

## **FINAL EVALUATION**

**“Support to Development of Agricultural Cooperatives”**

**IPA 2017/392898**

December 8, 2021

## Contents

ABBREVIATIONS AND ACRONYMS .....	3
EXECUTIVE SUMMARY.....	4
Acknowledgements .....	5
1. INTRODUCTION .....	6
1.1. Project Background.....	6
1.2. Evaluation Objectives .....	7
2. EVALUATION METHODOLOGY .....	7
3. FINDINGS .....	9
3.1. Relevance .....	9
3.2. Effectiveness.....	16
3.3. Efficiency.....	27
3.4. Sustainability .....	30
4. CONCLUSIONS .....	31
5. RECOMMENDATIONS .....	35
Annex 1 – Reviewed Documentation.....	36
Annex 2 – List of KII respondents .....	37
Annex 3 – List of FGD respondents .....	38
Annex 4 – FGD Guide .....	39
Annex 5 – Key Informant Interview (KIIs) Guide .....	40
Annex 6 – Project Logframe.....	42

## ABBREVIATIONS AND ACRONYMS

AC	Agricultural Cooperatives
CSO	Civil society organization
CARE	CARE International Balkans
EPTISA	EPTISA Group- Spanish Company
FGD	Focus group discussion
FAO	Food and Agriculture Organisation of the United Nations
IPARD	Instrument of Pre-Accession Assistance to Agriculture and Rural Development
KEQ	Key Evaluation Question
KII	Key informant interview
MAFWE	Ministry of Agriculture Forestry and Water Economy
MEDF	Macedonian Enterprise Development Foundation
MAAC	Macedonian Association of Agricultural Cooperatives
MAINLAND	Mainstreaming of the National Land Consolidation Programme
NARDS	National Agriculture and Rural Development Strategy
NFF	National Federation of Farmers
NEA	National Extension Agency
OECD/DAC	Organization for Economic Cooperation and Development/Development Assistance Committee
SME	Small and Medium Enterprise
PUM	Netherlands' Senior Experts

## EXECUTIVE SUMMARY

The Final Evaluation Report consists of a project background, methodology, main findings (including analysis of in-depth interviews and focus group results), conclusions, recommendations and lessons learnt. The methodology used triangulation, combining desk research (qualitative and quantitative secondary data) and primary data collected during the mission in North Macedonia via interviews and focus groups in Skopje and other locations.

### Relevance

The project was clearly relevant to the context of North Macedonia and the Western Balkans region. The interventions were timely and focused on addressing the priority needs of farmers, important for enhancing sustainability of North Macedonian agriculture. Its design was based on the in-depth needs assessment, which was a collaborative effort carried out by the partners, stakeholders and project beneficiaries. In the course of its implementation, the identified needs farmers and stakeholders were also met by the project to a great extent.

### Effectiveness

The effectiveness of the project was visible in several areas. However in some areas more time is needed – likely until the completion of the project - to unveil the project outcomes and impacts. The project greatly succeeded in creating a significant number of new ACs and increasing the involvement of farmers into this kind of business model. Yet, their membership size is often small. Despite the efforts to consolidate representation of the AC's, there were mixed results regarding the umbrella organization. On the one hand, it visibly improved the planning, management, and provision of services while ensuring the continuation of the funding until the end of 2020. On the other hand, it split into two entities, which hampered the consolidation process. There is limited progress that is visible in terms improved business performance of the ACs. However, the project lifespan was too short to detect a major shift in economic terms.

### Efficiency

The implementation of the project was smooth and largely in line with its budget and timeline. The project encountered minor delays and budget issues from the beginning. Yet, the project was complemented with in-kind resources of the partners and thus was cost-efficient. Due to the Covid-19 pandemic, the project duration had to be extended. The management of the project was very efficient and responsive against this force majeure. The project lifetime was extended and this allowed for an adequate adaptation to those unusual circumstances.

## **Sustainability**

Despite the relatively successful establishment of the ACs, the sustainability of the project has been called into question due to the fact that related legal frameworks have not been adopted and the challenges ACs face in accessing the markets. The cooperatives benefitted from investments to upgrade farm facilities (machinery, post-harvest storage), yet they were not clearly embedded into functioning value chains. The pandemic proved to be challenging for enhancing the links between the farmers and other value chain actors. Participation in face-to-face meetings and business events was seriously constrained. Yet, the project succeeded in facilitating contacts between business partners, especially for the AC Prespansko Jabolche.

## **Acknowledgements**

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## 1. INTRODUCTION

### 1.1. Project Background

CARE International is a federation of international non-governmental organizations implementing programs to fight poverty and social injustice in more than 90 countries throughout the world. Its aim in the Balkans today is to ensure that social, economic and political rights of vulnerable and marginalized groups are not only recognized and fulfilled, but also actively contributing to sustainable peace in the region. Macedonian Enterprise Development Foundation (MEDF) is a non-governmental organization that focuses on decreasing poverty, increased employment and established social cohesion. Its mission is to support the development of SMEs and it has 20 years of experience in promoting entrepreneurship, supporting businesses, managing projects, building capacity, developing partnerships and providing financial services to SMEs (micro and small loans).

Together with the MEDF as a partner, CARE International implemented the project “Support to Development of Agricultural Cooperatives”, funded by the European Union and implemented throughout North Macedonia. The project aimed at contributing to higher productivity and competitiveness of the agricultural sector. Namely, to improve the current situation of individual farmers who are working in agricultural production, the project works on increasing market competitiveness and cooperation among farmers in North Macedonia by creating favorable conditions for the development of the existing and creation of new agricultural cooperatives. The original timeline of the project was December 2017 to February 2021. However, the timeline was extended due to the Covid-19 pandemic until the end of October 2021. The initial planned budget amounted to 1.980.000 euro.

The project aimed to achieve the following outputs:

Output 1: To revise the legal framework regulating agricultural cooperatives through the joint work of the project team and associates, Ministry of Agriculture Forestry and Water Economy (MAFWE) and the cooperatives’ umbrella organization.

Output 2: To strengthen the capacity of a selected umbrella organization of agricultural cooperatives.

Output 3.1: To increase awareness about the benefits of cooperatives among farmers, businesses, and the general public.

Output 3.2: To create a data base with information on existing agricultural cooperatives willing to expand and farmers’ groups willing to establish new cooperatives and receive support for development.

Output 4: To provide technical and financial support for the development of 8 existing cooperatives and the creation of 12 new ones.

The support was targeting 30 existing agricultural cooperatives and 30 groups of farmers willing to form new cooperatives. The latter expressed their interest by participating in project info-sessions and trainings on how to develop business plans. 20 cooperatives received project sub-grants and extensive training/coaching (8 existing and 12 newly registered cooperatives). The umbrella organization of cooperatives (Macedonian Association of Agricultural Cooperatives, MAAC) was included in the activities, trainings and received the sub-grant for development. The MAFWE was granted support to make policy revisions and monitor system improvements.

## 1.2. Evaluation Objectives

The evaluation aims to provide an assessment of the progress made towards achieving the project objectives, to make a judgment on how positive or negative the intended or unintended changes were, and to calculate and compare the costs and benefits of a given project. Moreover, it aims to provide lessons and recommendations that will assist implementing partners and other stakeholders to enhance the impact of their future interventions.

The overall objectives of the final evaluation are:

- To assess the project's performance against the standard criteria for evaluation: relevance, effectiveness, efficiency, impact, sustainability, monitoring and learning, mode of delivery, staffing structure, quality of partnership relationships, technical and financial assistance provided.
- A qualitative and quantitative review of the project achievements against the indicators set in the project's logical framework.
- To identify learned lessons and recommendations to improve future programming.

The final evaluation was conducted during the period of September 28 - December 10, 2021. A detailed methodology for the evaluation is described in the next chapter.

## 2. EVALUATION METHODOLOGY

The Final Evaluation is principally based on qualitative research methods and secondary data analysis (qualitative and quantitative). Different qualitative approaches and tools were used in accordance with specific research objectives. It was performed right after the project completion, hence the focus was on the immediate outputs and outcomes of the project. The evaluation of the impacts and long-term changes that the project would trigger still remain limited.

A set of **Key Evaluation Questions** (KEQs) was developed, using the OECD/DAC criteria, and were applied in a semi-structured manner during interactions with the project respondents (face-to-face and via teleconferencing software). This qualitative format was preferred to adjust to the dynamics of

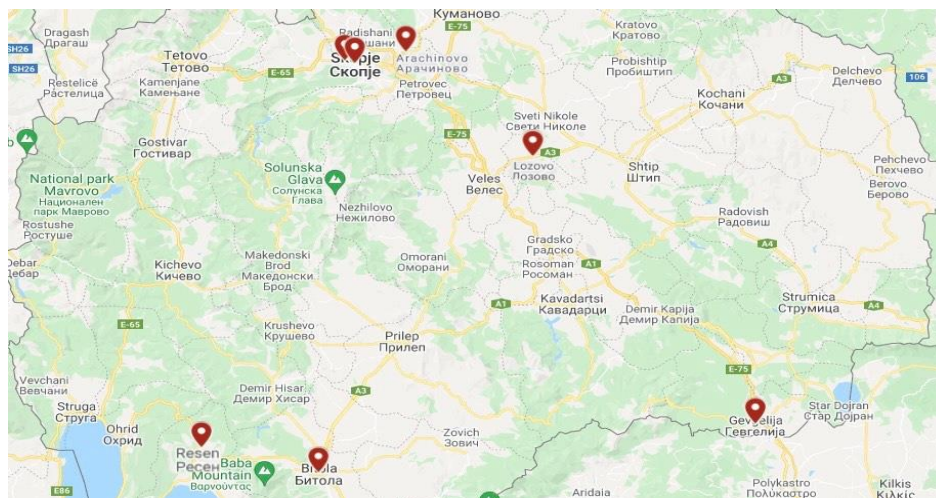
meetings with the respondents. It also helped to focus on the emergent salient issues, relevant for the project implementation. This report provides an account of the findings which emerged from the triangulated data sources. Participatory evaluation methods were also used to solicit input during the Focus Group Discussions (FGD).

**Desk Research** was performed and the information was used as a benchmark in the evaluation process. It strongly relied on the internal project documents, relevant strategies, legal documents, the project website and social media. Quantitative data were also reviewed, where available, referring to the project indicators (such as the log frame). The list of consulted resources is provided in Annex 1. The results of desk research were used as a preliminary background for the development of guides for the Focus Groups and Key Informant Interviews.

**Key Informant Interviews** (KIIs) were conducted with the project team representatives, project partners, farmers, public administration and EU delegation representatives in North Macedonia. The KIIs respondents were identified at the project inception phase during the desk research and consultations with the project team. Seven KIIs were conducted in total (the list of KII respondents is given in Annex 2). KII's questions were elaborated taking into consideration the evaluation questions and criteria. They were also adjusted according to the institutional affiliation of the respondents. Thus, different sets of questions were asked to the project staff, partner organizations, CSOs and farmers, however they were standardized around the OECD/DAC criteria.

