP: 1) USAID review of annual work plans and 2) their participation in the Approval Committee. However, it is stated that the Approval Committee would “review and recommend activities to be funded under the grant”.

This was the cause of some disagreement during implementation, as IOM believed that the Approval Committee should have a role restricted to providing program oversight and approving partnership agreements. On the other hand, USAID apparently intended to exercise close control over the entire process, including discussion and approval of individual projects. While USAID eventually prevailed in its viewpoint, there was a certain amount of time spent in each side trying to push its point of view, with resulting confusion and delay.

In addition to the difficult institutional relationships, compounded by IOM’s lack of expertise in construction, were the problematic personal relationships, particularly between the USAID director, considered by IOM managers to have been a “micro-manager”, and IOM senior managers. It is of interest to note that the USAID Sourcebook quoted earlier devotes some time to the issue of micro-management, stating that the “fundamental risk and accountability issue affecting all types of instruments awarded by USAID is the potential for micro-management”. According to USAID, “substantial involvement is not a device to provide under administrative oversight or detailed operation control”. It is very clear that IOM and USAID did not agree on where the boundary was between “substantial involvement” and micro-management, and that IOM saw USAID as definitely micro-managing. It is also clear from the inclusion of this issue in the Sourcebook that this is an issue in USAID in general.

This has to be added to a relationship between the IOM program manager and one particular USAID official that towards the end of the program became, in the words of one observer, “stupid beyond anyone’s ability to support it any longer”. Another observed that the combination of the two was similar to that of “gasoline and fire”, after having rejected the comparison of “oil and water” as not being descriptive enough of the volatility of the mix. Neither of these observers chose to cast blame on one side or the other, but emphasized that it was a very difficult relationship.

**Conclusion:** Although there were many factors affecting the performance of the program, the difficult relationship between IOM and the donor had a substantial impact.

One additional point that needs to be made is that IOM's previous USAID funding for similar programs, for example the one in Haiti, has by and large come from the Office of Transitional Initiatives (OTI) whose approach to working with their partners is reported to be significantly different than that of USAID in general, being "looser" in oversight. It seems quite likely that differing expectations on the part of USAID and IOM contributed to the difficulties in the relationship.

**Recommendation:** Where large programs are funded by USAID, IOM should provide the senior managers of the program with clear information as to what USAID expectations are likely to be in terms of involvement in the program management, using both formal documentation available and experience gained by IOM staff who have worked with USAID.

**Lesson learned:** How well a program succeeds can depend in large part on the relationship with the donor.

## 5.5 IOM Croatia Management

It can reasonably be stated that there were two overall choices made by IOM local managers that largely contributed to the difficulties of this program. In addition there was one general trend that may have been a contributing factor.

The first such choice was for IOM to insist on maintaining the maximum autonomy in program implementation that could reasonably have been understood from the initial agreement. This was particularly evident in the efforts of the program manager to limit the involvement of the donor in the decision as to which projects to fund. While understandable, and certainly considered by IOM in the best interests of the program, this decision led directly to substantial effort being expended on a task which ultimately proved fruitless, and complicated relations with the donor. As one IOM official stated, "we could have taken the position 'you pay; if you want us to march, we'll march'".

This issue was obliquely addressed at a meeting held to discuss a management report that had been commissioned by USAID (RAP Management Assessment, Conducted for USAID and the International Office for Migration, (IOM) from 24 May to 9 June 1999. Principal Drafter: David Altus Garner - unpublished). At this meeting — held on 10 June 1999, and attended by both USAID and IOM — there was a joint conclusion "that the Grant Letter signed between IOM and USAID is not a contract. IOM's prerogative, within the framework of the Cooperative Agreement, is, for example, to hire staff necessary for the implementation of the project without asking for a prior approval from USAID. Also, IOM has the flexibility to use the money for staffing as it sees fit, as long as the total amount spent is within the budget."

Although the principle of the decision by IOM managers can be upheld, the practical results were unfortunate. It was clear from the series of interviews in Croatia that there was some discomfort on the part of the donor about the decision to stop cooperation with

IOM. This was particularly true for the political part of the program where IOM was seen to have been relatively successful. It can be inferred that to have IOM's overall management of RAP branded a failure was not in the interest of USAID, as it was USAID that had approached IOM about the program, and USAID that was substantially involved in the decision-making process, and USAID that was responsible for program oversight. However, USAID Croatia's "Results Review and Resource Request" for the US fiscal year 2002, published in April 2000, simply notes that RAP's results achieved through IOM "fell short of what was feasible", while stating that the program "continued to make positive progress". It said that "RAP is being significantly restructured" and that USAID is "confident that the results from that program will improve significantly".

The second problematic choice relates to construction, where it seemed that program managers were reacting to problems rather than anticipating them. The focus, until problems started to occur, was on the more political end of the program, reconciliation. Although two engineers were foreseen in the program budget, the second was not hired until July of 1998. The engineering staff was not increased until the first quarter of 1999, apparently in response to USAID complaints. Adequate procurement guidelines were also not finalized until after the beginning of 1999, again at USAID insistence, and no procurement assistant was hired until October 1999. All in all, the lack of focus on construction issues was the second major factor in IOM's "line" management that contributed to the downfall of the program. It can be argued that in the initial conception of the program, the municipalities would be more responsible for project implementation, and thus the need for IOM engineering expertise was minimal, although the program document assigns overall responsibility to IOM. However, as it became clear that this would not work, the managers of the program responded too slowly, perhaps in part because there was no clear recognition of the potential pitfalls and consequences. This again goes back to the lack of construction expertise within IOM.

**Conclusion:** Decisions on the part of IOM Croatia managers contributed to the program's lack of success, although, due to program constraints and relationship issues, these cannot be said to be fully responsible for that lack of success.

An additional concern was the handling of allegations of personal misconduct and conflict of interest, made against IOM staff and brought to IOM's attention by the donor. Several of these were mentioned to the evaluator during the course of the evaluation. These allegations were apparently made informally and were consistently handled in the same informal way by program managers.

One unfortunate outcome of this method of handling allegations was that while everyone "knew" about the cases, no one "knew" how they were resolved, with the resulting impression that they were swept under the rug. Indeed, with this method of handling such cases, there is no way to find out how they were resolved, other than to observe that there is no evidence that staff members reportedly involved were either disciplined, or absolved, in any way. The allegations made were tied to problematic projects. It should also be noted that handling of allegations in such a way is not unknown in IOM's

corporate culture, and that a draft Code of Conduct has recently been circulated which may help address this problem.

**Lesson learned:** Leaving unclear the resolution of allegations made against program staff members can have a detrimental impact on the program, its staff, and potentially the Organization.

## **5.6 IOM's Organizational Choices**

There were also choices made on the part of IOM as an organization that contributed to the program's difficulties.

The first choice relates to agreeing to carry out a program where the bulk of funding was dedicated to an activity where IOM had no institutional capacity, that is, construction. Although it may have been envisioned initially that municipalities would be heavily involved in the construction process, nonetheless "IOM's management duties include all administrative, financial and operations responsibility for program assets, activities, procurement, and contracting." As described in the last Section, IOM had no institutional ability to carry out the last two of those duties listed above.

The next choice was in designing a program that did in no way take into account the Organization's institutional weaknesses. Engineers did not form part of the plan for the senior management team and represented only 10% of overall staff costs. Again, the evidence is that construction was somehow considered a relatively minor part of the whole program, when in fact it was where the bulk of the funds were to be spent. It is difficult to see how IOM could have met its responsibilities without expertise beyond that foreseen in the initial staffing.

Another choice that eventually affected the program was the selection of staff, particularly international staff. This partly relates to the underestimation of the importance of construction in the program, as the staff selected had no experience in that field, or even in any related field. There is a memo from the Chief of Mission to IOM Headquarters on initial program staffing for international positions, attached as **Annex XIV**, plus the descriptions of those positions, attached as **Annex XV**, where it was clear that no consideration was given to construction experience,

There are also indications that the program was asked to hire several staff members for whom the organization had a need to find a position, a common and understandable practice in IOM. However this practice, combined with the other choices above, had a very negative effect on the office's ability to respond to the needs of the program.

In short, there is no evidence, throughout the program, of the Organization having considered thoroughly the overall needs of the program when making staffing decisions.

**Conclusion:** many of the difficulties encountered by the program had their roots in decisions made by IOM at the Headquarters level, implying that solutions to those problems could only be found at that level.

**Lesson learned:** Staffing decisions, made at both the level of IOM Headquarters and in field offices, without sufficient reference to the needs of the program, can minimize a program's chances of success.

In the end, the comment that "RAP was a good program ruined by bad management" can only be understood in the context of how many levels that "management" had. From the "line management" to management of relationships, from local managers in Croatia to decisions made at higher levels in IOM, decisions were made which had a negative impact on the program. To this must be added the complicating factor of the involvement of USAID and the US Embassy in the decision-making process.

**Conclusion:** Although the purpose of this evaluation is to see what can be learned for the future, it is clear that this was a program which did not reach its full potential not so much from external factors, but from factors within it.

## **6. OTHER PROGRAM ASPECTS**

### **6.1 Reconciliation**

Reconciliation was seen by the donor, and by the international community, to be of paramount importance for the future of the country, a prime focus of rebuilding civil society. It was also clear from the way in which the program was structured that reconciliation was not seen by the donors as being a priority for the Government of Croatia at that time, as the program was set up to deal directly with the local level of government, avoiding working with the national level to the extent possible.

At the level of local authorities interviewed during the course of the evaluation, and those whose comments were included in reports issued by the program, reconciliation was seen as being something absolutely necessary, for a variety of reasons. These reasons ranged from the altruistic "as local authorities, we are here to make all normal conditions for living, so that those who lived here before can return" to the practical "task of return and reintegration was difficult to carry out without assistance of the international community". RAP was uniformly considered by interlocutors to have assisted in this process.

### **6.2 Return**

The target of the "sustainable return of at least 30,000 persons" was assessed in the final program report as having been met, with 30,100 reported. However, this number includes 5,400 returns in the two municipalities for which partnerships were not signed, so their inclusion is questionable.

In addition, there are other difficulties with this measure, in that counting returns is difficult in Croatia, with different sources available, which often do not agree. Most municipalities themselves do not have accurate figures, as generally the return is noted only when the returnee comes to the municipality and registers for some legal or material reason. There is no obligation for someone returning to their own home to register. OSCE and UNHCR were other sources of information, but figures did not match. Consequently, program numbers do not necessarily represent an accurate figure.

The other problem with the target is the use of the word “sustainable”. There was no tracking done by RAP of whether returns were sustainable or not, nor was any reporting found by other organizations on the sustainability of returns. In this sense, there is no possibility to ascertain if this aspect of the return target to be achieved by the program was attained.

Furthermore, there was a decision by the Approval Committee at its meeting of 19 June 1998 to agree that the number of returns would be counted as from the beginning of 1998, irrespective of when the partnership agreement was signed.

This de-linking of the returns from the date of concluding of an agreement was in fact in line with the program, as there is no direct logical link in the program between returns and the carrying out of projects. The link is more indirect, to create conditions that promote return, rather than anything directly making a return happen.

## **7. SUMMARY OF CONCLUSIONS, RECOMMENDATIONS, AND LESSONS LEARNED**

### **Conclusions**

- 1) RAP's construction projects were relevant to the needs of the country, but the link to IOM's overall migration work was tenuous.
- 2) IOM was not institutionally prepared to assist the office in Croatia in implementation of construction projects.
- 3) The lack of engineering expertise among the senior managers of the program had a negative impact on the program.
- 4) IOM's lack of expertise in construction led directly to the donor's lack of confidence in IOM's ability to successfully manage this important program area. This in turn led to an overall dissatisfaction with IOM, and contributed to the loss of the program.
- 5) Insofar as construction goes, the program was neither efficient nor effective, due in large part to IOM's lack of expertise in construction. However, there were constraints in the program, primarily in the decision-making process, which contributed to that inefficiency and ineffectiveness.
- 6) The projects implemented by RAP, in spite of the problems that may have been involved in their construction, had a positive impact on the community. The impact on return was likely highest for water and electric projects.
- 7) The efficiency and effectiveness of the political part of the program, as measured against established indicators, was better than that of construction, but was not high, due certain constraints in the program, particularly in the decision-making process.
- 8) Relationships with the Croatian authorities were well-managed.
- 9) Although there were many factors affecting the performance of the program, the difficult relationship between IOM and the donor had a substantial impact.
- 10) Decisions on the part of IOM Croatia managers contributed to the program's lack of success, although, due to program constraints and relationship issues, these cannot be said to be fully responsible for that lack of success.
- 11) Many of the difficulties encountered by the program had their roots in decisions made by IOM at the Headquarters level, implying that solutions to those problems could only be found at that level.

- 12) Although the purpose of this evaluation is to see what can be learned for the future, it is clear that this was a program which did not reach its full potential not so much from external factors, but from factors within it.

### **Recommendations**

- 1) Projects should be assigned to Service Areas from which the greatest institutional support for project activities can come.
- 2) If IOM is to continue in this field, the organization must invest in specific institutional expertise in the area of construction.
- 3) Where large programs are funded by USAID, IOM should provide the senior managers of the program with clear information as to what USAID expectations are likely to be in terms of involvement in the program management, using both formal documentation available and experience gained by IOM staff who have worked with USAID.

### **Lessons Learned**

- 1) IOM undertaking an important and visible project requiring the Organization to implement activities for which we have no institutional expertise exposes IOM to unacceptable risks of failure, and potential long-term damage to our reputation for competence. This lesson applies equally to Headquarters and the Field.
- 2) How well a program succeeds can depend in large part on the relationship with the donor.
- 3) Leaving unclear the resolution of allegations made against program staff members can have a detrimental impact on the program, its staff, and potentially the Organization.
- 4) Staffing decisions, made at both the level of IOM Headquarters and in field offices, without sufficient reference to the needs of the program, can minimize a program's chances of success.

## **Evaluation of the Return Assistance Program (RAP) in Croatia**

### **Terms of Reference**

#### **Background**

The Return Assistance Program in Croatia was developed by IOM at the request of USAID, with funding (USD 13.5 million) provided by them. The program covered a period of two years, 1998-1999, and aimed to promote reintegration and encourage sustainable return by building partnerships with municipalities affected by the war to create conditions conducive to return. Partner municipalities were required to commit themselves to certain strategies to encourage return and promote reintegration, with measurable targets and time frames, and in turn the program undertook projects which the community had identified as being of priority. The majority of the projects completed were related to electric supply, water and sewage, and construction.

The program was a complex one, and operated in a very demanding political environment. It was the largest project funded by USAID in Croatia, and the centerpiece of the donor's reintegration efforts. It also made IOM responsible for activities, such as construction, which called for skills not commonly found in IOM. The project was subject to an audit by USAID, in addition to a management assessment and an inspection. In the end, the donor was not fully satisfied with the overall work done by IOM, and, although the project itself was continued, it is being implemented by other entities.

#### **Objectives**

There will be two primary purposes of the evaluation:

To examine the construction aspects of the program, assessing the relevance of the activity to IOM, the efficiency and effectiveness with which those activities were carried out, and, to the extent possible, their impact on the municipalities.

To assess IOM's overall management of the program, including how relationships were managed, focusing on what lessons IOM can learn for the future.

#### **Methodology**

##### **Documentation review**

- Internal IOM documents, such as project reports, engineering studies, etc
- External documents, e.g. audits, etc.

##### **Interviews and/or questionnaires**

- IOM project staff, to the extent that they can be contacted

IOM Headquarters staff  
Donor representatives  
Representatives of other organizations involved in similar activities in Croatia  
Croatian government counterparts  
Selected interlocutors in municipalities

Technical analysis of certain construction projects  
Review of technical documents  
Site visits

Within certain budgetary limits, it is foreseen to retain the services of (a) qualified local engineer(s) to assist in the evaluation of selected projects to determine the adequacy of IOM's procedures and controls and to assess the quality and cost of those projects.

Resources and timing

EVA will provide the services of the evaluator and support staff at Headquarters, plus the cost of field travel. In addition, EVA will bear the cost of any consultants hired.

IOM Zagreb will provide assistance in gathering documentation, making appointments and handling logistical arrangements in Croatia, identifying consultants, and providing interpretation services as necessary.

The initial draft of the report will be circulated within one month of the completion of field work.



List of those interviewed

**Donor Representatives:**

Charles L. English, Deputy Chief of Mission, US Embassy Zagreb

Kathy Redgate, Chief, Political Section, US Embassy Zagreb

Richard Reiter, Political Affairs Officer, US Embassy Zagreb

Charles R. Aanenson, Mission Director, USAID Zagreb

Richard Gibson, Senior Program Advisor, USAID Zagreb (was in charge of RAP)

Charles Howell, (Senior Program Advisor), USAID Zagreb

Zeljka Zgaga, Program Specialist – Reconstruction and Return, USAID Zagreb  
(served as Chief Engineer for RAP)

**Government of Croatia:**

Lovre PejkoVIC, Head of Office, Office for Displaced Persons and Refugees, Zagreb

Goran Rados, (Head of Department for Regional Development), Ministry of  
Reconstruction and Development

Rikardo Marelic, Head of Office, Office for Cooperation with OSCE of the  
Government of Croatia, Sisak

**Local Government Officials:**

Pasko Erak, Mayor, Kistanje

Zoran Maric, Mayor, Biskupija

Josip Dolenc, Mayor, Petrinja

Vlado Demetrovic, Chief of Staff at the Petrinja Municipality, Principal Advisor to  
the Mayor, Petrinja

Dragica Hilak, Mayor, Darda

Ivan Ilic, Deputy Mayor, Darda

Stjepan Horvat, Mayor, Lipik

Marija Lokner-Zanetti, Assistant to the Mayor, member of the local municipal  
government, Lipik

Albert Menegoni, member of the local municipal government in charge of infrastructure, Lipik

**Other Organizations:**

Jose Belleza, Head, Durable Solutions Unit, UNHCR, Zagreb

Mark Helsing, Head of Office, OSCE Knin

Stefano Gnocchi, Democratization Advisor, OSCE, Knin

Alfons Peeters, Head of Office, Arbeiter –Samariter-Bund (ASB), Ivanic Grad

Aleksandra Basta, Head of Regional Office West, ASB, Daruvar

**Technical Informants:**

Mr. Strkalj, Chief Engineer, Vodovod Sibenik, Sibenik

Viktor Klaric, Director for Technical Issues, Croatian Electric, Osijek

Mr. Stjepan Horvat, Director, Croatian Electric, Lipik

**Political representatives:**

Ratko Gajica, Head of Regional Office, Serb Democratic Forum, Knin

**Former IOM RAP Staff:**

Denis Zoric, former IOM Field Assistant, Former Head of IOM Field Office, Sector West

Tommaso de Cataldo, former Head of IOM Field Office, Sector North

Zarko Milosevic, former IOM Field Assistant, Sector South; Former Field Engineer, Sector North

Goran Ciganovic, former IOM Chief Engineer, Zagreb

Zoran Miletic, former IOM RAP Engineer, Sector South, currently IOM Swiss project engineer in Knin

Vladimir Mustran, former IOM Engineer, Sector East

Jeff Labovitz, former Head of IOM Field Office, Sector East

## Summary of interviews

### Context, including governmental and political

RAP was developed on the premise that it wasn't possible to work with the central government, so had to work with local authorities to spark change locally, for people to return and to be included in the community. Some local authorities saw the international community as a way to obtain funds to get things done, to do their duty to provide conditions so that people could return. Sector East was easier to work in than others, as returnees were mostly Croats. Once the mayor was open to return, the idea was to work there. When other municipalities saw the results, they became interested as well.

Many mayors were not particularly well-suited for the position. Some municipalities may have had staff, but none who could write projects. Small municipalities would have only a small number of people to deal with all issues. They were also in a position to obstruct the program if they wanted to.

There are also other layers of government involved, e.g., county level for decisions on tenancy, and also state enterprises, for example the electric and water companies, where political considerations also applied, and attitudes towards return were important.

After the elections in 1999, it is now possible for international organizations and NGOs to work with the backing of the central government. The government is setting up a coordinating body for return. Changes have not completely filtered down to the local level, and problems still exist, especially in the rural areas.

The idea was to benefit both those who were returning and those who remained. People weren't returning due to problems with infrastructure, e.g., water, plus the political situation, which was not always easy to assess. . Citizenship and property are also issues

The 1995 law on return allowed property to be taken over, most thought on a permanent basis, an impression the previous government did not make efforts to correct. The government has promised to find solutions for those who had to leave this housing when the previous owner came back.

This was an extremely important project politically for the US. At one point the US "carried a big stick" in Croatia, and they needed this program to be a success. The US Ambassador got involved very directly in the program, e.g., Kistanje, where the project was decided at the national level before there were any negotiations locally. The project and its conditions were imposed from Zagreb.

There was some resentment within the international community because IOM did not cooperate with others.

The central government was not always happy with the projects that IOM carried out. However, it was the projects themselves that were visible to the people locally. It could be seen that all were helped, regardless of ethnicity.

Tracking number of returnees is difficult, as there is no one good source of data. For example, previous inhabitants without need of assistance do not need to register. When they require assistance, then the municipality knows about them. Spontaneous return is certainly happening.

Main problem now is the economy and employment, as more will be willing to return if there are jobs. People need to have a clear living situation, and employment, otherwise there can be too much focus on the past.

### **Relationship issues, particularly with AID**

Project was structured as a “partnership” in which partner has enormous discretion, including saying “no” to the donor, even though IOM did not exercise that right. Although the partnership was entered into with enthusiasm, the US was not willing to give IOM the leeway called for in a partnership agreement.

The Embassy and AID did not always agree on what should be done, and IOM was to a certain extent caught between the two with conflicting priorities. The Embassy had to be sure it was in line with overall mission. The Embassy interfered with the project on a political level, deciding on projects and intervening to get them going.

The US needed to be clearer on what it wanted and IOM needed to be more flexible.

Although at certain times there appeared to be the will to make changes in IOM, the communication and relationship between AID and IOM deteriorated to the extent that the Embassy had to act as a mediator. There was a willingness to continue with IOM for political part, but relationship problems wore everyone down. The relationship was quite bad, with IOM believing that AID wanting control without responsibility. There was stubbornness and insulting behavior on both sides.

AID has different standards for projects than OTI.

AID management was not considered good by the international community, nor by others in AID. Not very good on follow-up and didn't work properly. The knowledge of technical elements on the AID side was not good. AID was trying to change things in IOM through indirect, underhanded means.

The involvement of the US in selecting projects delayed the process considerably. AID was micro-managing the project, and at the same time could not make up its mind what they wanted, always changing. The resulting confusion and delays created suspicion that money was not available for projects. There is little or no “paper trail”.

### **Successes**

RAP enjoyed substantial successes on the “political” side of the program, with good professional staff who understood the situation in the field. Relationships and contacts with local authorities were very good. Having staff who stayed in regions helped them recognize problems municipalities facing. IOM was trusted, and was able to carry out what they promised.

IOM staff regularly checked up on situation in partnership municipalities.

There was good cooperation locally with other organizations, both national and international.

With an engineer assigned to the field offices, the engineering side of the project was improved.

IOM was one of few organizations which was actually able to provide direct assistance.

Electrical projects were well-carried out.

### **Failures**

IOM not well-equipped to handle engineering side of things, and was not known for its expertise in that area. In the beginning only staff qualified for political side, not engineering. Internal organization for engineering was poor, including process of contracting, and supervision in the field. Advance payments were made, which is bad idea. Croatian law on construction not consistently followed. IOM was not strong or aggressive enough, didn't insist on details.

Accusation of “gross mismanagement” was made. There was an overall problem with management controls, not well-managed, weak. Lack of willingness to fire people when it was necessary. Lack of COM was handicap. Head of project should be technical person.

In beginning, each office had its own strategy and procedures. Offices competed for projects. IOM was not a team; there was a lack of coordination and sharing of information, including among offices.

IOM operated too independently, and didn't coordinate enough. . AID influence in this process made it difficult to harmonize activities

Overhead was way too high.

Technical support was weak. Lack of IOM engineer on-site created problems. Engineers should have a certain amount of experience, and in the specific field required. Needed a good technical structure, with separate procurement. There was a lack of management control of engineering side. Lawyer not experienced in construction.

It can take long time to get a construction project approved, if done properly, which is difficult in a short program.

Firms should have been selected on basis of competence, experience, and cost, not just cost.

Not all IOM staff were well-qualified, e.g., the PR person was not trained for that position. Engineers were not sufficiently specialized.

Impact on return was disappointing. Uncertainty as to who comes back, or why they do so. Can't say they returned because of the program. No benchmarks were established. Spent time on projects which didn't help return. Should be direct link to return.

Over time, inability to keep promises led to loss of credibility.

Decision-making process led to loss of time.

### **Projects**

Water and electric projects helped put people in their homes. When completed, definitely helped people. If left incomplete, worse than if not started.

Utility of municipal building repair is more removed from return, and serves more as a symbol of improvements being made.

Didn't have infrastructure projects which drew people back. In one case returnees who got houses back promptly sold them.

In one case contractor selected by mayor. Selection of contractor was problematic in another, as there was lots of sub-contracting done. In other, company which drew up plan was allowed to bid on work. In another, supervisory company got percentage of overall contract, an incentive to increase the size of the contract. Some problems created by Croatian authorities as well. Cost should not be the sole basis for selecting contractors; experience is also important.

Lack of good documentation, common in Croatia, can create problems. It takes longer to do projects from scratch, and a shorter time when the preparatory work, e.g., getting permits, is already done. Preparation is a very crucial phase.

While some projects had problems, others were considered well-done by the authorities.

Projects that were carried out jointly with the Croatian electric company were generally considered well-executed, although sometimes the utility is more for the future, as houses were not connected immediately to the system.