**Focus Group Discussions** (FGD), five (5) in total, were conducted with the project team, stakeholders, farmers and public sector representatives. The evaluators undertook field missions to 5 different locations in North Macedonia, to meet the project beneficiaries: Arachinovo, Resen, Bitola, Miravci and Durgulija. Between 5-8 participants contributed to each FGD participant (the list of FGD participants is provided in Annex 3). Each discussion lasted for approximately 2-2.5 hours.

Figure 1: Map of the meetings with the Focus Groups and Key Informants.





The Evaluation Report was developed based on the analysis of the qualitative and desk research findings and elaborated according to the evaluation questions grouped in the OECD/DAC evaluation criteria: relevance, efficiency, effectiveness, and sustainability.

### 3. FINDINGS

The project findings were analyzed according to several evaluation criteria considered by OECD/DAC – relevance, effectiveness, efficiency, and sustainability.

#### 3.1. Relevance

##### 3.1.1. Relevance of the project to the North Macedonia context

Before starting the project, a thorough needs assessment was undertaken by the project developers<sup>1</sup>. The European Commission contracted the preparation of the Study on Agricultural Cooperatives<sup>2</sup> (2016), on which the Call and project development were based. This study highlighted the following challenges of the agricultural sector in North Macedonia:

- Agriculture in North Macedonia has been confronted with a growing pressure to restructure. The dominant agricultural model, based on small family farms, has been largely inefficient in delivering quality produce to the market in the needed quantity. Most agricultural holdings have mixed production and land area not bigger than 1 ha and can be classified as semi-subsistence farms. This coupled together with an aging farm population, rural youth outmigration and a lack of substantial perspectives for rural areas, created a situation of widely shared concern among the farmers and stakeholders. It was believed that, without any substantial intervention, North Macedonian agriculture was expected to decline rapidly in the coming years.
- North Macedonia is aspiring to EU membership. In the Study on Agricultural Cooperatives, the progress in the state of play with the agricultural cooperative development process was considered moderately advanced. Additionally, the Study highlighted challenges that the country was facing in agricultural transition and the limited effectiveness of the instrument for pre-accession assistance for rural development (IPARD) funding absorption. A significant amount of the EU funding has remained unused, and an effective monitoring and evaluation system is lacking.

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<sup>1</sup> Study on Agricultural Cooperatives (2016)

<sup>2</sup> [http://eeas.europa.eu/delegations/the\\_former\\_yugoslav\\_republic\\_of\\_macedonia/documents/funding\\_opportunities/201609\\_study\\_on\\_agricultural\\_cooperatives.zip](http://eeas.europa.eu/delegations/the_former_yugoslav_republic_of_macedonia/documents/funding_opportunities/201609_study_on_agricultural_cooperatives.zip)

- Fragmentation of agriculture and widespread lack of cooperation between farmers have been targeted by various interventions. In the past two decades financial and technical support, through several projects, were granted to the development of the agricultural sector in North Macedonia. CARE Germany and the Macedonian Enterprise Development Foundation (MEDF) have been actively involved into fostering transition and agricultural restructuring in the country. This included, among others, capacity building, financial incentives, and support to socio-economic development initiatives in rural areas.
- Prior to the project, 15 agricultural associations in the Tomato, Pepper and Apple sectors had received training and grants for purchasing necessary equipment, to facilitate their farming activities and transition towards a cooperative farming model. CARE performed a needs assessment of beneficiaries (farmers), which clearly indicated the next steps and directions that need to be taken. The project, which is the subject of this evaluation was built greatly on the previous experiences of establishing farmers' cooperatives. It attempted to expand the support ACs to address the remaining gaps.
- At the outset (end of 2017), 30 active agricultural cooperatives were registered under the Law on Agricultural Cooperatives, while 32 entities were inactive (did not renew their registration status). Based on that data and the number of potential beneficiaries (178,125 farmers in North Macedonia), the project identified the targeted beneficiaries. Given the low number of cooperatives and large number of individual and small-scale farmers, the project had a strong focus on increasing the number of registered cooperative entities. It has succeeded in increasing the number of agricultural cooperatives in the country, while addressing many challenges on the way. Related to this challenge was strengthening the representation of agricultural cooperatives, to support them in their interactions with other stakeholders and public authorities. Thus, the project activities were also oriented toward supporting the relevant umbrella organizations. This way, the agricultural cooperatives visibly improved their position representing a specific sector and as an advocacy group.

### **3.1.2. Relevance of the project design to the needs of the target group**

The relevance of the project design to the needs of the target group is visible in the way the objectives were formulated. Overall, the objectives of the project were oriented towards creating an environment that both enables and supports agricultural cooperatives. They contributed to the aim of the action call, which intended to improve the competitiveness of North Macedonian agriculture. The project outline had been clearly defined, following the EC Guidelines for the call. It clearly targeted the listed domains of support, set up by the National Agriculture and Rural Development Strategy for the period 2014-2020 (NARDS 2014-2020).

The needs assessment included consulting all relevant stakeholders and representatives of potential beneficiaries. It helped to identify two target groups of farmers: (1) Farmers who already benefited from the previous interventions, those interested in enhancing and expanding their activities; and (2)

Farmers who had not yet been involved in any cooperatives, but who were interested in receiving this kind of support. The project scope thus concentrated on those two main areas when working with farmers.

However, the implementation of the project indicated that this scope of the project was too narrow to tackle the size of the challenge it intended to. While the project was focused on creating and supporting both existing and new cooperatives, building their capacities and favorable legal conditions, the bigger picture of the value chains and infrastructure needs on the ground was missing. During the FGDs, farmers revealed that the support they received was too limited to enable them sufficient access to markets. This reality undermined the sustainability of the cooperatives. This narrow scope of the project is thus one of the main factors contributing to its limited effectiveness in terms of the performance of agricultural cooperatives.

On the other hand, the narrow scope of the project was dictated by the priorities of the National Agriculture and Rural Development Strategy (NARDS) and funding availability. In other words, the size and budget of the project did not allow it to successfully address the challenges and a larger in-scope project could have potentially been more effective. Another possibility was to continue with a subsequent project or other activities that would address the gaps from the initial scope, particularly with a focus on developing value chains and building capacity of cooperatives in professional management, economic performance measurement, and related tasks. This idea was supported by the farmers and stakeholders participating in this study. To address the remaining gaps and consolidate the results, in November 2021 CARE launched a follow-up project (60,638.78 EUR in total) in North Macedonia, funded by the regional government of North Rhine-Westphalia. The project will be implemented until February 2022 and the completion of the wind-up is expected by the end of June 2022. It aims at consolidating the advocacy work within the Ministry of Agriculture and the NEA while enhancing the achievements of the previous project and deepening their impact. The project continues CARE and partners' work in North Macedonia on empowering the vulnerable groups, namely smallholder farmers and rural women. It is expected that it will substantially improve the sustainability of the North Macedonian agricultural cooperatives.

To foster the competitiveness of the agricultural sector and to improve farmers' incomes, as well as to mitigate problems inherent to such a highly fragmented type of production, NARDS 2014-2020 envisaged providing financial assistance for the establishment and operation of cooperatives. The following objectives were formulated: (1) to remove legal and administrative obstacles, especially in the fiscal domain and access to funding; (2) to provide advisory services; (3) to establish a permanent system for training, capacity building, and technical assistance of cooperatives and their staff, including managers.

The project also relied on the experiences and recommendations gathered by CARE International in the Western Balkans in the past, with its long-term support programmes. These were the results of

various projects focused on the socio-economic inclusion of the rural populations and women, who were particularly intent to establish agricultural cooperatives. The lessons learnt by CARE from the preceding EU project (“Preparation for support to agricultural cooperatives in the Former Yugoslav Republic of Macedonia”) were also considered in depth. Projects in other Western Balkan Countries were also revisited in order to better develop a suitable intervention for North Macedonia.

Coordination and synergies of the project with other programmes were also planned and to some extent achieved. They were particularly sought with the NARDS and EU IPA 2013-2020, indirectly stimulating the effective use of the EU funding. In addition, the project was coupled with the MEDF “Financial services” facility, which focused on providing microcredits to the cooperatives. Another link was built with the Netherlands’ PUM programme (Netherlands’ Senior Experts) where available experienced professionals could provide technical expertise to the cooperatives.

The project was aligned with the other relevant policies and projects in North Macedonia that could facilitate the development of the product value chains, access to markets and upgrades of the rural infrastructure (e.g., improvements in sanitation of the farms). Some linkages were established with the EU funded projects-MAINLAND – Mainstreaming of the National Land Consolidation Programme by FAO, the Introduction and implementation of common market organisation measures in the Republic of North Macedonia by WEGlobal and the Small Irrigation Systems scheme implemented by Eptisa. The CARE team was involved in regular and intensive collaboration with the NFF. Together with the CMO project, support was provided to identify training participants, create a joint initiative for establishing credit cooperatives, and for participation in the Working Group for Law Amendment. The team leader participated in the FAO project steering committee. An excellent collaboration was also established with the Faculty of Agriculture and Food. Regular communication with Eptisa was important to the establishment of Water Management Cooperatives.