**Staff e-mail questionnaire – sent 21 May 2000**

I am in the process of conducting an evaluation of RAP, according to the following Terms of Reference, and have been given your name as an important source of information on this program:

**“Background**

The Return Assistance Program in Croatia was developed by IOM at the request of USAID, with funding (US \$13.5 million) provided by them. The program covered a period of two years, 1998-1999, and aimed to promote reintegration and encourage sustainable return by building partnerships with municipalities affected by the war to create conditions conducive to return. Partner municipalities were required to commit themselves to certain strategies to encourage return and promote reintegration, with measurable targets and time frames, and in turn the program undertook projects which the community had identified as being of priority. The majority of the projects completed were related to electric supply, water and sewage, and construction.

The program was a complex one, and operated in a very demanding political environment. It was the largest project funded by USAID in Croatia, and the centerpiece of the donor’s reintegration efforts. It also made IOM responsible for activities, such as construction, which called for skills not commonly found in IOM. The project was subject to an audit by USAID, in addition to a management assessment and an inspection. In the end, the donor was not fully satisfied with the overall work done by IOM, and, although the project itself was continued, it is being implemented by other entities.

**Objectives**

There will be two primary purposes of the evaluation:

To examine the construction aspects of the program, assessing the relevance of the activity to IOM, the efficiency and effectiveness with which those activities were carried out, and, to the extent possible, their impact on the municipalities.

To assess IOM’s overall management of the program, including how relationships were managed, focusing on what lessons IOM can learn for the future.”

I am seeking your assistance in this evaluation by answering the following 9 open-ended questions about the program that I hope will give me a better picture of its accomplishments and problems. I know that you do not at this time have access to project records, but am most interested in your own understanding and perceptions. I would ask that you take the time to answer the questions frankly, at whatever length that you wish.

Please send your responses directly to me, as they will be kept confidential. While I will use the information in the evaluation, individual sources will not be identified.

I would appreciate your response by 26 May.

Many thanks for your assistance,  
Dick Scott, Programme Evaluation, IOM Geneva

- 1) What was your position in the program? What time period did it cover?  
Did your position change during the time of the program?
- 2) What did you understand as the main purpose of the program?
- 3) What do you see as the program's greatest success? What were the reasons for this being a success? What were the consequences, direct or indirect, of this success?
- 4) What do you see as the program's greatest failure? What were the reasons for this being a failure? What were the consequences, direct or indirect, of this failure?
- 5) What have you observed about the relationship between IOM and local government officials? Can you give any specific examples that would illustrate this?
- 6) What were IOM's strengths and weaknesses in the construction aspects of the program? Did these change over time?
- 7) What did you observe about the relationship between USAID, the US Embassy, and IOM? Were there differences between IOM's relationship with AID and its relationship with the Embassy? What examples can you give that would illustrate these relationships?
- 8) Is there anything that you believe IOM could have done to improve its performance? How would this have changed the success of the program?

- 9) Do you have any other comments that you think might be pertinent to the evaluation, given the Terms of Reference quoted above?

### **Summary of questionnaires sent to IOM staff**

Questionnaires were sent to 14 former staff members. 12 responses were received, and one of the two remaining was interviewed in Geneva. Most of the comments made were categorized under “failures”, “successes”, and “relationship”. Few respondents’ comments were relevant to “context” and none to “projects”.

#### **Context, including governmental and political**

RAP was primarily a political project, although it turned out to be at a much higher level than expected, given the direct involvement of the Ambassador, e.g., in Kistanje. The project had to overcome distrust of international organizations on the part of local officials, at the same time looking for some sort of track record indicating support for minority return.

It was intended to give hope for the future for all.

#### **Relationship issues, particularly with AID**

The IOM/AID relationship was not constructive one, exemplified by lack of coordination. The lack of a clear MOU made it difficult in times of misunderstandings, as there was no clear instruction. AID wasn’t very clear. Both AID and the Embassy changed position over time, and sometimes it seemed as though they were doing it for the first time as well. There was a lack of clarity from AID regarding tendering, local content, and contract awards.

Communication was the issue. The complete lack of understanding between IOM and AID meant that the field was at a loss to understand the program.

Relationships were conflictive and not conducive to work. Much was made of how personalities drove program.

AID micro-managed engineers and didn’t trust them, or IOM in general. As time went on, AID directed more and more, and wanted to control all the details. Every move needed prior approval. AID didn’t want to listen to what the field had to say.

The Ambassador considered RAP as cornerstone of US policy, and as tool for short-term results. It was the Ambassador who decided on a moratorium, and who decided that only large infrastructure projects should be done, and who selected Kistanje as a partnership municipality.

That the Embassy and AID cooperated and coordinated was known. It was not clear some of the time if it was the Embassy or AID that was making the decisions, however. There seemed to be permanent disagreement among all three parties, with IOM sometimes getting along better with the Embassy. The relationship between the Embassy and AID was not as smooth as expected. Much depended on the personalities of the AID Director and the Ambassador. There were on going shifts of

AID and Embassy staff. There were differences among the three players how to implement the program.

AID and the Embassy had competent staff.

Info went to the Embassy and AID from IOM, but nothing came out. In the beginning AID thought they could get the Embassy out of the way, but the opposite happened.

The criteria for partnership were permanently changing.

### **Successes**

Got people from both sides talking to one another. Got projects which assisted both sides. For municipalities which had intention to work together, RAP support was signal to them that they were on right track. Showed to municipalities that only get international assistance when adhere to international standards. Pakrac mayor said it showed way to reconciliation, even without projects.

Promoting and resolving civilian return. Helped some people return to their homes. When projects solved problems of local governments, noticed return of civilians. Rewarded municipalities willing to practice tolerance. Treated Darda mayor and deputy as a team, new approach for Darda. Environment for return in Erdut was much better for returns after project.

Well-thought out program concept, which was supported by quick money for projects.

Relationship with local officials was really good and close. When project implementation started, level of trust on part of local officials became high, could see situation change. Built high level of trust and confidence. Program accepted by local officials, who welcomed direct approach, as they could see results when conditions met.

Staff had very good knowledge of the political situation. Political and theoretical part done in a good way. IOM was open and honest from the outset. Field staff good at identifying forward-looking officials. There were enormous accomplishments in political field.

Successful projects made for good political lobby in Zagreb.

Program was best one in the field. Set goals were achieved. Despite problems, program could be implemented with a patient approach.

Good that engineers posted to field offices.

### **Failures**

RAP was good program ruined by bad management.

There was a lack of clear guidelines and criteria, both on the political and technical side. Program could not be accomplished outside the political realms of the country.

The constant change in rules led to confusion and consequently failure to keep promises. There were too many delays in decision-making process, both IOM and AID.

IOM office misunderstood political situation in the field.

Technical side was really weak, with not experience with local laws and procedures, nor was enough attention paid to them. Initially procedures fit for only buying pens and pencils. This weakness was the beginning of the problems. Needed from the beginning procedures re bidding, procurement, etc. Tenders were not transparent.

Lack of technical expertise in field offices. Late appointment of qualified engineers was a problem. Should have had 5 engineers from the beginning, or possibly two in each field office. Junior engineer was put in charge of technical team. Perhaps it would have been better to hire an American engineer with AID experience. Cooperation and coordination between engineers was counter-productive. Selection of engineers was bad. Chain of command on construction side was very bad. The role of the engineers was unclear. Engineers were not allowed to do their job independently

Decision to make IOM the “investor” increased IOM responsibility without sufficient procedures being in place. IOM should have admitted lack of experience and asked for outside expertise.

Process of project selection was not good. Documents received from the municipality should not be considered serious. Designs were not of the best quality. Program got lost in project implementation.

Not one project in Petrinja sector was finished. IOM failed to deliver on program implementation. IOM was weakest in implementation and construction. Good work in one area (political negotiation) was offset by bad implementation. Loss of credibility extended to international community, who concluded that IOM couldn't handle a complex program.

Support of “head honchos” missing. Weaknesses within IOM team, including in management. Bad internal structure; IOM structure was not transparent at all. Senior and professional staff were not able to handle the whole operation. People skills of many staff were insufficient. IOM should have trusted its people. Needed project managers with good team-building skills. Complaints senior staff went unanswered. Program manager should have been technical person with diplomatic behavior.

Job description was neither clear nor written.

Zagreb/field office coordination was on a low level, with lack of communication from central office. . Local staff (South) did not know what was going on. RAP did not have good information flow, and was disorganized. Decisions were made in the field without Zagreb being informed. Two management problems were “cadre policy” and “responsibility”. Head of Sector South and kept computer inaccessible to local staff.

Undefined relations between IOM and AID. Inability to reach a clear understanding. IOM could have taken position that AID pays and we do what they want. The importance of AID and the Embassy was miscalculated. Representation deteriorated after COM departure. IOM miscalculated all moves and distrusted all AID and Embassy approaches. IOM management tried to blame AID and Embassy, and they did the same to IOM.

IOM should have employed a full-time lawyer.

ASB more professional and has better cooperation with the Government of Croatia.

## Experience and qualifications of IOM Engineers

Name	Qualification	Expertise	Experience	Time at IOM	Post(s) at IOM
Ljilja	Degree 1984	Mechanical	Project designer (7), procurement (6)	3/98-8/99	Chief Engineer, Zagreb Field Engineer, Petrinja
Ciganovic	Degree 1997	Civil	Engineering assistant (5) Project manager, construction (1)	10/98-12/99	Field Engineer, Daruvar Chief Engineer, Zagreb
Miletic	Degree 1998	Mechanical	Technical manager, construction (4) General manager, construction supplies (5)	3/99-12/99	Field Engineer, Knin
Milosevic	Degree 1982	Architectural	Building manager, army (3) Building inspector, Defense Ministry (2) Building inspector, Zagreb (2)	6/99-12/99	Field Engineer, Petrinja
Mustran	High school	Electrical	HEP (38)	2/99-12/99	Field Engineer, Osijek
Vracevic	No degree	Civil	Procurement clerk (2) Project assistant (3)	7/98-9/98, 10/99-1/00	Engineer, Zagreb Procurement, Zagreb

Program Pomoći Pri Povratku  
Return Assistance Programme



Međunarodna organizacija za migracije  
International Organization for Migration

## GUIDELINES FOR LOCAL PROJECT IMPLEMENTATION

For the implementation and monitoring of the projects presented by the Municipality in the Partnership Agreement and approved for execution by RAP Management.

These guidelines should be used mainly for projects involving the building of infrastructures or the buying of heavy equipments. The implementation process of other types of projects such as labour intensive activities, creation of income generating enterprises. multi-component projects will follow some of these steps but will need to be adapted to specific requirements.

Specific tender procedures for large scale constructions and the buying of heavy equipments will be prepared separately.

A "FINANCE" component has been included in all the steps where you need to liaise with our Finance Section.

Zngreb will ensure project coordination and provide you with the necessary back up.

### A. PROJECT IMPLEMENTATION STEPS

#### 1. PROJECT TERMS OF REFERENCE

Municipality's Terms of Reference for a particular infrastructure or equipment, it is the basis and starting point of the process (estimates, quotations, etc...). It doesn't need to be long or complicated but should state the location, the purpose and description of what the Municipality wants or needs to be done.

Responsibles : the Municipality, assisted by IOM (Engineer) if necessary

Note : in all municipalities in partnership with IOM, we should try to identify technical human resources in the public service, who could be appointed by the Municipality as a focal point and counterpart for project implementation. It would also have the advantage of having the possibility to outsource the project monitoring process to these "consultants" provided that their credentials are recognized good.

Finance : FO sends copy of TORs to Finance, even without financial estimate at this point. The purpose is to advise Finance that a project has been created. Finance will then create and communicate to the Field Office a project code against which will be charged all project related expenses to come.

## 2. PROJECT TECHNICAL DOCUMENTATION

It is usually done by specialized intermediaries called "project or design companies", and consists in the preparation of the project technical specifications and financial estimate that will be used for contracting an enterprise or issuing tenders. Their fee represents about 4% of any given project.

Responsible : the Municipality assisted by IOM Field Office

Note : an alternative to this method is to pre-select a company having the capacities to produce the technical documentation as well as execute the works. This alternative, although cheaper as the 4% fee is usually waived, should only be used when some or all of the following pre-conditions are met :

- necessity of quick project implementation
- no other firm can meet the technical requirements
- small scale project
- a positive assessment has been made of the firm's capacities and trustworthiness

Finance : FO sends the estimate and design company invoice to Finncc for payment – see "Payment request" form in annex.

## 3. LICENSING

It is the official approval of the project according to Croatian laws applicable to the said project. With this step the Municipality authorizes itself to go ahead with the project, which is supposed to respect all legal conditions and criteria normally required for the type of infrastructure considered.

The legal fees normally attached to this administrative procedure should be met by the Municipality.

Responsible : the Municipality

## 4. CHOOSING A CONTRACTOR

Two ways :

4.1. Direct pre-selection of a Company, either for small scale projects or when there is no other alternative (and in this case, you'll be required to produce an explanatory note).

4.3. Issuance of tenders (ideally 3 but should be done anyway according to existing market possibilities and fair competition rules).

Responsibles for both alternatives : the Municipality and IOM – either the Field Office or/and Zagreb

Note : IOM will also assist the Municipality when the project requirements cannot be met locally/nationally as it might be the case for specific type of equipment.

IOM should try as much as possible to guarantee transparency and objectivity in the choice of potential contractors which should be based on competency, capacities and reputation. Local and private enterprises should be encouraged to participate over state owned enterprises so as to avoid as much as possible risks of misusing or diversion of our funds. This is also consistent with the RAP's sub-objective of encouraging the sustainability and development of local economies.

Based on these criteria, it is recommended that each Field Office builds its own data base of local and regional enterprises. Zagreb will do the same for national and foreign companies represented in Croatia.

Issuance of tenders will be done according to Croatian law procedures, either through distribution to preselected firms or through advertising.

#### 5. SELECTION OF THE CONTRACTOR

Is done either after direct pre-selection or after analysis of the offers received following the issuing of tenders. The basic documentation on which to operate the selection should be the same for both alternatives and include :

- an offer with proposed implementation plan and modalities
- a technical description
- a precise financial proposal

Analysis of the offers received will be done by a Commission/ Committee composed of IOM (Head of Field Office and an engineer), the Municipality and, when necessary, a specialized and independent firm specifically contracted for its advisory capacities in the sector of intervention to which the project is related.

Responsible : the Municipality and IOM

#### 6. PREPARATION AND SIGNING OF A SUB AGREEMENT

Established for each project implemented, this document, called sub-agreement to differentiate it from the Partnership Agreement, defines precisely the tasks and responsibilities of and binds all parties involved in managing the project implementation. Following the sub-agreement' signature, the Municipality will be allowed to contract the project implementor. Its annexes will include :

- the documentation issued in Step 5
- a project execution monitoring time table
- a corresponding funding timetable

Signatories : the Municipality and IOM Field Office

Finance : FO sends copy of agreement and funding timetable to Finance together with necessary financial data (names, addresses, Bank accounts, etc. )

#### 7. SIGNING OF THE CONTRACT

This is the contract binding the Municipality with the Contractor for project execution. When equipments are concerned, a purchase order will be issued by IOM.

Signatories : the Municipality and the Contractor.

Note : IOM Field Office can witness or participate in the signing of the contracts in capacity of "donor".

Finance : FO certifies and sends to Finance 1<sup>st</sup> invoice of contractor with payment instructions. Tax exemption will be applied when possible and on a case by case basis

#### 8. PROJECT MONITORING

As per the sub agreement's modalities

Responsible : as per sub-agreement and under the overall supervision of IOM in any case

Finance : in line with the funding timetable, FO certifies and sends to Finance the contractor's invoices for payment. This should be done in a timely manner in order to avoid any disruption in project execution.

Note : it is probable that for some specific projects, independent and specialized expertise will be needed, either for monitoring or for validation purposes. They should be contracted by IOM on a case by case basis.

#### 9. APPROVAL OF COMPLETED PROJECT

This is the verification that the project has been executed in a professional manner, according to the technical description and in conformity with the original Terms of Reference.

When it concerns equipments, this is to verify that the equipments delivered is in conformity with the purchase order and required specifications.

Responsible : The Municipality and IOM.

Note : same as for step 8

#### 10. THE PROJECT IS OFFICIALLY HANDED OVER TO THE MUNICIPALITY

The Municipality will then become responsible and accountable of the sustainability and/or good use and maintenance of the project.

#### **B. PARTNERSHIP IN PROJECT IMPLEMENTATION.**

At any step of the process, starting with step 1, there is the possibility that one, or more, partner participates in the process either as co-funder, co-implementor, project monitor or for any other function that will be agreed upon.

Whatever the level and nature of the partner intervention, the IOM remains solely responsible for the project or the project component being proposed by the Municipality against its return strategy.

Program Pomoći Pri Povratku  
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International Organization for Migration

## SUB AGREEMENT

Project title :

Project code :

Amount of Project :

Project location :

Municipality :

Starting date :

End date :

Project Summary :

Sector of intervention<sup>1</sup> :

Executor :

Project supervisor :

Monitoring and evaluation :

Expected results<sup>2</sup> :

Estimated/expected number of returnees :

- direct beneficiaries
- indirect beneficiaries

(1) Building (new or rehabilitation) - Institutional building (new or rehabilitation) - Infrastructure (precise type) - Equipment  
Vehicle - Labour - Credit line.

(2) Creation of infrastructure, employment or micro-enterprise - reinforcement of the Municipality's sectorial capacities (precise nature) - People trained

BETWEEN

*The Municipality of* ( ). hereafter referred as "The Municipality", represented by  
AND

*The International Organization for Migration*, located in Ilinc. 1- ZAGREB, hereafter  
referred as "The IOM", represented by M. . . Head of the . . . Field Office.

ARTICLE 1 : OBJECT OF THE SUB-AGREEMENT

To define the tasks and responsibilities of the parties for the preparation and execution of a project of under the terms of the Partnership Agreement signed by the IOM and the Municipality of Darda on the 8<sup>th</sup> of June 1998.

ARTICLE 2 : OBLIGATIONS OF THE MUNICIPALITY

Contract the selected for executing the project in accordance with annexes 2 and 3.

Overall responsibility to see that the project is implemented according to the project terms of reference defined in annex I, within the budget defined in annex 3, and within the time frame described in annex 4.

Provide IOM access at any time to all information related to the project and produce reports as necessary for project monitoring and evaluation purposes.

Assume responsibility for any expenses incurred outside the Project framework and IOM responsibilities, in conformity with the Article 5 of the present Sub-agreement.

\_\_\_\_\_

ARTICLE 3 : OBLIGATIONS OF THE IOM

Responsible for funding of the project and for effecting the disbursements as per the funding timetable described in Article 5 of the present sub-agreement.

Examine and approve the activity programme of the project, monitor its execution and evaluate its results.

Responsible for the overall project implementation with the right to suspend or terminate a project if its execution is compromised by any event or factor of any nature susceptible to affect the expected outcome of the said project.

\_\_\_\_\_

ARTICLE 4: MODALITIES OF EXECUTION

The present Sub-Agreement will come into force on the day of its signature, with the condition that it follow the acceptance, by the IOM, of the Project Operational Programme and of its budget.

#### ARTICLE 5 : FINANCING

According to the terms of the present contract, the IOM will finance the project to the maximum amount of \_\_\_\_\_ as per the budget detailed in Annex 3.

Any modification to the budget will require prior approval by the IOM

The funds will be disbursed as follow :

\_\_\_\_\_ % as an advance when the contract is signed,

\_\_\_\_\_ % in various installments, following the advancement of the project and upon presentation of financial reports together with the proper justifications of the expenses incurred during the corresponding period. The report periodicity is defined in \_\_\_\_\_

\_\_\_\_\_ % at the conclusion of activities, following the approval of the final report and an eventual audit of the expenses made.

Any balance of funds related to the project and remaining at the end of the activities will be returned to the IOM to be used for other projects within the same objectives as defined in the Partnership Agreement.

The IOM will not be held responsible for any project overspenditure occurring during project execution.

#### ARTICLE 6 : PROJECT MONITORING

The project monitoring will be effected jointly by the Municipality and IOM :

- the Municipality will supervise the contractor's performance and ensure that the project is implemented in conformity with the original terms of reference.

- the IOM will perform the technical and financial control of the project, either directly or through a specialized consultant or institution, in order to ensure that the works are performed according to the established operational plan.

\_\_\_\_\_

#### Article 7 : OTHER DISPOSITIONS

Any difference arising between the signatories and related to the application of the present Sub-agreement will be resolved by way of negotiation.

Any alteration to this Sub-Agreement deemed necessary by both parties will be adopted by consensus and integrated in the contract as an addendum.

Both parties have the possibility to cancel this sub-agreement with a written notification of 30 days delivered to the other party. The cessation of the sub-agreement can occur if one of the

parties is not able to fulfill its obligations as defined in the Grant or in case of violation of relevant Croatian legislation.

Neither party will be held responsible for delays, interruptions and/or cessation of the project that are caused by factors independent of their will and which neither party can resolve. Written notification of the such a situation will be immediately addressed to the other party who will have the obligation to state its position within a period of 30 days.

All communications pertaining to the present Sub-agreement will be in a written form, in English or in Croat with accompanying translation, and sent to the addresses indicated by both parties in the Sub-Agreement.

ANNEXES :

1. Original Terms of Reference developed by the Municipality
2. Technical description of the project prepared by the implementor
3. Detailed project budget prepared by the implementor
4. Project operational programme prepared by the IOM







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IOM international Organization for Migration

**INTERNAL MEMORANDUM**  
**Return Assistance Program (RAP)**  
**On evaluation of**  
**IMPLEMENTATION OF ENGINEERING**

**GENERAL**

In 1999 RAP management made a decision to establish an independent engineering structure, thus hoping to achieve a more efficient, unified and transparent system of project implementation. Changes of RAP implementation structures and procedures were introduced after extensive discussions both within RAP and between RAP and USAID during the previous period. Problems related to project implementation during the previous 12 months of RAP led, however, to increased mistrust and breakdown in communication, and finally resulted with numerous audits of several projects under execution and supervision of the IOM RAP department at Zagreb. Audits were initiated by respectively IOM Geneva and the donor USAID. Results of the respective audits were as good as possible implemented in the policy to follow and the course to go in respect to the information disseminated to the IOM-RAP management staff in Zagreb. It also became clear that vital information of great importance was not disclosed to the IOM management, to allow timely adjustments to improve the general efficiency within RAP engineering. Studying the respective cases, making inventory of available resources within the RAP organization, severe deficiencies were noted and addressed. The deficiencies are categorized mainly as severe lack of management affecting delegation of tasks and responsibilities to an incorrect level; insufficient supervision and over-tasking of individuals. The spin down of performance in respect to construction implementation and/or RAP operations in general, was causing distrust, misunderstanding and other unprofessional emotions. Rapid action was required and the task of analyzing, reviewing and advising was delegated to the Management Assistant (MA). Attached to this was to seek for a possibility to streamline and to professionalise the engineering set up within the current budget using the available resources. As of to date, meetings were held resulting in adapting concepts, reconfiguration of engineering, institutionalizing of procurement and set out clear guidelines and instructions.

**INTENTION**

The intention of this memorandum is to indicate the deficiencies that did lead to the current situation. To advise how to prevent re-occurrence. To develop clear and maintainable instructions for future operations in respect to the Return Assistance Program in a Post War Settlement environment and to the

general RAP operations and engineering/procurement in specific. To propose amendments that can be implemented within the current structure of RAP without additional costs or, needed such, at low costs. Assessment and recommendations are based upon facts from written reports, actual situation and evaluation of the recent past and the current situation. Personal influences, intriguing situations or disaffection do not influence my findings.

## **ASSESSMENT**

### **Engineering implementation**

Referring to the Grant Letter US Embassy (22 Jan 1998) project management and implementation is delegated to IOM. Reporting on project progression, monitoring and evaluation is vested in respective paragraphs, tasking IOM RAP with the full responsibility of implementation of construction works. Construction works are prepared by the field office engineers and supervised by the IOM Zagreb office engineer. Although procedures were known, written down and generally adhered to, experience in coordination of engineering and procurement was not present. This has led to insufficient control over the overall technical process. No instruments (indicators) were present to warn for difficulties or complications in an early stage or even at any stage. Furthermore, geographical distances between the involved offices underlined the complexity of management and control in general. Experience in this field of operations was lacking and the learning process was the 'practice' only. Technical support from an overhead organization, either IOM or USAID was insufficiently present or insufficiently used when offered. As no experience was present within RAP, lack of coordination and/or professional support, leading to complications was not noticed by any supervisor in person or by the organization.

### **Quality of available resources**

The available resources in respect to personnel and equipment are sufficient to support the engineering implementation. Difference in levels of skills and knowledge within the available corps of engineers can be countered by exchange of personnel to the location or by allocation a specific engineer to a specific project. Coordination of this was not done until now to the full extent needed but has improved in the meantime.

### **Allocation of responsibilities**

Responsibilities in overall management of the technical implementation and partially procurement were delegated to the full extent to one engineer. He had to monitor all aspects of project implementation. Although initially supervised

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and assisted by non technical co- workers, the supervising engineer was tasked with too much work. This caused lack of control on the execution of works related to all projects. Should there have been indications given by any of the participants, they would not have been recognized or at least, incorrectly estimated and insufficiently handled based on the lack of experience. Too much responsibility was given to one person to coordinate and control this variety of projects, which led to underestimation of the responsibilities.