#### **3.1.4. Relevance of the project to the other stakeholders**

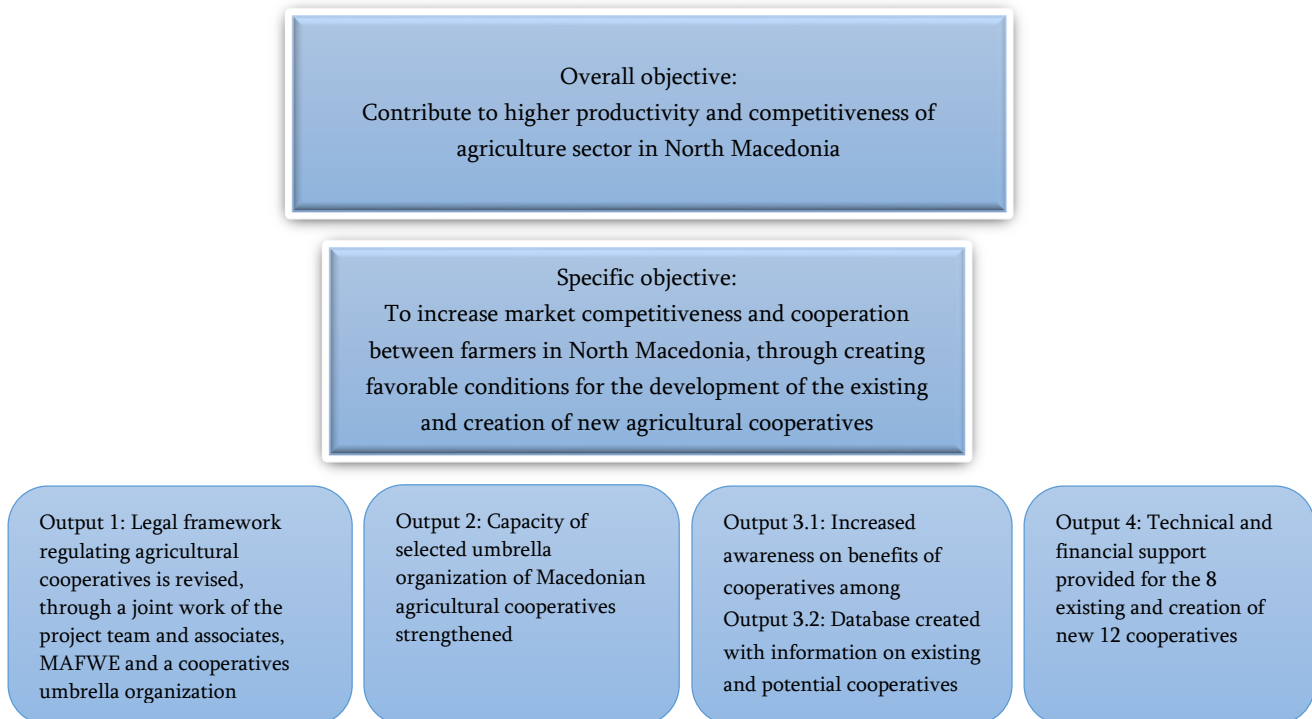
The willingness of the stakeholders and public administration to participate in this project was also examined at the project outset and helped accommodate the project launch. The relevant stakeholders MAFWE, National Extension Agency (NEA), MAAC, National Federation of Farmers (NFF), existing ACs, and the producers groups were actively involved in the project design and implementation, and during the project evaluation, were demonstrating a visible interest in follow-up activities. Therefore, it can be stated that the project was initiated in a favorable context, with all the parties interested in its implementation and the long-term vision to support the cooperative sector.

Based on the project documentation and data collected through FGD and KII during the evaluation process, it can be concluded that the project was largely relevant to the context in which it was implemented. It was designed adequately, considering the existing situation and needs of the beneficiaries.

### 3.1.5. Consistency of the activities and outputs with the overall goal and objectives

According to the project logical framework, the project has an Overall Objective and Specific Objective that was intended to be achieved through three specific Project Results and relevant activities under each Result (see Picture 2).

Picture 2. Project Logical Framework



#### CROSS-CUTTING ACTIVITIES:

Activity 0.1 Recruit staff

Activity 0.2 Conduct regular partners' meetings.

Activity 0.3 Setting of the initial values of the logframe indicators

Activity 0.4 Design of project visual identity and production of visibility and information sharing materials

Activity 0.5 Project promotion and media coverage activities

Activity 0.6 Regular monitoring and progress follow up of the Action and the achieved results

Activity 0.7 Arrange mid-term and final evaluation.

#### ACTIVITIES FOR THE PROJECT OUTPUTS:

**ACTIVITIES TO ACHIEVE PROJECT OUTPUT 1: Legal framework regulating agricultural cooperatives is revised, through a joint work of the project team and associates, MAFWE and a cooperatives' umbrella organization:**

Activity 1.1 In-depth analysis of the studies, strategies and policies on agricultural cooperatives; comparative analysis of the best practices from the EU.

Activity 1.2 Formation of the high-level Working Group; discussions around the current legislature and possible improved solutions for Macedonia.

Activity 1.3 Formulation of amendments to the present policy documents regulating agricultural cooperatives, in accordance with the EU acquis.

Activity 1.4 Facilitation of public discussions on the amended policy documents.

Activity 1.5 Support to monitoring system for agricultural cooperatives functioning and effectiveness of national support measures.

### **ACTIVITIES TO ACHIEVE PROJECT OUTPUT 2: Capacity of a selected umbrella organisation of Macedonian agricultural cooperatives strengthened:**

Activity 2.1 Assessment of existing umbrella organisations and selection of the umbrella to be supported within the project.

Activity 2.2 Evaluation of current capacity of the umbrella; strategic planning for its strengthening.

Activity 2.3 Implementation of the selected supporting measures for development of the umbrella.

### **ACTIVITIES TO ACHIEVE PROJECT OUTPUT 3.1: *Increased awareness on benefits of cooperatives, among farmers, businesses and general public.***

Activity 3.1.1. Design and implementation of the campaign to raise public awareness on benefits of cooperatives

Activity 3.1.2 Organisation of the “caravan info sessions” in local communities

### **ACTIVITIES TO ACHIEVE PROJECT OUTPUT 3.2: Identified existing agricultural cooperatives willing to expand and farmers’ groups willing to establish new cooperatives, in need of support for development:**

Activity 3.2.1 Call for expression of interest for groups of farmers willing to establish new cooperatives

Activity 3.2.2 Identification of existing agricultural cooperatives; Call for expression of interest for the project support

### **ACTIVITIES TO ACHIEVE PROJECT OUTPUT 4: Technical and financial support provided for the development of 8 existing and creation of 12 new cooperatives:**

Activity 4.1 Trainings for business plans development; solicitation for the business plans.

Activity 4.2. Shortlisting of the business plans; field visits to the shortlisted cooperatives, final tuning of business plans.

Activity 4.3. Technical assistance for the shortlisted cooperatives.

Activity 4.4. Solicitation for final business plans; selection of 8 project grant beneficiaries; signing of the sub-grant agreements and grants scheme organisation;

Activity 4.5 Pre-selection of the groups to be further supported by the project.

Activity 4.6 Organisation of broad technical support for the pre-selected groups:

Activity 4.7. Shortlisting of the business plans; field visits to the shortlisted newly registered cooperatives, final tuning of business plans.

Activity 4.8. Technical assistance for the newly registered cooperatives.

Activity 4.9. Solicitation for final business plans; selection of 12 project grant beneficiaries; signing of the sub-grant agreements and grants scheme organisation.

Activity 4.10. Training and coaching of the sub-grantees in the process of their business plan realisation.

Activity 4.11. Supervision of the investment phase; M&E of the project sub-grants.

**Indicators and corresponding targets were set in accordance with the Specific Objective (indicators - Oc) and Outputs (indicators - R):**

**Oc:** % Increase in the number of farmers' (male/female) memberships in cooperatives.

**R1:** # of policies regulating ACs revised through the project organised process; # of policy documents designed with support from the project.

**R2:** increase in the number of cooperatives associated to the selected umbrella organisation; # of new initiatives for improvement of the conditions for the cooperatives raised by the umbrella.

**R3.1:** # of farmers - newly joined members of ACs; # of joint ventures between cooperatives and business sector developed with support from the project.

**R3.2:** # of existing ACs included in the data base; # of farmers' groups willing to form cooperatives included in the data base;

**R4:** % of cooperatives' (existing and new) business plans supported by the project realised successfully; % increase in the yearly turnover of the agricultural cooperatives supported for scale-up; # of sales contracts signed by the cooperatives formed through the support from the project.

The analysis of the project logical framework shows that the vertical logic of the activities, expected Results and project Objectives is largely consistent and well arranged. Activities responded to the expected project Outcome, Outputs and Results and in its turn the project Results contributed to the Specific and Overall Objectives of the project. Thus, logical gaps could not be identified.

However, some elements of the logical framework (baseline, target values, sources and means of verification, and assumptions) were partly incomplete in the submitted proposal and finalized only in the inception phase. For instance, "visible increase" was indicated as the target value of the specific objective, which is a very generic statement. Following the revisions, these items were successfully clarified, and the project progress could be well monitored regarding these.

## 3.2. Effectiveness

This chapter of the report elaborates on the effectiveness of the project. It assesses the execution of the main project activities and achievements of the corresponding outputs. The following main activities were undertaken in the framework of the project:

- In-depth analysis and a revision of the legal provisions relevant for the agricultural cooperatives sector in North Macedonia;
- Capacity building and strengthening of the umbrella organization;
- Increasing awareness among farmers, businesses and the general public of the benefits of cooperatives;
- Establishing a database on existing cooperatives willing to expand and farmers willing to establish cooperatives
- Provision of financial and technical support for the development of 8 existing cooperatives and the creation of 12 new ones.

### 3.2.1. Effectiveness of the project in achieving the stated objectives and outcomes

**Output 1: Legal framework regulating agricultural cooperatives is revised, through a joint work of the project team and associates, MAFWE and a cooperatives umbrella organization**

R1: # of policies regulating ACs revised through the process organised within the project; # of policy documents designed with support from the project.

The results of the project were: suggestions for simple and efficient legislation, the creation of a legal environment for the establishment of agricultural cooperatives, an increase in the number of engaged farmers, and a boost of their competitiveness in the agro-food market. Two studies were carried out within the project framework to support the process: an in-depth analysis report of the country's legal framework and a comparative analysis with EU/regional examples of the best practices. In the latter, relevance of the country's particular context was taken into consideration by the project. Both documents provide high quality content in terms of findings that were used clearly and effectively in the project.

The legal framework was thoroughly revised in collaboration with the entities participating in the project. A dedicated working group with a high-level profile was set up bringing together representatives of the Government, the Parliament, the Secretariat for Legislation, Agricultural Cooperatives, and the project team. The input was particularly sought from the ministries, umbrella organizations, members, and other relevant stakeholders involved. As a result of this work, a legal framework was developed outlining the Law on Cooperatives and the accompanying by-laws. Following the proposed new Law on Cooperatives, other existing policy documents regulating agricultural cooperatives (Law on agriculture and rural development; Law on agriculture activities; Law



on water management and Law on employment and insurance against unemployment) were revised and amendments for harmonization were formulated in accordance with the EU acquis.

However, the effectiveness of this output was seriously limited as the Law on Cooperatives had not been adopted by the time the project was completed. The respondents noted that obstacles in these areas were related to the administrative burdens and frequent changes in the government, i.e., the rotation of political parties and the Minister of MAFWE, as well as the changing of the administrative staff. The necessary changes in the Law on Cooperatives were barely prioritized in the short amount of time in-between the elections. According to the legislative procedures, the respective Law on Cooperatives in North Macedonia needs to be adopted by the national Parliament, while the respective minister can issue the by-laws. Yet, without the adoption of the Law, the ministry could not progress with more detailed regulations. The coordination between different ministries was also judged as insufficiently favorable in this context.

**Output 2: Capacity of selected umbrella organizations of North Macedonian agricultural cooperatives strengthened**

R2: increase in the number of cooperatives associated with the selected umbrella organisation; # of new initiatives for improvement of the conditions for the cooperatives raised by the umbrella.

The project has notably contributed to the improvement of the agricultural cooperatives' interest representation and advocacy. The open and competitive procedure was in place for selecting the umbrella organization whose capacities were strengthened by the project's activities. An in-depth assessment of the MAAC as an umbrella organization chosen helped to make capabilities to address the needs of farmers. The assessment was performed using a set of criteria, which adequately explained the rationale behind the selection. A detailed and suitable Business Plan was also developed for the MAAC and substantial financial support was granted to implement its activities (90.000 EUR for the years 2019-2020). Feasibility of this plan was assessed as suitable for its implementation, but also challenges of MAAC were highlighted, especially on the organizational and managerial sides.