#### Project supervision

Follow up on the projects was mainly delegated to the Field Office engineers and head of FO. The Zagreb Office engineer, in a non institutionalized position as Supervising Engineer, had insufficient authority, lost sight on project progression and could hardly (not) keep track on the ongoing operations in respect to engineering. Furthermore, mutual support in this respect was hardly practiced but definitely needed. Again, neither RAP nor the Donor was able to assist as required. Frequent shifting in political priorities required swift adaptation of situations that could not be anticipated caused by severe lack of coordination and experience.

#### Individual responsibilities

Individual responsibilities were not properly delegated because there were no structural procedures that would have indicated and would have allowed such. Mainly the general responsibilities of the Field Offices and the Zagreb office covered overall guidance vested in the respective Terms Of Reference (TOR) of all individuals. Mutual responsibility could not be derived from the responsibilities stated in the respective TOR as this was never experienced before and never promoted as the concept to be used. Individuality even led in several occasions to incorrect use of autonomy, caused by lack of supervision. Corrective actions in respect to complications during implementation of projects were not – or insufficiently – ordered and in some occasions not accepted and processed.

#### Management support and supervision

The required support of management and supervision could not be given by the RAP overhead. Insufficient experience was present in this field at the required level. RAP staff was mainly involved in the adjustment of political priorities in respect to the RAP program and the actions required by the outcome of those changes were not always translated in clear guidelines to the engineering part of RAP. Again, lack of experience caused loss of overview and within the RAP structure, no individual was available or clearly tasked with the supervision of engineering implementation. This resulted in a kind of

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delegation of autonomy to the Field Offices where the autonomy was not abused but used in an incorrect way because insufficient guidance was given and no clear guidelines and instructions were present. Although co-ordination meetings were planned at start, this important instrument was not maintained caused by setting of other priorities driven by politics and an absolute over commitment of all RAPP staff members in respect to engineering implementation.

#### Reactions and emotions

An important part of the acceleration of the spin down in performance was the lack of communications. Technical and emotional indications or signs were insufficiently recognised. Mistakes were not properly corrected and the involvement of all RAP members in a kind of team condition was insufficiently promoted and nursed. Generally team awareness and responsibility to this was / is present and prevented from worse. The 'distance' of Zagreb to the FO rapidly became an 'obstacle' leading to loss of communications. Of notice is again the lack of experience and support in order to detect this in an early stage and to react accordingly.

#### **CONCLUSIONS**

Due to general lack of experience in engineering implementation, RAP started engineering implementation too fast without proper preparation. Caused by over-tasking at staff level, track on the ongoing activities was lost rapidly. Instruments or warning indicators were not present and corrective actions were insufficiently implemented. The autonomy coming forward out of this accumulation of negative management and lack of supporting influenced the implementation of engineering in a spin down effect. The instrument of audits was productive in the light of financial responsibility as no malversations, theft or bribery were reported as proven or even present. In respect to building of mutual trust, the audits were absolutely counter productive, which could have been minimized in the negative effect when at start and during the audits more transparency was practiced. Withholding audit information to the staff is to be seen as distrust in advance and not loyal. 'Although sufficient personnel and quality in respect to engineering is present, mutual use and exchange of skills was not practiced to the full extent possible. Lack of supervision and support was caused by over tasking and led to substandard conditions in the overall execution of engineering. Procurement was not properly institutionalized and delegated to a level that could not guarantee the needed control. All over lack of experience in this respect was one of the driving factors causing the substandard performance condition of engineering implementation. Personal

sentiments also negatively contributed to lack of understanding and lack of mutual trust, of course, leading to avoidance of responsibilities and partially to accusations. Above mentioned sub-conclusions brought RAP engineering implementation to the current low standard.

Sufficient quality in resources in personnel and their qualifications is present within RAP to stop the spin down effect and to come to a satisfactory or better condition in respect to engineering and procurement operations. Therefore the following recommendations of which some are already under implementation, are forwarded:

### **RECOMMENDATIONS**

The proposed recommendations are for current RAP/FO operations in Croatia but also meant for guidelines to be used in Post War (re)Settlement operations. The instructions and the policy leading from them will also support the overall IOM mission in this new field of operations in the time frame after initial return to war affected areas where reconstruction of infrastructure and setting of valuable return conditions are of vital interest.

1. Install the Project Division at IOM Zagreb within the current structure. One person with legal background should be added or recruited.
2. Institutionalize procurement at Zagreb RAP office by allocating a procurement assistant and direct the procurement responsibilities to Zagreb to be linked with the RAP finance, admin and engineering.
3. Institutionalize one Supervising Engineer at Zagreb.
4. Reconsider the legal advice contract.
5. Develop instructions and guidelines in one manual on RAP/FO operations general and for engineering and procurement in special.
6. Revise contracting and procurement in procedures and implementation,
7. Order and maintain monthly coordination meetings with FO with two aspects
  - Head of FO coordination meeting with RAP Coordinator;
  - Head of FO and engineering meeting with the Project Department
8. Improve liaison with donors.
9. Brief donor on these plans and progress.

#### **Note from the MA.**

Having evaluated this situation, I have found problems that can be solved in an adequate way within reasonable time limits. The proposed revised set up also gives prospective for the future and for IOM operations in general. I expect that implementation of engineering and procurement within RAP will have

improved to good standards before the end of 1999.

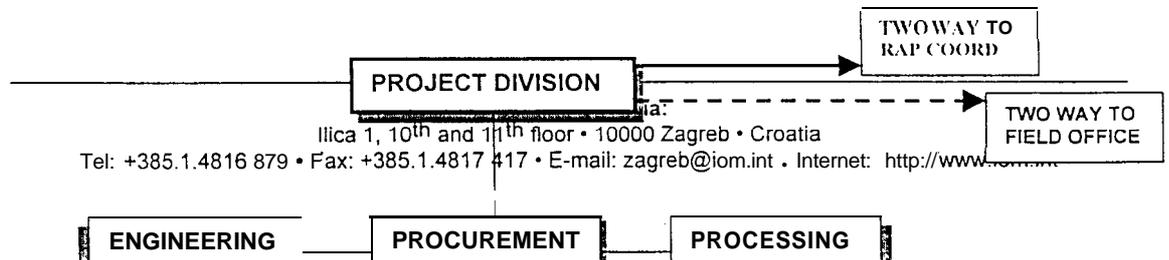
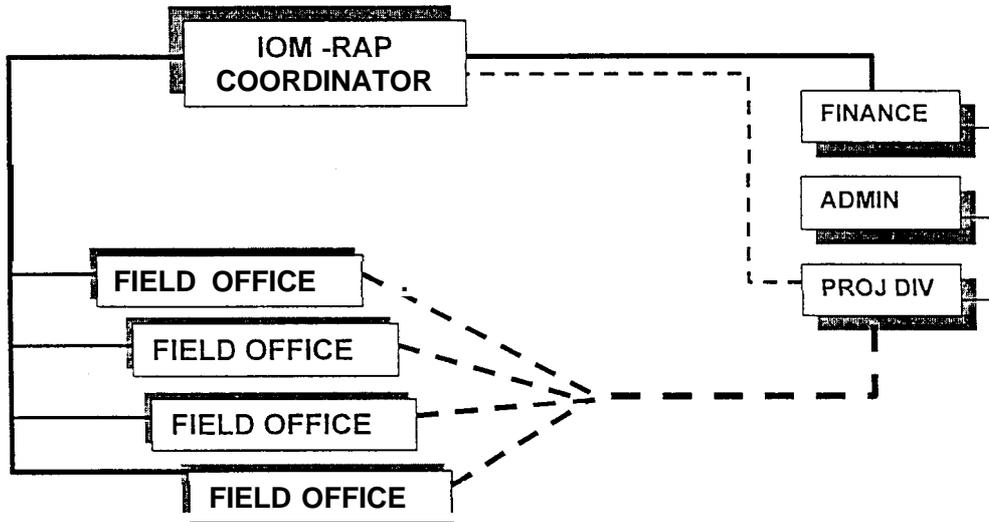
Zagreb, 24 October 1999.  
For the RAP Coordinator,

Gerrit Stegeman  
MA to RAP.

**ANNEX 1**

To memorandum 24 October 1999.

**RAP / PROJECT DIVISION**



**Document 1**

**MINUTES: RAP APPROVAL COMMITTEE MEETING  
24 JULY 1998, USAID/ZAGREB**

A visit to Dragalić and Okučani by the representatives of USAID, U.S. Embassy and IOM is scheduled for next week.

**Document 2 (dated 1 Aug 98)**

***Report from Assignment to the Ex. Sector West  
PREPARED BY DAVOR VRAČEVIĆ***

**Municipality of Dragalic**  
Contact City Major

*Projects proposals*

1. *Sewage system in Dragalici  
Contacts wit Croatian water Mr. Cigic  
Total amount of money 5,874,200.00. - Croatian Kuna  
Project will be prepared by Croatian water; rough scope of work done*  
  
*IOM Engineer opinion: STOP  
Reason: To much money*
2. *Water supply system  
Local piping network and regional pipe system for Dragalic and Gorice  
Water investigations works (Croatian water (Mr. Radakovic)) will be finish till 11/98*  
  
*IOM Engineer opinion: STOP  
Reason: Wait for the Water investigation works and report to be done.*  
  
*Suggestion: After report is done it will be possible to identify the cost of the project, after that  
IOM can start investigation how to co-finance project.  
Possible in combination with Croatian water*
3. *Regional Gas project ( Masic-Medari-Dragalic)  
This gas project will cover 669 houses in above-mentioned places. In a case of implementation of  
project - 335 hoses are going to be supplied with gas and rest will be ready for DP's.  
Project design documentation is done; prepared by EKO-PROJEKT (local consulting company)  
Rough estimate: 2,800,000.00. - Croatian Kuna or regional gas line  
4,680,000.00 Croatian Kuna or pipeline networks inside of each  
town include measuring device on each house. No gas pipeline installation in to the house.*  
  
*IOM Engineer opinion: STOP*  
  
*Reason: To much money*
4. *Project proposal for establishes Komunalno Department in Municipality.  
Plans to employ three people.*

5. *City Hall in Dragalic*  
*Project design documentation is done; prepared by EKO-PROJEKT (local consulting company)*  
*Blue prints done.*
- Rough estimate 1,200,000.00. - Croatian Kuna*  
*Main building project is not done, zone permits is not done, and building permit is not done.*  
*Consulting Company is required to prepare zone permit, building permit, main construction project and scope of work.*
- Possible donor (One part of the Austria Government) for cost of construction building,*  
*Municipality does not have money to covered Consulting Company for documentation. Extremely*  
*good offer of 120,000.00. - Croatian Kuna, madden by IPK Osijek Consulting Company project*  
*office wit the dead line of 45 working days. Municipality has three offers.*
- IOM Engineer opinion: Condition, Austria Government signed letter that they going to construct*  
*building then IOM should cover cost of Consulting Company.*
- Reason:*  
*Suggestion: Presentation this case on next TPT meeting. Ask for approval.*
7. *Main building ( Morgue) on City Graveyard ( Covered Dragalic and Medari)*  
*General urban plans of City Graveyard done.*  
*All permits done, blue prints done, main construction plans done, scope of work done.*  
*Foundations of building done.*  
*65 m2*  
*Building could be done in 35 working days and 15 working days for inside works.*  
*Estimate 250,000.00.- Croatian Kuna*
- IOM Engineer opinion: **GO- IOM alone***  
*Suggestion: Presentation this case on next TPT meeting. Ask for approval. If yes issue tender and*  
*close in 10 days and make cut contract for construction.*
8. *Roads*
- a) Residential area Donji Bogicevica (1.5 km)*  
*IOM Engineer opinion: Possible, rough estimate 1,500,000.00. - Croatian Kuna, cleaning*  
*channels along the road, asphalt on top, road foundation in good condition. Wait for Croatian*  
*Roads make scope of work.*
- b) Road in to the hill (4.2km)*  
*IOM Engineer opinion: STOP*  
*Reason: Road in good condition.*
9. *Bus stations (road Dragalic-Masic-Medari) each place two pieces.*  
*IOM Engineer opinion: Possible. Wait for Croatian Roads make scope of work and identify*  
*position of the bus stations in these places.*  
*Reason: Not big investment, visible.*
10. *Play grounds*  
*2 in Dragalic*  
*2 in Medari*
- No documents.*  
*IOM Engineer opinion: STOP*  
*Reason: Not the priority.*

*NOTE: One of the best Municipality concerning effort made in preparing technical documentation. The Major is not from the construction branch. It will be very good for many of reasons to start any project in this area.*

### **Document 3 (e-mail)**

From: WEITKAMP, Mr. Steve, RAP Coord  
Sent: Thursday, September 17, 1998 4:51 PM

Regarding the proposal to halt signing new munis until October:

1. I don't think that would be a disaster
2. I'm inclining toward informing them that we consider it important NOT to wait in the cases of Dragaliæ and Donji Lapac (Karlovac, I believe, can be temporarily placated by our donation of PCs)
3. Topuško, Bariloviæ, Pakrac, Okuèani, and Oklaj will not suffer from a few more weeks of development
4. my intention is, once we've passed this meeting with Montgomery, to proceed in a more efficient, independent manner to bring munis into RAP. By this I mean that we will no longer seek "approval" of municipalities by AC (and certainly not by TPT). We will allow maximum input into the process through TPT and AC. We will even seek AC recommendation. But we will select the municipalities.

### **Document 4**

IOM Daruvar, RAP Sector West, Progress Report  
Date: October 8, 1998

Dragalic

- 1) Complete project documentation for community hall, fire-brigade hall, center of the village, sports hall and kitchen for the primary school

Meeting held with Mr. Mutnjakovic, architect who offered considerably lower cost for preparation of complete documentation for a number of projects important for the municipality. He will provide us with already prepared sketches. Documentation is important for the municipality because on the basis of it they could approach other donors. Also, it represents the initial phase of assessing realistic possibilities of further projects to be implemented in Dragalic.

- 2) Water-supply system (documentation and part of the costs)

Meetings with Croatian Waters held. Cost of the entire project, including documentation, is considerably higher than the returnee numbers will cover. Research and documentation are in the preparation phase. General agreement reached in terms of exploring possibilities to cover at least some parts of the cost for documentation.

- 3) Morgue

Documentation prepared. Small-scale project that could be executed fast. Important for the municipality in general.

### **Document 5 (e—mail)**

From: IOM Daruvar[SMTP:iom-daruvar@iom-zg.tel.hr]  
Sent: Wednesday, October 28, 1998 4:02 PM

I hope that we have solved the famous Dragaliæ first project problem. We had a discussion with the mayor this morning and reviewed all realistic and useful possibilities. The situation is as follows:

In terms of their actual needs, they have the following priorities:

1) municipal part of the research and documentation cost for the water-supply system, to be matched with Croatian Waters in order to have it as one of the Croatian Waters' priorities for the next year. At this stage, I told the mayor that we cannot support this project, because it is not visible enough (but maybe at a later stage). This is their absolute No. 1 priority...

2) Complete documentation for a number of projects in the village (you recall, everything for half the price). This is also out, I told the mayor, at least for the projects that we will not be able to execute.

3) Morgue - to be forgotten for obvious reasons, regardless of the dark-humor fact that these are definitely the most sustainable returns ...

3) Kitchen for the school (out due to the fact that ... it is inappropriate because it is not directly connected with the school - which is definitely true, but is much less inappropriate than having no kitchen/food/hot drinks in winter etc. at all). By the way, county department for education is willing to give some money for this, which also means that there will be no technical obstacles.

4) Community Hall, which has a number of purposes: place for a number of groups and associations, place for cultural and social activities (movies, theater, exhibitions, public library, weddings, meetings, etc). Needless to say, I did not ask the mayor if it will be used by all citizens or some would be excluded. ...

The Hall is out for the time being because the Government of Upper Austria rejected a request put by a mayor of a small Austrian town which has special relations with Dragaliæ, for funding of the Hall. The Austrian mayor, however, thinks that they might be willing to reconsider their decision if other donors are lined up. As we cannot define our commitment at this stage, I first requested the mayor to provide us with the estimate of the potential first phase of the project (basic construction with roof), on the basis of which we might think about funding documentation and the first phase of the projects (but as our second project in Dragalic), and trying to get other donors interested.

From the point of view of their needs, bus stops are out for obvious reasons (no busses, no lines, no people). They would, of course, need this, but in a year or two.

We finally agreed to pick the three playgrounds for kids, one by the school, the other at the end of the village, and the third one in Medari, neighbouring village with Serb returnees. They need documentation for this and the estimated cost for everything is cca. 150,000 kunas. I already spoke with their architect, and he can do the project documentation fairly quickly. At the same time, we found out that there is a local producer (an Italian guy - one of the 17plus ethnic groups in the region) in Lipik, who might produce needed equipment for less money than expected.

I hope that we don't have to put additional explanation on how the three playgrounds for kids would facilitate sustainable returns in a municipality with more mine fields than habitable houses...

This investment is more than justified by numbers of those who already returned, one might add.

In addition, I would propose that as the second project we do documentation for municipal hall with the first phase of the actual building (I am confident that we can get GoC institutions to participate and some additional donors to close the budget).

Guys, I hope that the three playgrounds are going to be approved, regardless of the fact that, for obvious reasons, this was not a priority in a municipality with needs such are in Dragaliæ. However, I explained the mayor that we have to be realistic... and start with ANYTHING (that could be sold to the donor) at this point.

If anything else is needed from my side at this point, please advise.

Tomorrow morning we are going to have Goran here with us, we'll give documentation for the Lipik kindergarten project to potential partners. After that I plan to go with Goran to Dragaliæ, to show him the place and sites of the three playgrounds.

## **Document 6**

### **Quarterly Report August – October 1998**

Lipik PA was signed at the beginning of August. At the same time we have finished all assessment activities for Dragalić ...

## **Document 7**

Municipality: Dragalic  
Date: November 17, 1998  
Prepared by: Zoran Milovic

### **Dragalić Projects**

After thorough discussions within RAP structures as well as with the mayor and representatives of the donor, and bearing in mind current level of returnees, availability of documentation and municipal needs, we are proposing the following project to be implemented as the first one after signing PA with the municipality:

#### **1) Three playgrounds for children:**

- aa) near the primary school in Dragalić
- bb) in the southern part of the village (rather far away from the first playground)
- cc) in the village Medari (area of Serb return)

The approximate cost of the project would be cca 150,000-200,000 HRK, including documentation, work and equipment, which is within the currently available level of funding, bearing in mind that cca 130 people returned to the municipality this year.

Dragalić primary school currently has some 250 children, and there are no playgrounds in the area. At the same time, Dragalić municipality is heavily mined. The three playground areas have no mines/shell fragments.

Project documentation will be available very soon.

Time-frame for implementation will also be fairly short, especially as we are currently working with suppliers for the Lipik nursery, and will soon assess equipment cost for Dragalić playgrounds. The entire project could be finished by February next year...

Bearing in mind the return dynamics, visibility of projects, municipal needs, possibility to attract other donors, the best choice for the second project are:

- 2) **equipment for school** (6 PCs, 1 printer, 1 copier, 1 TV set, 1 VCR, 2 radio cas. players, some instruments for the musical section, some equipment for technical department, some equipment for gymnastics department). Total amount will be rather low, covered by current numbers. Visible and important in terms of their needs. Could be implemented very soon (before Christmas)

Other important projects, implemented depending on the return dynamics:

- 3) **Public works machinery** (one tractor with additional equipment, one small truck, one small excavator). Very important for the municipality, visible and useful, will be covered by spring returnees

- 4) **Municipal part of the research cost/project documentation for the water-supply system (for the return areas)**, with or without additional RAP funding for the actual work. Croatian Waters will start with the research/documentation, but will not finish unless 200,000-300,000 HRK are supplied by municipality/other donor. If we can make any commitment and a contract is signed with Croatian Waters, we will have a very clear picture about the time-frame, not only for research/documentation part, but also for the work. Next year numbers of returnees will be able to cover part of the cost for the work itself, but our agreement with Croatian Waters could be flexible, depending on the return dynamics.

The water-supply system is crucial in the return context, and is made even more important bearing in mind that ASB-EU offered housing reconstruction for the returning Serbs. There might be a possibility of getting ASB-EU funds for the water-supply system as well, but we cannot start negotiations with them and with MDR/Croatian Waters unless we are ready to commit at least some funding for any of the phases of the project. Needless to say, if ASB-EU takes both housing reconstruction and the water-supply system, without any RAP involvement, we will considerably lose political leverage which we still have in this municipality/county.

- 5) **Documentation and part of the cost for the community hall** in Dragalić. Again, we will not have enough funding for both documentation and the work. Other donors are interested, but only if we/other partners can commit funding. In terms of their social needs, community hall is extremely important. As the municipality has no money for the project documentation, they are handicapped when they are trying to talk to potential donors. In terms of RAP funding, the best choice would be to cover cost of complete project documentation, on the basis of which we can jointly try to get other donors interested.

## Document 8 – DRAGALIC RECONSTRUCTION DEC98

Municipality: DRAGALIC  
1991 Census & GoC Reconstruction and Development Plan

Reconstr. of Power System

Village/Town	Croats	Serbs	Others	Total	Total in HRK	Total in USD
Donji Bogi}evci	26	238	63	327	HRK 551,250.00	\$88,200.00
Dragali}	539	73	43	655	HRK 288,750.00	\$46,200.00
Gorice	119	49	52	220	HRK 183,750.00	\$29,400.00
Ma{i}	94	503	52	649	HRK 971,250.00	\$155,400.00
Medari	24	367	61	452	HRK 708,750.00	\$113,400.00
Poljane	20	374	18	412	HRK 498,750.00	\$79,800.00
<b>Total</b>	<b>822</b>	<b>1,604</b>	<b>289</b>	<b>2,715</b>	<b>HRK 3,202,500.00</b>	<b>\$512,400.00</b>

OTHER - ROADS: Reconstruction of local/county roads: local road L 42017 = 2,045,000' HRK (\$327,200-); county road Z 4155 = 565,000' HRK (\$90,400-).

OTHER - EDUCATIONAL FACILITIES: Annex to the primary school and the heating system: 450,000' HRK. (\$72,000-)

OTHER - POSTAL AND TELECOMMUNICATION FACILITIES: New Post Office in Dragalic: 469,000' HRK. (\$75,040-)

NOTE ON POWER PROJECTS: All cost is for connections to not yet reconstructed houses.

NOTE ON PROJECT MISSING: Water-supply system for Dragalic municipality not in the Reconstruction Plan.

## **Document 9**

### **Summary of Best Municipalities for RAP Partnership with RAP/Daruvar** 14 January, 1999

#### **Introduction**

IOM Daruvar currently covers Lipik municipality. It is apparent that as RAP signs new partnership proposals, it is important for the RAP to expand on the number of municipalities represented in our AOR. This report prioritizes what we consider to be the top three municipalities, which should be considered (currently IOM Daruvar has prepared seven municipalities with project proposals for consideration into RAP). Our evaluation is based on four criteria:

- a) Importance to the RAP (general)
- b) Return potential including cross border return
- c) Projects
- d) Opportunity to collaborate with other partners
- e) Other relevant information

## **2. DRAGALIĆ**

- a) Signing of RAP contract was postponed two times before the moratorium. Dragalić has an exceptionally cooperative and open-minded mayor.
- b) At the moment the demographic situation is as follows: all displaced Croats have returned, 200 refugees from BH have settled in the municipality, 200 displaced Serbs have returned. The majority of potential returnees are in the Danubian area, FRY and BH.
- c) We had prepared a list of projects with the municipality, but now some of these projects will be implemented by ASB. However, there are small electrical projects, a potential area for children's playground, a municipal cultural center, and reconstruction of a water pipeline.
- d) ASB/EC and Dragalić municipality signed contract on 15.01.1999. ASB will start with demining, 30 houses and sewage system. There is a good opportunity to collaborate!
- e) OSCE organized a demining conference in Sisak where the current situation of Dragalić was presented. Dragalić itself was on the front line and during the war all civilians left the area and mining took place. The Croatian Army has done some demining, but there are suspected minefields 50 meters away from family houses.

## **Document 10 (e-mail)**

From: WEITKAMP, Mr. Steve, RAP Coord  
Sent: Friday, January 29, 1999 6:09 PM

3. Dragaliæ: approved. First project to be the sewage project in collaboration with ASB. We need more details regarding the status of this project: does it depend upon some activity of Hrvatske Voda, etc.