The MAAC was created as an association in 2012 by 12 agricultural cooperatives, 8 of which were the original founders. The main rationale of MAAC was to represent the interests of the agricultural cooperatives and promote the joint movement. In 2019, it had 33 members/agricultural cooperatives originating from every region in North Macedonia and from various parts of the agricultural sector. The SWOT analysis was performed to support the planning of the MAAC's work. It indicated that the organisation had weak capacities in human, financial and spatial terms. Another challenge recognized was the lack of regular meetings of the managing board, even though its team members were very experienced. Moreover, the statute of the organisation was well elaborated for the purposes of its mandate. Internal issues were identified as threats to the functioning of the MAAC.

Despite some good achievements in this area, the MAAC as an umbrella organisation split into two separate entities during the project, divided over the leadership. Currently, two umbrella organisations

represent the interests of the agricultural cooperatives – the MAAC and the newly established Network of Agricultural Cooperatives. The agricultural cooperatives that established the Network of Agricultural Cooperatives, are still members of the MAAC. A termination letter was sent to MAAC highlighting the areas in which it violated the Law on Associations and Foundations and its internal procedures related to voting and a conflict of interest. This indicates that the internal challenges, especially around the division of power and sectorial representation have not been successfully solved.

Representation of the agricultural cooperatives is visible, yet fragmented. It is unclear how the different organizations can balance their interests and positions vis a vis other players in the farming sector. Yet, it is likely that the organization supported by the project will prevail as all of the members have remained in its structures, while some are reconsidering participation in the Network of Agricultural Cooperatives. To mitigate these issues, the project undertook adequate measures, such as the regular monitoring of the situation, communication with the leaders of both organizations and the project donor on the matter. The compliance with the legal provisions was also examined and a legal opinion issued by an externally qualified lawyer. Alternative mitigation strategies were proposed to the donor, i.e., the suspension or cancellation of the grant to MAAC. Consequently, a termination letter was sent to MAAC. This was then thoroughly reconsidered within the MAAC and as a result of internal discussions and decisions, it was able to rejoin the project. The MAAC was consequently trained and strengthened by the project, which successfully translated into winning contracts of other donors which will secure and ensure their sustainability.

**Output 3.1: Increased awareness on the benefits of cooperatives, among farmers, businesses and the general public**

**R3.1:** # of farmers - newly joined members of ACs; # of joint ventures between cooperatives and business sector developed with support from the project.

This output was achieved to a moderate degree – related project activities concentrated on explaining the benefits that agricultural cooperatives might bring to the beneficiaries (farmers) and to society at large. The benefits were explained to farmers in a clear and appropriate manner. Farmers participated in the organized training activities on various aspects of cooperatives (e.g., legal, financial) and had an opportunity to learn about the experiences from other countries. During the FGDs, they noted that most useful part was learning about the benefits of cooperatives from their peers – other farmers/cooperatives they met during study visits in Greece and Slovenia. Thanks to those meetings they became more convinced that this particular farming-business model was effective and advantageous. However, due to the Covid-19 pandemic, some of the scheduled events with farmers were moved online, however this type of communication was not well suited for their needs and therefore did not meet their expectations.

According to the participants in FGDs, meeting farmers from other countries helped them initiate business contacts. Some visible progress was noted in the area of export. For instance, the ACs from the

Prespa Region currently export apples for industrial use to Greece. Further activities targeting the business development of cooperatives were mainly limited to training and setting up business plans. Partially, the limited performance of businesses was due to the fact that the advantages of cooperatives on the market were not clearly articulated and respective Law on Cooperatives was missing. On the other hand, the implementation of the project during the Covid-19 outbreak significantly constrained opportunities for direct networking, participation in fairs and other business events, which could have strengthened the economic position of the cooperatives.

An awareness raising campaign was carried out using the most popular channels on social media (such as Facebook) and on television, including a TV show dedicated to farmer's that already has a large audience. The campaign targeted a wide audience - this was measured clearly with the Key Performance Indicators. A dedicated website was also set up, which presented details about the project and demonstrated that outreach was visible. The launch and final events were organized which brought together key people relevant to the project and high-profile officials. These events were broadcast in the mass media and had a huge impact in terms of outreach (e.g., 20 announcements in 17 mass media outlets for the launch conference). The project was also promoted on the TV channel dedicated to covering topics related to agriculture. Overall, the performance indicators demonstrate that a large number of viewers were reached. Audience engagements were particularly successful on social media - a visible growth was observed as the project progressed. Table 2 below presents an overview of the most important KPIs in this context.

Table 2: Overview of the project's media reach

Medium	Reach
Facebook	Total Reach: 339.775 Total Impressions: 2.718.085
Google	Total Impressions: 3.360,942
Video	Total views: 180.319
TV	Total Reach: 750.000+ Total broadcasts: 1.506 Total seconds: 87.352

**Output 3.2: Database created with information on existing agricultural cooperatives willing to expand and potential farmer groups willing to establish new cooperatives and receive support for development**

**R3.2:** # of existing ACs included in the data base; # of farmer groups willing to form cooperatives are included in the data base

Obviously, MAFWE supports agriculture and rural development through various funding mechanisms but does not monitor the effects of their investments or how specific beneficiaries perform according to their specific funding source/mechanism. The Project developed a multipurpose monitoring system

(software) - that MAFWE must use and manage to help overcome apparent issues – in order to create a database of the performance of agricultural cooperatives. The development of this software was based on the MAFWE's requests, which also supervised the whole process. The project has even increased the financial input for software development, as there was certain additional demands from the MAFWE later in the process which was not planned initially.

Despite some progress in this respect, the multipurpose monitoring system is in place but has not yet become fully operational. The respondents from MAFWE argued this was due to the legal issues (Laws and by-laws regulating this matter still are not adopted) and administrative procedures that proved burdensome. According to the current legislation, MAFWE manages the Register of ACs as the only database for agricultural cooperatives. On the other side, the project team explained that adopting the new legislation is not a precondition for testing and running the multipurpose monitoring software by the MAFWE.

Thus, output 3.2 was achieved partially, but it is a critical precondition for the future support and development of the agricultural cooperative sector, especially in measuring the progress and enabling an adequate response to the needs of farmers and other relevant stakeholders. The data about the existing ACs and farmers willing to form ACs were collected. Yet, the software was not operational by the end of the Project. Even though the project responded to the requests from the MAFWE regarding this software, the ministry did not succeed with launching the expected software operations during the project's lifetime. Without the operating software, the set-up of an efficient oversight system is also quite limited, which will be important for future EU membership and participation in EU-funded programmes and projects.

**Output 4: Technical and financial support provided for the 8 existing and the creation of 12 new cooperatives**

**R4:** % of cooperatives' (existing and new) business plans supported by the project realised successfully; % increase in the yearly turnover of the agricultural cooperatives supported for scale-up; # of sales contracts signed by the cooperatives formed through the support from the project.

Within the project two calls for expression of interest were launched, inviting the existing agricultural cooperatives and farmers who were interested in establishing new ones. They were able to apply for technical and financial support within the project. 52 applications were received in total, out of which 20 were from the existing cooperatives and 32 – from the groups of farmers. The project completed the evaluation process and prepared the technical support scheme. Instead of the targeted 20, the project gave chances to and contracted 23 ACs, out of which 18 were implemented. 18 business plans were successfully launched, 8 from existing and 10 from newly established ACs, which amounts to 90% success in relation to the original plan. The yearly turnover of financially supported agricultural

cooperatives has increased by almost 30% for 2020 compared to 2019, which demonstrates visible progress.

Considering the diverse nature of the cooperative's sales, contracts, and sector of operation, their numbers require a more detailed explanation. Thus, following the provided data in the project monitoring matrix for the grant scheme – there are visible results regarding the increasing number of sales contracts signed by the agricultural cooperatives.

During the project lifetime, the number of cooperatives and farmers participating grew as the following table shows (Table 3):

Table 3. Evolution of the participation in the cooperatives

<b>Progress in establishing agricultural cooperatives</b>	<b>Project start</b>	<b>Project end</b>
The number of registered cooperatives	39	61
The number of farmers participating in the cooperatives	438	732

At the beginning of project implementation there were 39 agricultural cooperatives in the country with 483 members in total. By the end of 2020 the number of agricultural cooperatives amounted to 61 (total of 732 members). However, by looking at the size of the cooperatives (Table 4), it is clear that most of them are rather small (less than 15 members on average). There were 20 new cooperatives established, from which 16 cooperatives were registered with technical support provided by the project. The number of members is 255. Only 4 ACs can be described as big, with between 20-28 members. Still, the number of cooperatives supported by the project can be considered a huge success, given the many challenges for farming in the country, as well as the fact that this achievement was praised by numerous actors participating in the evaluation.

Table 4. List the agricultural cooperatives supported with grants by the Project and their membership size.

No.	Name of agricultural cooperative	Location	Municipality	Region	# of members	Scope of AC small 10-19 big >20
1	AGRI PEMA	Dorfulija	Lozovo	Vardarski Region	10	small
2	AGRO MEDITERAN	Arachinovo	Arachinovo	Skopski Region	11	small
3	EKO-ILINDEN	Mustafino	Sveti Nikole	East Region	12	small
4	EKO-OVCHEPOLKA	Skopje	Skopje	Skopski Region	10	small
5	FARMA ORGANIKA	Krstec	Prilep	Pelagoniski Region	20	big

6	JUZEN BISER PLUS	Stojakovo	Bogdanci	Southeast Region	10	small
7	KRANI	Krani	Resen	Pelagoniski Region	28	big
8	KRNINO	Kichevo	Kichevo	Southwest Region	14	small
9	MALESHEVO PRODUKT	Berovo	Berovo	East Region	10	small
10	NEKTAR BT	Bitola	Bitola	Pelagoniski Region	16	small
11	PCELIN RAJ	Strumica	Strumica	Southeast Region	15	small
12	PETRUSHKA REKA MIRAVCI	Miravci	Gevgelija	Southeast Region	11	small
13	PRESpanka- PRESPANSKO JABOLCE	Resen	Resen	Pelagoniski Region	22	big
14	PRVA LOZARSKA KOOPERATIVA	Negootino	Negootino	Vardarski Region	14	small
15	PRVA ORGANSKA ZADRUGA	Valandovo	Valandovo	Southeast Region	10	small
16	REKANSKI FARMER	Trnica	Mavrovo Rostushe	Poloshki Region	11	small
17	RESGRUP	Volkoderi	Resen	Pelagoniski Region	20	small
18	ZDRAVO I SVEZO	Resen	Resen	Pelagoniski Region	10	small

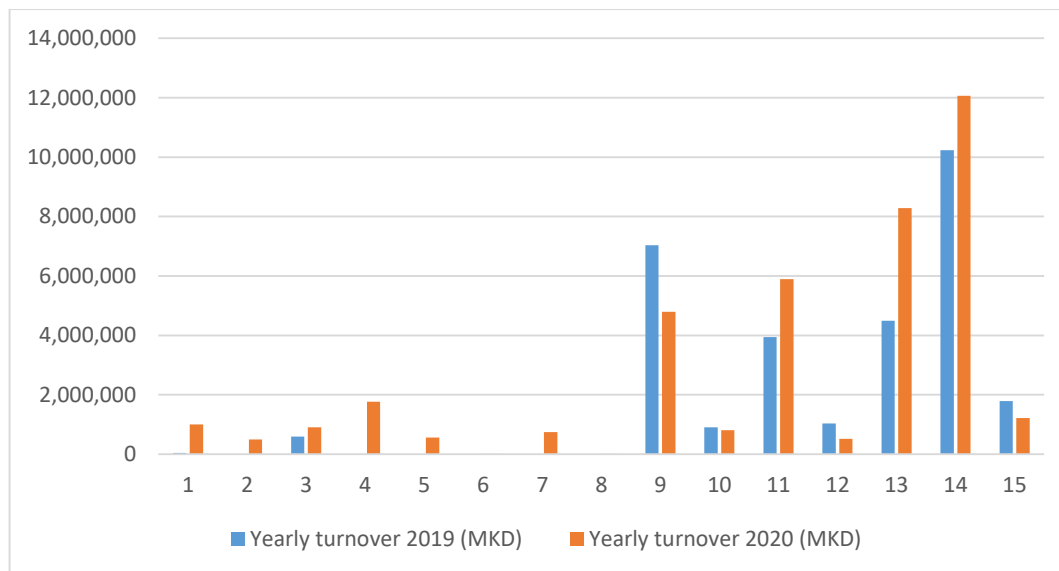
Respondents participating in the FGDs and KIIs noted that the project achieved visible progress in terms of promoting a cooperative approach and bringing farmers together. Some of those cooperatives remained rather small in terms of the number of members and hence their economic impact is still limited. There were also concerns raised about the openness / inclusivity of the cooperatives as some of them were reluctant about inviting new members to join. An exhausting administrative procedure that requires the inclusion of each farmer in the cooperative, which must be implemented in the Central registry of North Macedonia according to existing legislation, was mentioned as the key obstacle to increasing cooperative size. The project attempted to eliminate these obstacles. The draft Law on Employment and Insurance Against Unemployment was amended and discussed with several ministries. Yet, no action was taken by the relevant public sector entities. This is a likely factor that hindered an increase in the ACs membership size.

At the same time, some ACs attempted to gain additional incomes from leasing their equipment or facilities in a commercial way to other farmers. Against this background, there was a visible cultural and mental barrier for the farmers to work together in this form, yet the project was able to achieve

some visible progress in this respect. Moreover, the farmers and stakeholders participating in the FGDs shared concerns that the economic impact of ACs was still marginal as they were not sufficiently integrated into value chains or had not progressed towards improving produce quality or market expansion.

As the project was limited in scope, the activities related to the development of quality products, value chains, certification and labelling schemes, and more efficient farm management practices, remained largely beyond the area of project intervention. As it is visible in Figure 2 (below), for most cooperatives, for which data has been available, the turnover increased, with an average dynamic of about 30% from 2019 to 2020. This is a moderate growth, and it is unclear how significant factors from outside the project scope of intervention were. Certainly, 2020 was a challenging year for the economy of North Macedonia, due to the Covid-19 pandemic. This affected especially smaller enterprises and ACs, which were challenged by the lockdown, disruptions in the supply chain and limited business networking opportunities.

Figure 2. Yearly turnover for 15 cooperatives, which reported changes year-to-year



For 11 cooperatives the yearly turnover increased in this period, for 4 it decreased, while for 9 the data was not available at the moment of writing this Evaluation Report. For 11 of the cooperatives, the turnover in each year was below 2,000.000 MKD, while 6 cooperatives were very recent (registered in 2020), therefore their turnover for 2019 is 0 MKD. Thus, the overall economic outcome of the ACs can still be considered very marginal. Only 3 ACs demonstrate a visible growth in turnover year by year (2 small cooperatives and 1 big, where data was available for both years). For one of the big cooperatives, the turnover decreased slightly, when one of the members left the organization. The cooperatives which noted the best performance operated in the following value chains: (1) grapes, (2) fruit and vegetables, and (3) plums and sour cherries.

A visible decline in turnover was for the value chains of (1) honey, and one cooperative under the (2) fruit and vegetables. The numbers of business and sales contracts are largely incomplete. This can be also related to the fact that the number of sales contracts were provided in a descriptive form to the project team, considering the diverse nature of the sales, contracts and the sector of operation of the cooperative. Besides selling via invoices, the practice of selling to local clients (natural persons) in cash is also common for ACs. Moreover, as a large fraction of the cooperatives was only established between 2019-2020, it is still too early to evaluate their achievements in economic terms.

### 3.2.2. Successful and less successful methods/activities utilized by the project

Based on the KII and FGD interviews, some of the methods and activities of the project were considered particularly **successful** for the following reasons:

- **Thoroughly assessed needs** were crucial to the project's progress. The needs of the beneficiaries were clearly researched and studied prior to the project as well as on its outset, where a dedicated study was commissioned to review the situation of the agricultural cooperatives. They were also clearly aligned with the goals of the EU's funding support.
- **Financial investments** into farm infrastructure enabled the beneficiary cooperatives to improve the efficiency of production. Particularly, cooperatives received funding for purchasing machinery and other equipment, as well as for enhancing the post-harvest process through storage and cooling facilities. According to the interviewed farmers, the machinery purchases were efficient from the economic perspective and contributed to an increase in farm productivity. The cooperatives share the acquired equipment and facilities among members. Some of them are also generating additional incomes by providing facilities to third parties (farmers who are not cooperative members) or consider doing it in the future. The warehouse and distribution space with drying and cooling facilities, built with the grant by the AC "Patrishka Reka" from the village Miravci currently is in use for meeting the needs of the members of the cooperative, as well as providing services to other farmers at a certain price. Another AC, Prespanka - Prespansko jabolche from Resen, through the grant scheme, was equipped with adequate machinery and mechanization, and acquired a geographical indication with a logo as a conceptual solution for trademark registration. During the study visit in Greece, the mentioned cooperative established cooperation with importers of the "industrial apple" and started exporting at a higher price than in the local market.
- **Study visits** organized for farmers, were judged as the most successful form of raising awareness of the benefits of the cooperatives and building capacities of farmers in North Macedonia. They greatly relied on the peer-to-peer learning mechanism (farmers learning from farmers). During the visits, networking opportunities were created for farmers to enable them with possible market expansion and value chain access. The study visits organized included countries that were relevant to North Macedonia's condition: Slovenia, which was formerly in Yugoslavia and



therefore comparable in terms of socio-political context; Greece was also considered highly relevant due to its geographic proximity.

- **Effective communication and reporting** were crucial to the project's success. The project coordinator, CARE had a good working relationship with the project stakeholders and beneficiaries. There was a regular communication between the participating entities and a smooth facilitation of the workflow. This was also accompanied with timely reporting and progress measurement, communicated in an open manner among the interested parties.
- **Mentoring for the cooperatives** was provided by experienced business coaches. ACs were able to gain basic support in developing their business plans and strategic visions of their production, marketing, sales and other aspects. During the FGDs, farmers strongly emphasized the invaluable support of the mentors, especially in the processes for the procurement of equipment and mechanization.
- **5 ACs successfully acquired the GLOBAL G.A.P. certification.** To improve the current situation, especially in terms of the production of agricultural cooperatives, the project team considered the needs and requests from some agricultural cooperatives to boost the implementation and certification process of the GLOBAL G.A.P. Although it is voluntary, the GLOBAL G.A.P. certification is increasingly vital for businesses wanting to operate in the high-value sectors it covers, especially to help small-scale farmers and, help agricultural cooperatives gain access to the local and, more important for them, to the international market. During the project's duration, 5 agricultural cooperatives from the vegetable and fruit sector were supported in adopting and practicing the GLOBAL GAP principles and successfully obtained certificates for their production.
- **Support provided to MAFWE** in the process of the long-term planning of AC development. Based on the identified needs of the agricultural sector, the project supported the preparation of the seven-year Strategic Plan for Development of Agricultural Cooperatives (2022 – 2028), aimed to help MAFWE in its effort to strengthen the agricultural sector in the country. The strategy's vision is to create a better future in which ACs will improve their financial results and enhance their social impact without increasing their adverse environmental effects. Innovation and technology will play a key role in achieving the strategy's goals.

Among the relatively **less successful** parts, the respondents considered the following:

- **Virtual meetings** replacing face-to-face interaction during the Covid-19 pandemic. Farmers considered this form of communication less attractive and accessible.
- Farmers had **difficulties expanding their sales** on the markets and the project did not pay sufficient attention to this. This component was not sufficiently reflected in the project scope.
- Enabling the **legal environment was insufficient** to guarantee that the ACs will be viable entities successful on the market. The relevant law was not adopted during the project lifetime.

- The **knowledge flow between the project partners and MAFWE was limited**, especially with regard to content of the database and software that were not functional during the project lifetime.

### 3.2.3. Major factors influencing the achievement or non-achievement of the objectives

Several factors can be distinguished that **influenced the achievement** of the objectives:

- The project was designed in response to carefully assessed needs important for North Macedonian farmers;
- The project produced some good assessment documents, which served as guides for activity implementation (for instance, *In-Depth Analysis of the Legal Framework on Agricultural Cooperatives*, *Comparative analysis of cooperative laws – Proposals for policy changes*);
- The project coordinators were experienced and had a good working relationship with stakeholders and beneficiaries;
- Clear internal procedures of the coordinator and frequent communication with partners were very helpful in managing the project;
- The non-state stakeholders were actively involved in the project, i.e., the umbrella organization (Macedonian Association of Agricultural Cooperatives), and the National Federation of Farmers;
- Farmers who joined cooperatives were interested and participated actively in project activities;
- High-level Working Group bringing together the main players responsible for the project and contributing to the legal process was created; the draft Law on Cooperatives has been formulated;
- Risk management was appropriately handled by the project team; adequate mitigation measures were in place, in line with the original project plan.