<u>Municipality</u>	<u>Dates PA discussed</u>	<u>Date PA approved (signed)</u>	<u>Time between discussion and approval</u>
<b>Sector South (Knin)</b>			
<b>OBROVAC</b>	15 May 98, 1 Jun 98, 19 Jun 98, 30 Jun 98	23 Jun 98 TPT (10 Aug 98)	5 weeks
<b>BISKUPIJA</b>	21 Jul 98, 11 Aug 98, 28 Aug 98, 21 May 99, 7 Jul 99	21 Aug 98 AC (3 Sep 98)	
<b>DONJI LAPAC</b>	11 Aug 98, 1 Sep 98, 13 Oct 98, 19 Nov 98, 27 Jan 99	29 Jan 99 AC (March 4, 1999)	24 weeks
<b>KISTANJE</b>	7 Jul 99, 14 Jul 99	26 Feb 99 (March 9, 1999)	N/A
<b>Sector North (Petrinja)</b>			
<b>PETRINJA</b>	15 May 98, 1 Jun 98, 19 Jun 98, 15 May 99	19 Jun 98 AC (25 Jun 98)	5 weeks
<b>TOPUSKO</b>	4 Aug 98, 6 Aug 98, 11 Aug 98, 1 Sep 98, 8 Sep 98, 15 Sep 98, 29 Sep 98, 26 Feb 99, 19 Mar 99	26 Feb 99 AC (17 May 99)	29 weeks
<b>Vojnic</b>	7 Jul 99, 14 Jul 99	5 Oct 99 TPT (not signed by program end)	12 weeks
<b>Sector West (Novska/Daruvar)</b>			
<b>LIPIK</b>		30 Jun 98 TPT ( 3 Aug 98)	N/A
<b>DRAGALIC</b>	30 Jun 98, 21 Jul 98, 4 Aug 98, 11 Aug 98, 1 Sep 98, 15 Sep 98, 13 Oct 98, 19 Nov 98, 27 Jan 99	29 Jan 99 (17 May 99)	30 weeks
<b>PAKRAC</b>	15 Sep 98, 29 Sep 98, 29 Oct 98, 29 Feb 99	26 Feb 99 AC (March 20, 1999)	23 weeks
<b>OKUCANI</b>	1 Sep 98, 8 Sep 98, 15 Sep 98, 29 Sep 98, 7 Jul 99, 14 Jul 99, 7	5 Oct 99 AC (agreement not yet signed)	57 weeks
<b>Sector East (Osijek)</b>			
<b>DARDA</b>	15-May-98	1 Jun 98 (8 Jun 98)	2 weeks
<b>KNEŽEVI</b>	1-Jun-98	19 Jun 98 (7 Jul 98)	2 weeks
<b>VINOGRADI</b>			
<b>LOVAS</b>		23 Jun 98 TPT (10 Jul 98)	N/A
<b>ERDUT</b>	21 Jul 98, 27 Jul 98, 4 Aug 98	24 Jul 98 AC ( Aug 13, 1998)	1 week
<b>OSIJEK</b>	19 Mar 99, 7 Jul 99, 14 Jul 99	5 Oct 99 (2 Dec 99)	28 weeks

## SELECTED POINTS FROM MINUTES OF RAP MEETINGS

**1** Dec. 9, 1997 - first meeting of RAP Governing Board

**2** Jan. 20, 1998 AC mtg.: Changes in GB/AC functions in context of RAP operations

Discussion final RAP budget proposal and Grant Letter proposal

Change from Advisory Committee to Approval Committee. Discussion funding procedures and formal signature of agreement to take place in Vukovar planned Jan. 28/29. RAP start-up planned for beg. February.

USAID said local engineer would be hired as part of SO team, must approve person proposed as RAP coord. Riley (USAID) said that primary and ongoing interest in RAP will be determination of municipality eligibility, overall cost of returnee and continued eligibility based on performance.

**3** March 10, 1998 AC: disc. On office space and presentation RAP to municipalities - Hyde sugg. Pilot projects to see how plan functions in the field Prime Minister Matesta has shown interest in RAP and in organizing briefing of 'zupans'. Important Croatia Govt. and zupanija auth. have detailed info. on RAP activities.

Disc. Of proposed docs. By USAID - Weitkamps said Yates was 'asking far too much' (purpose of RAP to help create openness and improve goodwill and faith).

Disc. On selection of municipalities (Amb. Moore) and goal of 3'0,000 returnees. Ms. Patterson suggested a collab. With the National Reconciliation Board on local level.

Membership of Approval Committee extended to include members of US Embassy; material for discussion 3 days ahead of mtg; mtgs held once month; all decisions made by consensus..

**4** 14 April, 1998 AC: disc. On meetings with zupans . Approx. 60-70% of municipalities contacted by IOM FO. Progress reports distributed at mtg. Once again it was agreed that for future meetings all materials will be prepared by IOM and sent to USAID at least 3 days beforehand.

Some problems in contacting local authorities who seemed reluctant to work with RAP without clear approval at country level.

Discussion on problem of Bosnian Croats. Difficulty local authorities have in drafting their return strategies and project proposals. IOM field staff has important role in helping them complete their applications.

Still no official response to setting up meeting from Prime Minister Matesa despite being aware of RAP. Decided not to push

Possibility of collaborating with ASB on housing projects since RAP cannot directly fund housing repairs and ASB cannot fund utility programs there is space for joint activities in those two sectors. Possibility of MoU.

**5** May 15, 1998 AC: policy: should RAP be involved in setting up temporary accomodation whilst awaiting perm. Housing?

**6** At June 19, 1998 AC meeting it was decided that one member of the US Embassy political section would be present at every AC meeting

Once approved for RAP, historical credit should be given to municipality as far as counting the returns is concerned. Discussion of issue of Kijevo-Civljane disc. - concern US Embassy re. potential border dispute.

- 7** 23.6.-30.6-21.7 TPT short discussions on municipalities and return figures
- 8** 24.7.98 AC: A standard progress report to be prepared for every approved municipality. How does IOM choose partner municipalities? A cost-benefit analysis of current involvement in sector should be prepared
- 9** 4.8.-11.8. TPT: discussions municipalities
- 10** 21.8. AC: approval partnership - updates
- 11** 1.9.98 TPT: partnership updates
- 12** Sept. 8, 1998 TPT: According to AID/IOM Agreement IOM has sole responsibility for selecting projects once partnership agreement signed. Therefore project selection should not be pre-condition for PA.
- AC procedures may need further refinement as it appears to have become a hindrance in program implementation process.
- 13** 15.9.98 TPT: Recommended visits to Topusko, Okucani, Promina, Barilovic for more info in near future
- 14** Sept. 29, 1998 TPT: Okucani - mayor disbanded Housing Commission - may have to re-elect mayor. Review of all projects submitted to MDR Misleading report on RAP prepared by OSCE field official indicated that RAP prog. Had been suspended by local financial police. Barilovic municipality?
- 15** Oct.13, 1998 TPT: Field visits by Richardson (USAID). Due to moratorium on new RAP partnerships no discussions were held relating to municipalities currently under discussion. However, discussions would continue after Richardson's field visits. Richardson asked Embassy to review partnership proposals and inform AID on issues.
- Re. request made by ODPR on equipping selected Housing Commissions with office equip. IOM was to send formal request to AID for discussion next AC.
- Coop. IOM and FLAG - AID to seek clarif. On payments services provided by one USAID grantee to another.
- 16** Oct. 27 TPT meeting: In light of the pending production of Confirmation of Cooperation agreement???
- Long discussion on procedures.
- 17** Oct. 29, 1998 AC: USAID/IOM agreed to document Confirmation of Cooperation but the three annexes were tabled until USAID/Embassy could work on them further.
- 18** Nov. 10 TPT: USAID expressed concern about number of RAP municipalities envisioned by IOM (25). AID suggested 16 and rest decided later. IOM pointed out Importance of identifying municipalities by early 1999 because of project implementation. Discussion on RAP entry criteria. this was a list of municipalities with potential - idea was for US \_Embassy to be able to screen-out clearly unsuitable ones. Embassy expects IOM to monitor work of Housing Commissions in RAP municipalities & provide stats. IOM expressed grave concern about the moratorium as it has seriously affected the credibility of the RAP program.

- 19** Nov. 19, 1998 AC: Signature of three annexes to "Confirmation of Cooperation agreement (signed at Oct. 28 meeting).  
 Status report on Darda projects for US Ambassador to support lifting of moratorium  
 Discussion on presentation of RAP summary Status spreadsheet  
 Pending dec. on moratorium PA recommended with Karlovac/Dragalic and Donji Lapac without having to wait for next AC meeting.  
 Amb. To visit Benkovac and Biskupija - USAID to receive reconstruction projects lists from MDR and shared with IOM.  
 A team of USAID officials from D.C. will conduct a RAP review (a week?)  
 All docs. For AC and TPT to be delivered to USAID three working days before each meeting.
- 20** TPT: Jan. 27, 1999: Gen. Discussions on Karlovac/Dragalic, Donji Lapac
- 21** AC Meeting Jan. 29, 1999: Concern about RAP partnership with Karlovac (US Embassy keen to operate there) - visit foreseen for IOM/USAID and Embassy.  
 Donji Lapac PA approved - water project in Nebljusi-Loskun first proj.  
 Dragalic - approved - first project sewage in collab. With ASB.  
 Matrix to be prepared by Skip Kissinger to conduct global survey of all municipalities in all four RAP sectors to see where return potential exists.
- 22** AC meeting 26/2: Karlovac PA agreed but no mention on any of lists
- 23** 19 March.99 TPT: Discussions on PA's. Future meetings with HEP coord. Between IOM and USAID engineers. Martin Wyss announced as new RAP Coordinator
- 24** TPT meeting 19 May 99 - addendum to agreement still being discussed.
- 25** AC meeting of 2/6/99 - US Embassy said that given that RAP has increased no. of 'difficult' municipalities' it would be wise to clear as many issues as possible before entering a PA; merely than define all the benchmarks in the addendum, the municipality should be asked to demonstrate their good intentions in practice before RAP proceeds with paperwork.
- RAP's principle is to endorse municipalities simultaneously with at least one priority project. Issue of comparing value of different projects still of concern as Water & Elec. Have been declared overall priorities.
- Discussion of an economic project (Obrovac Sheep project) - need to draw up addendum to formalize use of grant funds for this type of project.  
 RAP to continue exploring different water proj. options.
- 26** Jul. 7, 1999 TPT mtg.: Review of some PA's and Projects status  
 Richardson proposed scheduling of TPT meetings should be formalised and held every first and third Tuesday each month and all docs. to be provided be previous Friday.
- Mr. Carew asked RAP to prepared briefing materials for Mr. English, who will chair meetings of AC. He will receive new and old Quarterly reports.
- 27** AC meeting 14/7/99: New AC Chairman - Mr. C. English (US Embassy)  
 Discussion of periodicity of TPT/AC meetings  
 Discussion of RAP regional approach and Serb Municipalities to be discussed with US Ambassador on 15/7  
 World Learning Training Seminar for Candidates from RAP municipalities - criteria etc. to be discussed directly with USAID, World Learning and IOM  
 RAP asap.

3 Aug. 1999: Review of Okucani Partnership Proposal Addendum - disc. Future potential projects within context streamlining different USG programs active in same municipalities. IOM explained difference in pace, timing, criteria, etc. between different partners. Also agreed for future project. In Okucani IOM and IRC will try to coord. Plans and disc. Possibilities for joint integrated projects within framework RAP approved structures and procedures.

See e-mails of 17/8 and 3/9/99 re. 'Virtual Approval of Okucani partnership re. Problems with US Embassy (benchmarks)

**28** e-mail 3/9/99 re. Review of strategy for approach to candidate partner municipalities.

**29** TPT 7 Sept. 99: Okucani Addendum discussed - new target no. defined at 2,000 for the 2-year period plus another 1,000 for the year after.

IOM will finalize Addendum and send it to TPT members. Final version to be forwarded for approval at next AC.

Karlovac and Osijek need further discussion in view of larger size. Meeting with Osijek majoy planned for Sept.12.

USAID (Aanenson) requested IOM to provide update on project implementation status and define projection of expenditures for first 2 qutrs. 2000.

Report also to contain costs for proj. imp. In potential new partner municipalities in order to secure funding next period.

Aanenson said IOM has to prepare close out strategy or request for extension of RAP 90 days before end of Coop. Agreement - deadline 30 Sept. 99

**30** Oct. 5. 1999 TPT: Approval of Addendum of Okucani PA , PA with Osijek (return figure target 5,000)

Some projects approved pending visits to sites by USAID/Embassy officials. Gibson said it was not necessary that all TPT members from USAID/Emb. visit all sites but will coordinate among themselves. Ciganovic (IOM) gave implementation updates on 8 projects

**Municipalities discussed with low potential for cooperation:**

Kijevo Civiljane - merger to be decreed by Croatian Parliament (US Embassy reservations 19/6, 4/8 and 11/8

Vukovar

Antunovac (see e-mail 8/7/98)

Glina - 4/8 and 11/8

**Discussions on PA with Karlovac: 26.2./19.5./14.7.99/7.9.99**

What about Vojnic? PA approved 14/7 - no projects?