The factors that have **challenged achievement** of the objectives were:

- Despite the significant effort of the project to ensure the transparency and participation of the public authorities (MAFWE and other line ministries: Ministry of Finance, Ministry of Labor and Social Policy, Ministry of Economy), the limited political will and ownership of the project by the public sector, which was constrained by administrative burden, hindered an effective implementation of their tasks, including the adoption of the Law on Cooperatives and operation of the software;
- Force majeure of the Covid-19 pandemic, which has reduced effectiveness of the training; face-to-face interactions were largely replaced with virtual calls, which were less appealing to farmers and hence the project's content was not conveyed to them sufficiently;
- The scope of the project was too narrow to tackle the complexity of the value chains, in which the agricultural cooperatives function; this is one of the factors that limits the increase of their incomes and improvement of their market position;
- Agricultural cooperatives are still rather small in size and fragmented, despite a visible increase in their numbers;

- The cooperative umbrella organization split into 2 separate bodies, which reduced the strength of the ACs' common representation and advocacy;
- Limited synergies and integration of the project with other investments into the agricultural sector, as the effort of the responsible agency was mostly limited to the exchange of know-how but a joint strategy was neither designed nor implemented;
- The monitoring and evaluation system for the ACs, including software, were not yet operational by the end of the project; this limited the project's performance because the actual flow of information between the interested parties was not working as expected and it proved difficult to obtain relevant data to monitor project progress;
- The participation of MAFWE in the project activities was insufficient; for instance, they participated in only 3 out of 20 info sessions; this resulted in limited credibility and sense of ownership of the project by the public authorities;

### 3.3. Efficiency

#### 3.3.1. Timeliness and cost-effectiveness of transforming project inputs into outputs

Largely, the respective inputs were utilized in a way that allowed for ensuring that outputs were met. The total budget devoted to the action was €1.98 million, whereby €1.8 million was contributed by the EU and the remaining part by the CARE. The project was planned for 38 months, which was sufficient enough to implement its activities, yet too short to achieve the changes in the long term as the respective law on agricultural has not been adopted, and therefore put into the question of the long-term impacts of the project. This was beyond the scope of influence of the project managers and overall, the project was implemented in a timely and cost-effective manner.

During the initial phase the project was mostly focused on setting-up management structures. Some delays at this stage were observed (2 months), due to the registration of the project with the relevant authorities. However, these did not substantially hinder the ability to execute the tasks. The activities were concentrated on outreach throughout the country, field visits, interactions with agricultural cooperatives, consultations, and promotional activities. In the later phase, due to the force majeure – the Covid-19 outbreak, much of the face-to-face interaction had to be replaced with virtual meetings, which proved to be less appealing and feasible for the project team and its beneficiaries.

The planned activities were carried out in a cost-efficient manner and to a good degree led to achieving the expected outputs. In some instances, the pooling of additional resources into the project was visible, such as in the organization of the caravan information-sessions by the MEDF. In total 859 participants attended these sessions. Savings were made on where costs would usually be for the venue and travel of regional presenters. Further savings on transportation and costs of participants were also made due to regionalization of the events, i.e., locating them in the geographic proximity of beneficiaries.

A related issue concerns the MEDF Project Manager, who invested considerable time into ensuring direct communication and interactions with target groups (ACs and other stakeholders). Accordingly, his input was expected to gradually decline once the grant was concluded, which at a later stage might require minor budget adjustments, i.e., should his involvement be higher than anticipated.

On the other hand, the Project foresaw additional resources from savings to develop the knowledge base about agricultural cooperatives for the long term. For instance, two different activities were implemented by the Project. The Training of Trainers for business planning participated and gained advanced knowledge of 29 Advisors from the NEA. The training of trainers contributed significantly to building the capacity of NEA's advisors. At the same time, it increased the scope provided by NEA as an advisory service, with an aim to achieve its strategic priorities and goals.

Additionally, savings were also visible in the purchase of farming machinery, which cost less than it was originally planned. On the other hand, the project did not foresee additional resources to develop the knowledge base about the agricultural cooperatives for the long term. For instance, accompanying studies or analyses concerning the development of the ACs in North Macedonia at the later stages of the project, would have been beneficial to gain a better picture of the project progress. Especially, the collection of data on the performance of ACs could have been worth the effort. Likewise, the complexity of the circumstances in the last years of the project implementation, notably due to the Covid-19 pandemic, should be also taken into account, when assessing the project efficiency. In other words, the achievements of the project and its expenditure need to be viewed with more caution and lower expectations than it would have been in more stable times.

Comparison of the forecasted and spent budgets by the two main budget items – administrative costs and project funds (see Table 3) revealed that project spending was below the intended amount, hence cost-efficiency and savings were possible. Data was collected by both MEDF and CARE on activities and ACs performances. It is worth noting that the project was extended in time, to adapt to the circumstances of the Covid-19 pandemic, and instead of 38 planned people/months, 46.5 people/months were devoted to the project. The difference in the remuneration of staff plus other running costs of the project was +5,441, which was a slight increase against the originally planned expenditure. Yet, savings were made in the reduced budget for the project funds, nearing a half million euro.

Table 5. Project budget - planned VS actual (in Euros)

	Planned	Actual	Difference
<b>i) Administrative Costs</b> (remuneration of staff, office costs, cost of equipment and other project costs)	402,356	407,797	+5,441
<b>ii) Project Funds</b> (including sub grants)	1,559,644	1,077,218	- 482,426
<b>Total</b>	<b>1,980,000</b>	<b>1,485,015</b>	<b>476,985</b>

### **3.3.2. Use of project resources to achieve results of the desired quantity and quality**

Slightly more than half of the project budget was devoted to the regranting mechanism (51.5%). Sub-grant agreements between the donor and agricultural cooperatives were concluded for 8 existing and 12 newly registered entities. 51.5% of the total project budget was allocated for this purpose. The MEDF was responsible for implementing the grant scheme, which was controlled by the CARE Project Manager, Finance Officer and Regional Finance Controller. Relevant procurement procedures were also followed. The total grant amount was 938.149 euro (701.572 from EU funds and €236.577 - co-financing by the agricultural cooperatives). Originally, the planned average of €51,000 was devoted to a sub-grant and it was not expected for the sub-grant to exceed €80,000. The actual average of grants to the ACs was €38.976, and co-financing at 20% was increased by almost 4% (an average of 24% co-financing by the ACs). The total investment in the business plans of the agricultural cooperatives was €938.149, and €701.572 from project funds, and €236.577 co-financing by the agricultural cooperatives.

### **3.3.3. Quality of partnership between the implementing organizations (division of responsibilities, coordination, communication, monitoring)**

The documentation of the project provides description of the staff, tasks and clear justifications of their roles. On the side of CARE, the following staff was hired: Project Manager, Project Coordinator, Accountant, HR/Procurement Coordinator and Program Advisor. At the MEDF: Project Manager, Grants Coordinator, Grants Officer, Project Officer and Field Officer. Basing on the evidence, it can be considered that project staffing was sufficient in terms of Person/Months and types of tasks that needed to be executed in order to fulfill the project needs. However, some discrepancies were observed by the Result Oriented Monitoring (ROM) reviewers in the staff timesheets, i.e., insufficient evidence of the work performed versus the claimed resources.

### **3.3.4. Efficiency and appropriateness of the management, coordination and monitoring of the project**

The project was managed in an efficient manner, with expenditures concentrating on major project lines and marginal corrections in the proposed budget. Adequate monitoring mechanisms were in place, including a set of output indicators based on the log frame and continuous updates on the project progress. Interim and final reports were delivered, presenting an adequate level of detailed information about the project. The ROM review carried out in 2019 highlighted the main areas of project development, including those that need improvement. It was suggested to improve the timesheet recording, include NFF in the information component and use the established education and information system and its existing products, invite the key project partners for study visits, and the creation of a joint action plan by the MAFWE and the project team. The project team attempted to accommodate most of the suggestions. However, some factors adversely influencing the project's performance were beyond its reach (such as the limited influence on the law's adoption and Covid-19).

The project foresaw difficulties related to the political situation, elections, economic instability, and challenges in collaborating with public institutions. The identified risk management plan recognized especially the risks of limited collaboration between the MAFWE's and MAAC. For the later, the ability to gain the trust of the agricultural cooperatives as their representation was also crucial. However, in this context, the project brought some of the intended results. The representation of agricultural cooperatives became more fragmented with the emergence of a second similar organization and division over the leadership of the AC sector.

While the project envisaged a strong engagement with the MAFWE with a view towards establishing an effective mechanism to support agricultural cooperatives, the ministry made a limited effort to create an enabling environment that could improve the situation of the cooperatives during the project's lifetime and beyond. The feedback during the FGDs and KIIs revealed that the ownership of the project was perceived as limited by the ministry's staff. Engagement with the project differed also across the units of the ministry (particularly, the Unit for Agricultural Cooperatives was less active in the project during its last year). The project prepared action plans for the development of laws and by-laws and supported them with the engagement of a legal expert to support the Ministry with development of laws and by-laws. Relevant people have been regularly invited to participate in the Working Group sessions. Moreover, the project ensured consultations with other countries on the draft versions of the laws, i.e., representatives of umbrella associations from Slovenia, Serbia and Croatia.

## 3.4. Sustainability

### 3.4.1. Continuation of the project results (outcomes) after the project

The project has succeeded in creating agricultural cooperatives and strengthening existing ones. Investments were made into agricultural machinery and facilities that improved the situation of the farmers dealing with production and post-harvest facilities. Interested farmers gained new knowledge and are continuing to work together towards market expansion. Relevant steps were also undertaken to create an enabling environment, based on the recommendations the analysis has produced, and following good examples from EU countries.

While the project delivered the majority of expected outputs, its sustainability remains strongly dependent on external intervening factors. Improving agricultural sustainability via investments into the cooperatives has been hindered by the fact that the relevant legal provisions (law and by-laws) have not been adopted. At the same time, the cooperatives still have limited access to value chains, focus on which was insufficient and beyond the scope of the project. Especially, building linkages with the value chain actors, both inside and outside the country, not focused upon, but it is crucial for having functional cooperatives on the market. This also determines the limited business performance of the agricultural cooperatives as most of them reported an accounting balance near zero during the FGDs.

### 3.4.2. Major factors influencing achievement/non-achievement of the sustainability of the project

Project sustainability is moderate. It is not yet fully visible how project outputs will translate into significant changes and impacts in the long term. Yet, several positive results are already noticeable. The following factors **influencing the achievement of sustainability** were revealed by the FGDs and KIIs:

- Availability of funding for farmers dedicated to purchasing machinery and improving post-harvest facilities;
- Acquisition of new knowledge and skills through trainings and meeting opportunities with representatives of ACs in other countries;
- The stakeholders were actively involved in the project design, delivery and follow up action planning;
- A stable executive office of an umbrella organization, able to represent interests not only of their members but also to other organizations, including those that are members of the other umbrella; it was also able to acquire funding from other donors (Civica Mobilitas, Swedish Government and Erasmus+);
- Strategic plan prepared for the MAFWE for development of agricultural cooperatives.
- A transparent, regular and timely communication and flow of information between the project management team and stakeholders;
- Efficient project management, ensuring all necessary rules and procedures for the project implementation were in place;
- A proactive approach of the management team in addressing the challenges and risks that the project encountered throughout its course of implementation;
- A high degree of motivation among beneficiaries – farmers to engage in cooperatives.

The factors **challenging the sustainability** of the project were the following (largely beyond the project's scope of control):

- Low motivation of the public sector to participate in the project, which was hindered by the perceived administrative burden, i.e. workload of the public sector and lacking the time and staff resources to effectively engage with the project;
- Lack of adoption of the Law on Cooperatives and by-laws;
- Constraints in market access for the cooperatives and the absence of established value chains;
- Small size of membership in agricultural cooperatives, which limits the scale of their operations and turnover volume;
- Covid-19 pandemic adversely impacting face-to-face interactions in the project.

## 4. CONCLUSIONS

The evaluation of this project revealed several positive results. The most important of them were the

creation of new and the strengthening of existing cooperatives. Farmers, who benefitted from the project received a well-perceived training and funding for the upgrades in farm infrastructure. Consequently, this led to some visible improvements in their agricultural practices and modernization of the farms. New business models, based on cooperative structures were adopted in North Macedonia. The ACs sector gained a visible representation through the umbrella organization.

However, the project was less successful in terms of creating a legal environment that could help cooperatives strengthen their market position. Although the relevant legislation was drafted, it had not been adopted by the end of the project. The project resulted in several legal documents, ready for adoption and monitoring software. Yet, the political will was missing to introduce the necessary changes. Moreover, there were missing links between the respective value chain actors, such as the farmers, retailers and the consumers' representation. Due to the limited availability of the business performance data, it is difficult to predict which of the ACs will continue after project completion.

### **Relevance**

- The project interventions were relevant and timely to the country specific context and responded to the local needs. They adequately addressed priority areas that are important for the North Macedonian economy and its stability.
- The project design was based on the thoroughly researched and analyzed needs of the target population (farmers). Besides, the project greatly built upon the previous experiences of CARE and completed projects targeting similar areas of intervention. Relevant approaches were developed and implemented activities were based on these needs.
- All relevant local stakeholders working in this field, were involved in the project development, and the establishment of the high-level working group on agricultural cooperatives was very helpful in raising the importance of the project.
- Synergies between the project and other initiatives in this area were developed. Sufficient attention was paid to increasing the synergies with other targeted investments in rural areas, where activities took place.
- The scope of the project was too narrow to allow for a long-term improvement of the situation of agricultural cooperatives in North Macedonia. However, within the given framework the project addressed the challenges adequately.

### **Effectiveness**

- Prior to the project, 39 ACs (associating a total of 438 farmers) were established in North Macedonia. By the end of the project 61 ACs were created, with 732 farmers involved. Both male and female farmers actively participated, although women still to a marginal degree.
- During the project a new law on Cooperatives was drafted in a collaboration between the relevant stakeholders and MAFWE. The policy documents were revised and by-laws formulated. The new regulatory framework had not been adopted by the end of this project.



- The project clearly advanced the consolidation efforts of the sector representation of ACs. An umbrella organization was selected, yet constrained by the internal divisions over the membership and power structures. Consequently, it split into two separate organizations, which led to a fragmentation of the representation of ACs, which was beyond the scope of the project's influence.
- The number of farmers who newly joined cooperatives stands at 294 people. The project did not provide sufficient data about the joint ventures between the cooperatives and the business sector.
- Due to the lack of open sharing of the database by MAFWE, it was not possible to state the exact number of the ACs and the farmer groups willing to form them in North Macedonia.
- Based on the fragmented data and results of the FGDs, it can be concluded that business performance of most cooperatives was rather low, with balance accounts below 2,000.000 MKD of yearly turnover. Yet, it is too early to fully assess the performance of ACs.

### **Efficiency**

- The project activities were implemented according to the planned timeline, with some minor delays at the outset of the project.
- Some deviations were observed in terms of the budget and spending. The project was overall cost-efficient, and some savings were even possible. Additional resources were allocated by the project partners (in-kind), such as resources of the project partners for the organization of events in the regions.
- Regular progress reporting was carried out, including financial and non-financial aspects. Effective communication accompanied project tasks, which was carried out in a timely and open manner. The mitigation of risks was in place. Some of the risks materialized and were successfully mitigated. Moreover, some unexpected risks occurred due to the Covid-19 outbreak, which hindered face-to-face interaction in the project and had some adverse effects in terms of the capacity building of farmers.
- High standards of reporting were practiced for the purposes of the project (quality assurance, internal rules, etc.).

### **Sustainability**

- The project succeeded in creating a number of agricultural cooperatives. Solid foundations were laid down to ensure that registration and basic training of the cooperatives were created with support of the project. Their sustainability is limited due to the lack of involvement of the cooperatives in well-functioning value chains. The cooperatives reported improvements in their agricultural production efficiency, and still little economic impact is visible. Most of them are balancing their accounting sheets near zero, which suggests that their economic viability is at risk, if left without further support beyond the project lifetime. This is coupled altogether with the Covid-19 pandemic, which has an overall adverse impact on the sustainability of ACs and is beyond the project influence.

- The sustainability of the project's outcomes is threatened by the lack of the adoption of the Law on Cooperatives and by-laws. The limited engagement of the public authorities in the project, administrative burdens and political processes were unfavorable for the creation of a long-term support strategy for the agricultural cooperatives. It is unclear, if additional resources will be pooled into this undertaking, to ensure the viability of the cooperatives and thus competitiveness of North Macedonian agriculture in the long term.
- Strengthening of the collaboration between the CSOs and an umbrella organization collaborating in the project offers a fertile ground for future undertakings. The engagement of stakeholders with the public sector (and in-between its different units) is insufficient to allow for progress. The culture of openness and partnership between these is not yet sufficiently favorable to enable more effective support to the sector of agricultural cooperatives.

## 5. RECOMMENDATIONS

Based on the analysis of the process of project implementation and project outcomes, the following recommendations can be considered for further follow up:

<b>Recommendation</b>	<b>Who should address</b>
Adopt Law on Cooperatives and bylaws	Parliament, MAFWE (minister)
Increase participation of the public sector entities in the support of the agricultural cooperatives	MAFWE and other relevant ministries
Implement the long-term strategy to support agricultural cooperatives	MAFWE together with stakeholders
Mobilize necessary skills and expertise to support the know-how for the sector's development	MAFWE, umbrella organisation academia, consultancy
Consolidate representation of the agricultural cooperatives sector	Umbrella organisation
Perform value chain assessment, consider sectoral specifics for each agricultural cooperative, and update business plans	MAFWE, outsourced providers (e.g., consultancy, academia)
Invest into value chain development at the national and regional level, e.g., through the organisation of meetings, events, communication campaigns, participation in the fairs and exhibitions	MAFWE, umbrella organisation, stakeholders
Increase outreach to consumers and their representative organizations in North Macedonia	MAFWE, umbrella organisation, stakeholders
Invest into further professionalization of agricultural cooperatives, i.e., training of their managers, farmers, provision of software and other facilities for more efficient management	MAFWE, donor agencies, stakeholders, extension services
Continue investments and upgrades of the farm production facilities and machinery towards increase of productivity and sustainability on farms	MAFWE, donor agencies, extension services
Provide training and facilitate access of agricultural cooperatives to certification and qualification schemes (labelling) that will improve their market position	MAFWE, donor agencies, umbrella organisation, stakeholders, extension services
Improve coherence and synergies with other projects and initiatives targeting regions where agricultural cooperatives have been established	MAFWE, donor agencies, civil society organisations
Foster dialogue and a culture of good governance between the main players dealing with agricultural cooperatives	MAFWE, donor agencies, civil society, umbrella organisation

## Annex 1 – Reviewed Documentation

National strategy for agriculture and rural development for the period 2014-2020;

Study on Agricultural Cooperatives (2016);

Draft Law on Cooperatives and by-laws (prepared with support of the Project);

Proposed amendments to the following: Law on agriculture and rural development; Law on agriculture activities; Law on water management and Law on employment and insurance against unemployment.

Draft Strategic plan for development of agricultural cooperatives (2022-2028);

Macedonian Association of Agricultural Cooperatives' (MAAC) Strategic Plan for the period 2021-2026

Analysis of the situation with women in agricultural cooperatives in the Republic of North Macedonia (2020)

Project Documents:

- Concept Note, Full Application Form and Logical Framework;
- In-Depth Analysis of Legal Framework on Agricultural Cooperatives (201;8)
- Comparative analysis of cooperative laws - Proposals for policy changes (2018);
- Report on public debates/roundtable discussions (2019);
- Report on the Study Visit to Republic of Slovenia (2019);
- Internal Mid-term Review/Evaluation Report of the Project “Support of the Agricultural Cooperatives”
- Terms of Reference, User Manual and Handover Certificate for Monitoring Software;
- Evaluation Report for the Umbrella Organisation – MAAC;
- Feasibility Report for the Umbrella's Business Plan (MAAC);
- Report for Selection of Umbrella Organisation;
- Umbrella's (MAAC) Business Plan (2019-2020);
- Report on Awareness Raising Campaign;
- Minutes from the Caravan of Info Sessions;
- Selection Reports from the Expression of Interest for Establishment and for the Development of Agricultural Cooperatives;
- Calls for Financial Support of Agricultural Cooperatives;
- Manual for Assessment of Agricultural Cooperatives;
- Reports from the Training and Capacity Building Activities;
- Interim Narrative Reports 2018, 2019 and 2020;
- Result Oriented Monitoring (ROM) report (2019).

## Annex 2 – List of KII respondents

#	Key Informant	Organization / Institution	Position
1	Afrim Sulejmani	AC Agro Mediteran	President of the AC
2	Zoran Bardakoski	NEA - National Extension Agency	Regional Manager
3	Milena Nikolova	AC Agri Pema	President of AC
4	Maja Lazareska Joveska	MAFWE – Ministry for Agriculture, Forestry and Water Economy	Head of Department for European Union
5	Konstantinos Soupilas	Delegation of the European Union	Programme Manager
6	Stevan Orezovic	NFF- National Federation of Farmers, Executive Director	Executive Director
7	Olja Petrusevska Tomeva	Freelancer	Legal expert

### Annex 3 – List of FGD respondents

#	FGD participant	Organization / Institution	Position
1	Irina Hadji Mitova	CARE International	Project Coordinator
2	Dragan Peric	CARE International	Project Manager
3	Lazar Nedanoski	MEDF Macedonian Enterprise Development Foundation	Executive Director
4	Dimitar Smiljanovski	MEDF Macedonian Enterprise Development Foundation	Grants Coordinator
5	Svetlana Boskoska	MEDF Macedonian Enterprise Development Foundation	Grants Officer
6	Mende Trajkovski	AC Nektar-BT	President of AC
7	Ljube Pampulevski	AC Krani	President of AC
8	Gjorgji Ivanovski	AC Prespanka	President of AC
9	Pere Trantalovski	AC Zdravo I Svez0	President of AC
10	Zlatko Gecovski	AC Nektar –BT	Executive Manager
11	Mende Ivanovski	AC Resgrup	President of AC
12	Goce Georgievski	MAFWE-Ministry of Agriculture Forestry and Water Economy	Head of Agriculture and Rural Department
13	Shovket Hazari	MAFWE-Ministry of Agriculture Forestry and Water Economy	Minister Advisor
14	Elena Novachka	MAFWE-Ministry of Agriculture Forestry and Water Economy	Advisor for monitoring the situation with ACs
15	Valbona Usein	MAFWE-Ministry of Agriculture Forestry and Water Economy	Monitoring Officer
16	Gjogi Arnaudov	AC Juzen biser plus	President of AC
17	Gjorgji Hadji-Kotarov	AC Organski zrak	President of AC
18	Goran Baleski	AC Prva organska zadruga	President of AC
19	Dejan Petrovski	AC Prva lozarska koperativa	President of AC
20	Dragi Pamukov	AC Vegefresh	President of AC
21	Lazar Boev	AC Pertushka reka	President of AC
22	Suncica Sazdovska	Sazdovski Consulting	Expert – Strategy development and planning
23	Martin Micevski	MAAC-Macedonian Association of Agricultural Cooperatives	General Secretary (Executive Director)
24	Vesna Delovska	MAAC-Macedonian Association of Agricultural Cooperatives	Project Officer
25	Saso Ristevski	Freelancer	Expert – Agriculture development
26	Julijana Daskalov	Freelancer	Expert- Business plan development
27	Suzana Dimitrievska	MAAC-Macedonian Association of Agricultural Cooperatives	President of MAAC

## Annex 4 – FGD Guide

Date \_\_\_\_\_

Location \_\_\_\_\_

### **Informed consent to focus group participation**

DEPA Consulting ensures the anonymity of all focus group participants and the confidentiality of the provided information which will be used only in a generalized form.