## ATTENDANCE AT RAP MEETINGS 1998/1999

ANNEX XIII

NAME	Agency	Location	Gov. Board - 9.12.97	AC 20.1.98	AC 10.3.98	AC 14.4.98	AC 15.5.98	AC 1.6.98	AC 19.6.98	TPT 23.6./30.6/21.7./4.8./ 11.8./ 1.9/8.9/ 15.9/29.9. No list of participants	TPT 9.7.98	AC 24.7.98	AC 21.8.98	TPT 13.10.98	TPT 27.10.98	AC 29.10.98	TPT 10.11.98	AC 19.11.98	TPT 27.1.99	AC 29.1.99	AC 26.2.99	TPT 19.3.99	TPT 19.5.99	AC 2.6.99	TPT 7.7.99	AC 14.7.99	TPT 3.8.99	TPT 7.9.99	TPT 5.10.99
MILOVIC	IOM	Daruvar/Zagreb	x	x	x	x					x		x		x		x						x		x	x	x	x	x
FIELD	IOM	Geneva	x																										
HYDE	IOM	Geneva		x	x	x	x		x																				
WYSS	IOM	Geneva/Zagreb									x					x	x					x	x	x	x	x	x	x	x
LABOVITZ	IOM	Osijek													x		x					x							
MUSTRAN	IOM	Osijek									x														x				
PASALIC	IOM	Osijek									x														x				
VIDAKOVIC	IOM	Osijek																					x						
DE CATALDO	IOM	Petrinja									x				x		x							x					
MILOSEVIC	IOM	Petrinja																										x	
CIGANOVIC	IOM	Zagreb									x													x	x	x	x	x	x
KURENT	IOM	Zagreb																										x	
ROUSSELOT	IOM	Zagreb				x	x						x	x	x														
SCHUTJES	IOM	Zagreb	x	x	x	x		x	x				x	x	x		x	x	x	x	x			x		x			
STEGEMAN	IOM	Zagreb																											x
TRAN	IOM	Zagreb									x		x	x	x	x	x	x	x	x	x	x			x		x		x
WEITKAMP	IOM	Zagreb	x	x	x	x	x	x	x				x		x	x	x	x	x	x	x	x							
CASATI	IOM	Knin																						x					
CAREW	US EMB	Zagreb									x														x		x		x
ENGLISH	US EMB	Zagreb																											
LONCARIC	US EMB	Zagreb													x														
MOORE	US EMB	Zagreb	x		x	x	x	x	x						x	x		x		x	x			x		x			
PATTERSON	US EMB	Zagreb			x	x	x						x				x		x		x		x	x					
POOLE	US EMB	Zagreb						x						x			x												
REDGATE	US EMB	Zagreb																											
REITER	US EMB	Zagreb																										x	x
HEISSY	USAID	Washington		x			x																						
AANENSON	USAID	Zagreb	x			x	x	x				x	x		x	x		x			x	x	x	x		x		x	
CAMPBELL	USAID	Zagreb			x	x	x		x																				
GIBSON	USAID	Zagreb																											x
HOWELL	USAID	Zagreb																										x	
KISSINGER	USAID	Zagreb	x	x	x	x		x	x			x		x	x	x			x	x								x	
RICHARDSON	USAID	Zagreb									x			x	x	x	x	x	x	x	x		x	x		x	x	x	
RILEY	USAID	Zagreb	x				x						x		x	x	x			x									
YATES	USAID	Zagreb	x	x	x	x	x		x																				
ZGAGA	USAID	Zagreb			x	x					x			x	x	x		x	x	x	x				x	x	x	x	x



INTERNATIONAL ORGANIZATION FOR MIGRATION

MEMORANDUM

To : HRD (FOR ACTION)

Cc : DGO  
SRA  
SRO/VIENNA  
Jan de Wilde  
Bill Hyde  
Tanya Sisler

FROM : JACQUES SCHUTJES

DATE : 4 FEBRUARY 1998

SUBJECT: STAFFING FOR RAP

Attached, please find a document describing international positions implicated in the recently concluded agreement between USAID and IOM to implement the Return Assistance Program for Croatia (RAP).

USAID is the sole donor for RAP, which is currently funded for calendar year 1998. It is anticipated that, if the program shows positive measurable results during the initial funded period, additional funding may be made available to extend the program through 1999.

During the RAP development phase, USAID/Zagreb made clear that the proposal submitted by IOM/Zagreb (DEC97) must receive approval by USAID/Washington, and, upon approval, rapid implementation of the program was essential. This, latter, point was again emphasized by the USAID director, Brian Atwood, in his meeting with Mrs. Escaler in Zagreb on 29JAN98.

Bearing in mind the importance to RAP of finding international staff with relevant experience in Croatia or the immediate region, we have compiled a list of candidates we would propose for the RAP Program Officer positions. These four positions will comprise the "front-line" of this program and, as such, must be filled quickly and with staff already oriented to the situations in Croatia and available on short notice. Further, we would propose that these Program Officer positions be filled at P3 level, with 6-month Special Contracts. We believe that this would provide us with suitable flexibility reflecting the potentially brief duration of RAP and address the donor's requirement that field implementation of RAP begin immediately.

USAID has also strongly requested that RAP hire an international finance officer. Similar urgencies also adhere to this position as those outlined above for the Program Officer positions. After consultation with FPC (Bruce Reed) and PSD (Bill Hyde), we propose Mr.

Abas Hyat for the position of RAP Finance Officer. It is our understanding that Mr. Hyat is a former IOM official, has relevant experience in USAID-funded projects, and is available immediately to assume this position. We would propose that the contract for this position conform with those suggested for the Program Officer positions.

In addition, we propose that IOM/Zagreb Operations Officer Steve Weitkamp be appointed RAP Coordinator. Mr. Weitkamp has been closely involved in the development of RAP, has worked closely with USAID in the design and drafting of RAP, and has relevant experience throughout the region with IOM.

The agreement between USAID and IOM regarding RAP was signed 30JAN98. It is the donor's expectation, and our strong recommendation, that implementation of RAP begin immediately. The USAID/IOM agreement requires a that detailed work plan be prepared and presented to the donor within 30 days of agreement signing. Specifically, it is vital that RAP field offices be established and staffed during February 1998 so that the necessary initial steps toward full implementation can begin without delay.

We would like to propose the following candidates for positions as RAP staff, based upon their experience, familiarity with the region, and immediate availability.

Looking forward to your prompt response so that immediate action can be effected.

**PROGRAM COORDINATOR:**

1. **Steve Weitkamp**, U.S.A.

- 1995/present - IOM/Zagreb Operations Officer. Lead person for RAP development.
- please refer to personnel file at IOM/Geneva

**FINANCE OFFICER:**

1. **Abas Hyat**, U.K.

- please refer to personnel file at IOM/Geneva

**PROGRAM OFFICERS:**

1. **Jeffrey Labowitz**, U.S.A.

His RAP-relevant experience includes:

- 1997 Senior Operations Officer with IOM and OSCE, stationed in Belgrade in charge of Out-of-Country voting for refugees from Bosnia and Herzegovina currently in FRY
- 1996 Country Representative with IOM and OSCE, stationed in Vienna and afterwards in Ankara, in charge of Out-of-Country voting for refugees from Bosnia and Herzegovina residing in Turkey, Hungary, Macedonia and Albania

- 1995/96 International Development Associate at USAID Washington through CCI (Community Consulting International)
- 1994 Program Director at Nagyatad Refugee Camp in Hungary (largest refugee camp for refugees from former Yugoslavia).

2. **Jack Price**, Canada

His RAP-relevant experience includes:

- 1996/97 Program Officer, IOM Sarajevo
- 1994/96 Operations Officer, IOM Belgrade
- 1992/present - developed and supervised in-processing and out-processing procedures for US resettlement of Burmese refugees, in coordination with US Embassy in Thailand
- 1987/91 field and office work at two refugee camps in Thailand,
- 1986 field and office work, in Thailand, with Indochinese refugees processed for the US
- basic-level understanding of Croatian/Serbian/Bosnian language.

3. **Tommasi De Cataldo**, Italy

His RAP-relevant experience includes:

- Feb 1995/present - working in the Sector North working with local NGOs, from 1996 working for *Otvorene Oci* (Open Eyes) - the Balkan Peace Team International, covering the following three areas: development of civil society, non-violent conflict resolution and Human Rights advocacy. Worked on the two-way return process in the region.
- Extensive knowledge of the region, good working relationship with NGOs, IOs and local authorities in some municipalities of the region. Also active in other three targeted regions of Croatia.
- research work on anti-Semitism and racism,
- very good working knowledge of Croatian/Serbian/Bosnian language.

4. **Nidia Casati**, Argentina

Her RAP-relevant experience includes:

- 1991/present - working for IOM in Washington and Vienna,
- 1997 Senior Operations Officer, Out-of-Country Voting for Bosnian nationals residing abroad, in charge of operations at Vienna Office,
- working for IOM Washington, Nidia covered, among other project, the following relevant programs: Special Medical Program for Former Yugoslavia, Return Programs for Skilled Nationals, Medical Evacuation Program for Afghan Nationals; also, in charge of liaison activities with the US government, US Congress, intergovernmental organizations and NGOs,
- working knowledge of Croatian/Serbian/Bosnian language.

5. **Robert S. Rodrigus**, Belgian

- 1991 ECMM in Croatia and Serbia
- 1996/97 - UN Mission in Croatia: Chief of Protocol for UNTAES

## RAP STAFF - POSITION DESCRIPTIONS

### PROGRAM COORDINATOR (1)

Duty Station	Zagreb, Republic of Croatia
Position title	Program Coordinator
Classification	P4
Type of Appointment	6 months, Special Contract

General Functions: Under the overall guidance of the Chief of Mission, and in collaboration with SRO/Vie and IOM/Headquarters, the incumbent will have overall responsibility for the efficient functioning of the Return Assistance Program (RAP).

Specific duties include:

1. Representing RAP in Croatia and internationally.
2. Managing, supervising and coordinating all RAP administrative activities and projects at the five RAP offices in Croatia.
3. Ensuring coordination of these activities with SRO, appropriate units and staff at IOM/Headquarters, as well as with other IOM filed offices.
4. Coordination with USAID/Zagreb/Budapest/Washington.
5. Coordination with high-level institutions and officials of the Government of Croatia (GoC).
6. Coordination of RAP with other major International Organizations and NGOs operating in the region.
7. In coordination with the Chief of Mission, USAID, and IOM/Headquarters, pursuing the development and promotion of complementary programme activities, as well as additional funding for further development of RAP.
8. In coordination with the RAP Approval Committee, determination of projects for funding under RAP.
10. Supervision of all financial, reporting, and accounting functions of RAP.

Desirable Qualifications: University degree, preferably one of the following fields: political and social sciences, history, law, management, international relations or communications. Substantial working experience in the field of international migration; experience in conducting representation and liaison functions; proven cross-cultural management and communications. Ability to prepare clear and concise reports. Ability to supervise staff and to coordinate Administrative activities. A minimum of two years experience in the region.

**FINANCE OFFICER (1)**

Duty Station Zagreb, Republic of Croatia  
 Position title Finance Officer  
 Classification P3  
 Type of Appointment 6 months, Special Contract

**General Functions:** Under the guidance of the Chief of Mission, the incumbent will direct and supervise the fiscal accountability and the financial management of the RAP.

**Specific duties include:**

1. Reviewing and monitoring the financial requirements of RAP against programme activities and funding received from donors.
2. Analysing the disbursement of project funds in the context of overall programme objectives and making recommendations for adjustments in allocations among budget lines.
3. Preparing the monthly and quarterly financial reports and funding requests for donors in accordance with their reporting requirements; liaising with national and international donors on programme outlays and related procedures.
4. Coordination of all RAP financial activities with IOM/Zagreb Finance Dept., IOM/Geneva, and IOM/SRO/Vienna.
5. Coordination and cooperation with relevant financial institutions in Croatia (banks, GoC ministries, etc.).
6. Developing effective project monitoring mechanisms and supporting documentation for project disbursements.
7. Supervising the grant-awarding mechanisms carried out under RAP, including issuing tenders and analysing the offers received.
8. Directing and evaluating the work of RAP staff involved in financial and budgetary activities; monitoring monthly expenditures, reports and reconciliation statements, and supervising inventories.
9. Supervision and training of finance staff.

**Desirable Qualifications:** University degree, preferably in Business Administration, or a professional qualification with an accounting or financial orientation. A minimum of 5 years experience in finance and accountancy as well as in public and business administration. Ability to prepare clear and concise reports. Ability to supervise staff and to coordinate Administrative activities. High level of computer literacy is required, in particular experience in computerized accounting systems and software; good knowledge of EXCEL an advantage. Working experience in programmes funded by USAID an asset.

**PROGRAM OFFICERS (4)**

Duty Station	Zagreb, Republic of Croatia
Position title	Program Officer
Classification	P3
Type of Appointment	6 months, Special Contract

**General Functions:** Under overall guidance of the Program Coordinator and the Deputy Program Coordinator, administration of one of the four RAP field offices.

- Specific duties include:**
1. Representing RAP in the region.
  2. Managing, supervising and coordinating all RAP administrative and project activities in the region.
  3. Ensuring coordination of and reporting on all RAP regional activities with the Central Office.
  4. Coordination with USAID/Zagreb field team as necessary.
  5. Coordination with local and county-level institutions and officials in the region.
  6. Coordination with other major International Organizations and NGOs operating in the region.
  7. In coordination with the Central Office, proposing development and promotion of complementary programme activities.
  8. Supervising all financial and accounting functions of RAP field office.
  9. Coordination and assistance to local municipalities in defining and completing their project proposals for submission to the Central Office and the RAP Approval Committee.
  10. Coordination with the Central Office regarding opportunities to bring other partners, IOs and NGOs, with their relevant programs and projects, to their areas of operation
  11. Assessment and periodic reporting on the general situation in their areas of operation, by municipality.

**Desirable Qualifications:** University degree, preferably in one of the following fields: political and social sciences, history, law, management, international relations or communications. Substantial working experience in the field of international migration; experience in conducting representation and liaison functions; proven cross-cultural management and communications. Ability to prepare clear and concise reports. Ability to supervise staff and to coordinate Administrative activities. Experience in the region of the countries of former Yugoslavia an asset.