- I am fully informed about the research objectives and focus group rules.
- I agree to video or audio recordings of the meeting.
- I am aware of the risks associated with COVID19 and adhere to the relevant norms.

By signing, I confirm that I participate in focus groups voluntarily.

### **Questions for FGD**

1. Was the project designed based on the needs of the target group?
2. How relevant is the project to the country/region Context?
3. How effective is the project in achieving the stated objectives and outcomes?
4. Which methods/activities have the donor, implementing partners, or beneficiaries have been successful or less successful?
5. What were the major factors influencing the achievement or non-achievement of the objectives?
6. What were the major factors that influenced the achievement or non-achievement of the Project's sustainability?

## Annex 5 – Key Informant Interview (KIIs) Guide

The evaluation experts interviewed DEU representatives, MAFWE, NEA, NFF, ACs, Trainers, and Experts. Questions presented below were to guide the conversation. When needed, follow-up questions or details were asked, too.

**Date of KII:** (dd/mm/year)

**Location (region/district):**

**Name of interviewer:**

**Gender of Key Informant:** (female/male)

**Company/Organization:**

**Position of Key Informant:**

**Contact information** (email/phone):

**Consent for the interview:** Yes  (Proceed with interview) No  (Drop the interview)

Questions i.e., for the Institutions representatives

### **Questions for the relevance of the project:**

1. Were the needs of the farmers assessed before the project? If so, how? If not, why? Has the project design responded to the conditions?
2. Have you considered the regional / target groups specifics when designing the project? If so, how? Which factors have you considered?
3. Have you consulted the project design with other stakeholders? Which ones? What were their positions on the project? Were they involved in similar projects/activities?
4. Has the project achieved its outcomes? How far? What helped/hindered in achieving the outcomes?
5. Have you observed any discrepancies between the project objectives and activities? Are the outcomes as expected?

### **Questions for the effectiveness of the project:**

6. Have the project activities led to the achievement of the expected outcomes? What were the main supporting factors? What were the main constraints?
7. How successfully did the project provide the training? Were the background materials adequate? Was the project approach suitable?
8. What helped/hindered in achieving the project objectives? What were the main challenges?



**Questions for the efficiency of the project:**

9. How effective was the allocation of the project financial resources? Were they spent in line with the plan? Were they sufficient? If not, why? What were non-financial resources essential? What was missing?
10. Were the project resources used in line with the plan? Were there any shifts in the budget? If so, why?
11. Was the management team well prepared to implement the project? Was the staff sufficient? Did they have enough training / adequate skills? What was missing? How was the staff rotation?
12. Were the implementing organizations working in a partnership? How was their collaboration? How was the communication? Were there any conflicts? Has any of the partner dropped out from the project? Were the responsibilities clearly defined and divided between the partners?
13. What was the quality of the project management/coordination? Were you satisfied with the management personnel? Was the project monitored? If so, how regularly? Have you received any feedback from the project monitoring? If so, have you used this feedback, and how?

**Questions for the sustainability of the project:**

14. Is the strategy in place for the project follow-up? Are you planning subsequent projects? Will you involve with the same partner entities? Why yes/no?
15. How can project sustainability be achieved? What resources are needed? What changes need to be promoted? What are the main risks to achieving project sustainability?
16. What could be improved to help in increasing the project sustainability? Was this in the scope of the project?
17. What is your main contribution to the project? What is the main contribution of the stakeholders? Which areas still require external support? How could you enhance it?

**Questions for the project outcomes and outputs:**

18. Did the project propose any legislative changes? Have you changed anything in the legislation concerning cooperatives during the project's lifetime? Have you worked on the legal provisions together with the project stakeholders/beneficiaries? What could be potential obstacles?
19. Have you observed the increased capacities of the umbrella organization?
20. What are the benefits of cooperatives in North Macedonia? Are they important for achieving the agricultural/rural development policy objectives? Why?
21. Has the database been established? How many cooperatives are currently registered? Do you monitor the interests of other farmers not yet in cooperatives? How? Are you able to give any figures?
22. How did the ministry support the establishment/development of cooperatives? Have you provided financial resources (in what amount)? Have you offered any other support (what kind)?

What other comment would you like to make? Thank you for your participation

## Annex 6 – Project Logframe

	<i>Results chain</i>	<i>Indicator</i>	<i>Baseline (value &amp; reference year)</i>	<i>Target (value &amp; reference year)</i>	<i>Current value</i>	<i>Source and mean of verification</i>	<i>Assumptions</i>	<i>Expected value at the end of project</i>
<i>Impact (Overall objective )</i>	<i>Overall objective: Contribute to higher productivity and competitiveness of agriculture sector in North Macedonia.</i>	<i>Increase in the number of functional agricultural cooperatives in Country.</i>	<i>39</i>	<i>61</i>	<i>61 existing ACs by end of reporting period 2021</i>	<i>Project reports MAFWE database</i>	<i>Not applicable</i>	<i>The project to some extent contributed to higher productivity and the competitiveness of agricultural sector in Northern Macedonia</i>
<i>Outcome (s) (Specific objective (s))</i>	<i>Specific objective: to increase market competitiveness and cooperation among farmers in North Macedonia, through creating favorable conditions for the development of the existing and creation of new agricultural cooperatives.</i>	<i>% Increase in the number of farmers' (male/female) memberships in cooperatives.</i>	<i>483</i>	<i>732</i>	<i>832</i>	<i>Membership records and financial reports of the agricultural cooperatives, to be updated semi- annually.</i>	<i>Economic stability in the Country.  Commitment of the State and MAFWE to work on the improvement of conditions for agricultural sector.</i>	<i>By creating favorable conditions for developing existing and newly established agricultural cooperatives, the Project increases market competitiveness and cooperation among farmers in Northern Macedonia.</i>

<p><i>*Other Outcomes (*where relevant)</i></p>	<p><i>Op 1: Legal framework regulating agricultural cooperatives is revised, through a joint work of the project team and associates, MAFWE and a cooperatives' representatives.</i></p> <p><i>Op 2: Strengthening association and voice of agricultural cooperatives.</i></p> <p><i>Op 3.1: Increased awareness on benefits of cooperatives, among farmers, businesses and general public.</i></p>	<p><i>Ind.1.1 # of policies regulating agricultural cooperatives revised through the project organised process.</i></p> <p><i>Ind.1.2 # of policy documents designed with support from the project.</i></p> <p><i>Ind. 2.1 increase in the number of cooperatives in Republic of North Macedonia associated with their representative organizations.</i></p> <p><i>Ind. 2.2 # of new initiatives for improvement of the conditions for the cooperatives raised by the cooperatives itself or their representative organizations.</i></p> <p><i># of farmers - newly joined members of agricultural cooperatives.</i></p>	<p>0</p> <p>0</p> <p>37</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>5</p> <p>4</p> <p>+12</p> <p>5</p> <p>200</p> <p>0</p> <p>36</p> <p>20</p>	<p>5</p> <p>4</p> <p>51</p> <p>5</p> <p>278</p> <p>20</p> <p>36</p> <p>22</p>	<p><i>Project reports And documentation. Minutes of the Working Group meetings.</i></p> <p><i>Revised and new policy documents designed within the project.</i></p>	<p><i>Commitment of the Government and MAFWE to work on increasing competitiveness of the agricultural sector through improving environment for the development of agricultural cooperatives.</i></p> <p><i>Availability of MAFWE staff for participation in the Working Group. Availability of appropriate external expertise for the revision/ design of policy papers.</i></p> <p><i>Availability and interest of Cooperative representatives to participate in the project.</i></p> <p><i>Continuous commitment of farmers to develop their production.</i></p>	
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	<p><i>Op 3.2 Data base created with information on existing agricultural cooperatives willing to expand and farmers' groups willing to establish new cooperatives and receive support for development.</i></p>	<p><i># of joint ventures between cooperatives and business sector developed with support from the project.</i></p> <p><i># of existing agricultural cooperatives included in the data base</i></p> <p><i># of farmers' groups willing to form cooperatives included in the data base.</i></p>					<p><i>Stabile economic situation in the country.</i></p> <p><i>Standard meteorological conditions for agricultural seasons.</i></p> <p><i>Stabile functioning of the existing agricultural cooperatives.</i></p> <p><i>Continuous commitment of farmers to develop their production.</i></p> <p><i>Availability of appropriate external expertise for technical support.</i></p> <p><i>Stabile project funding.</i></p> <p><i>Interest of cooperatives for Further development and expansion.</i></p>	
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	<i>Results chain</i>	<i>Indicator</i>	<i>Baseline (value &amp; reference year)</i>	<i>Target (value &amp; reference year)</i>	<i>Current value</i>	<i>Source and mean of verification</i>	<i>Assumptions</i>	<i>Expected value at the end of project</i>
							<i>Basic interest from farmers to improve their operation and productivity.</i>  <i>Availability of cooperatives' Representatives to get included in the project.</i>	
<i>Outputs</i>	<i>Op 4: Technical and financial support provided for the development of 8 existing and creation of 12 new cooperatives.</i>	<i>% of cooperatives' (existing and new) business plans supported by the project realized successfully.</i>  <i>% increase in the yearly turnover of the agricultural cooperatives supported for scale-up.</i>  <i># of sales contracts signed by the cooperatives formed through the support from the project.</i>	<i>0</i>  <i>0</i>  <i>0</i>	<i>2</i>  <i>0</i>  <i>0</i>	<i>80%</i>  <i>20%</i>  <i>12</i>			