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ЕФЕКТ-ПЛУС ДООЕЛ

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СКОПЈЕ

## Financial statements and Independent auditor's report

FOR THE YEAR THAT ENDS ON 31.12.2018  
*BALKAN CIVIL SOCIETY DEVELOPMENT NETWORK*

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Bul. Kuzman Josifovski Pitu.15 lok 11, audit@macedonia.cc Tel: 02/2465-243, 2401-371;

TO  
THE COUNCIL, BOARD AND EXECUTIVE DIERCTOR OF BALKAN CIVIL SOCIETY DEVELOPMENT  
NETWORK

## INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of BALKAN CIVIL SOCIETY DEVELOPMENT NETWORK, which comprise the balance sheet as of December 31, 2018 and the income statement for the year that ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Law on Accounting for Not for Profit organizations in Republic of Macedonia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing accepted and published in the Official Journal of Republic of Macedonia no. 79 of 11 June 2010. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position as of December 31, 2018, and its financial performance, for the year then ended in accordance with Law on Accounting for Not for Profit organizations in Republic of Macedonia.



### Report on other legal and regulatory requirements

The Management is responsible for preparation of the year ended financial statement and annual report.

According to the article 34(d) of the Audit Law and according to the International Standard on Auditing (ISA) 720, "The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements" our responsibility is to express an opinion on the consistency of the annual report with the annual accounts and financial statements for the same fiscal year.

In our opinion the annual report and annual accounts for the year ended 31.12.2018 are consistent in all material respects the financial information disclosed in the audited financial statements for the same period.

Skopje, 29.03.2019

For Effect Plus DOOEL Skopje

Certified Auditor responsible for the audit

Mirov Nikolaki



Managing partner

Kristina Tilik



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# FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2018

## Income statement

	Notes	2018 in MKD	2017 in MKD
<b>Total Income</b>		<b><u>6.440.424</u></b>	<b><u>10.143.130</u></b>
Incomes from activities	(4)	175.451	275.455
Project activities incomes	(5)	6.195.119	9.562.028
Financial incomes	(6)	47.098	254.301
Other income		22.756	51.346
<b>Total Expenses</b>		<b><u>(6.440.424)</u></b>	<b><u>(10.143.130)</u></b>
Material expenses and services	(7)	(813.018)	(764.270)
Other expenses	(8)	(2.168.554)	(6.317.744)
Salaries	(9)	(3.395.952)	(2.985.136)
Capital expenditures	(10)	(62.900)	(75.980)
<b>Surplus of income over expenses before taxation</b>		<b><u>-</u></b>	<b><u>-</u></b>
Income tax			
<b>Surplus of income over expenses after taxation</b>		<b><u>-</u></b>	<b><u>-</u></b>

These financial statements have been approved and adopted by the management as of 12.03.2019



For BCSDN

Notes on page 7 - 14 are integral part of the Financial Statements

## BALANCE SHEET

	Notes	2018 in MKD	2017 in MKD
<b><u>Assets</u></b>			
<b>Non-current assets</b>			
Property, plant and equipment	(10)	235.976 235.976	255.561 255.561
<b>Current assets</b>		2.986.777	3.591.269
Receivables			
Tax receivables	(11)	326.047	183.438
Other receivables	(12)	25.275	25.275
Cash and cash equivalents	(13)	2.635.455	3.370.223
Deferred expenses	(14)	0	12.333
<b>Total assets</b>		<b><u>3.222.753</u></b>	<b><u>3.846.830</u></b>
<b><u>Funds and liabilities</u></b>			
<b>Funds</b>	(15)	855.976	875.561
Funds		855.976	875.561
<b>Current liabilities</b>		2.366.777	2.971.269
Payables	(16)	24.635	52.574
Tax payables	(17)	971	2.399
Pre-paid expenses and deferred income	(18)	347.547	204.938
Project activities payables	(19)	1.993.624	2.711.358
<b>Funds and liabilities total</b>		<b><u>3.222.753</u></b>	<b><u>3.846.830</u></b>

These financial statements have been approved and adopted by the management as of 12.03.2019



For BCSDN

Notes on page 7 – 14 are integral part of the Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

The Foundation Balkan Civil Society Development Network Skopje (hereinafter BCSDN) is legally registered on 06.07.2009 in Skopje, Macedonia with address Mitropolit Teodosij Gologanov 39-2/2 Skopje, Centar with ID number 6524710 and VAT number 4057009503419.

Founders of the BCSDN according to the article 3 from the Statute of BCSDN form 18.06.2014 are as follows:

1. Albanian Civil Society Foundation, Tirana, Albania;
2. Center for Development of NGO's, Podgorica, Montenegro;
3. Centre for Information Services, Cooperation and Development of NGO's, Ljubljana, Slovenia;
4. Center for Promotion of Civil Society, Sarajevo, Bosnia and Hercegovina;
5. Cenzura Plus, Split, Croatia;
6. Civic Initiatives, Belgrade, Serbia;
7. Diakonia Agapes, Tirana, Albania;
8. Kosovar Civil Society Foundation, Pristina, Kosovo;
9. Macedonian Center for International Cooperation, Skopje, Macedonia;
10. Opportunity Associates Romania, Bucharest, Romania;
11. Vesta Association, Tuzla, Bosnia and Herzegovina.

The vision of the BCSDN is sustainable peace, harmony and prosperity of societies in the Balkan region.

The goals of the BCSDN are:

- Increase the role of civil society by strengthening its voice in policy- and decision-making at national, regional and EU level;
- Promote the civil dialogue between the civil society actors, state institutions and the European Union in order to influence the public policies;
- Developed advocacy knowledge and skills among civil society actors as a base for greater impact; and
- Strengthen communication, coordination and cooperation between the civil society actors in the Balkan region.

The initial fund as registered in the Central Registry of Macedonia is amounting 10.000 EUR.

The legal form is 10.6 Foundation

Code of activity: 94.99 Activities of other organizations based on membership, not mentioned under other codes.

The Governing bodies are the Council and the Board.

The Executive bodies are the Executive Office and The Executive Director.

Authorized person as 31.12.2018 is Mrs. Ilina Neshikj.



## **2. BASIS OF PREPARATION**

The financial reports are based on the legal framework comprising Law on accounting, Rulebook on chart of accounts for Non-profit organizations, Rulebook on contents of Accounts in Chart of Accounts for Non-profit organizations.

The financial reports are based on accounting principle of modified recognition of the effects of transactions and other events. The transactions related to income and expenses are recognized when they occur if the cash or its equivalent is received or paid latest the thirty day after the date of the financial reports. Otherwise they are recorded in the accounting records and reported in financial statements as deferred expenses and income (Official gazette No 24/03).

All amounts in these financial statements and the accompanying notes are presented in Macedonian denars according to the data for the period till 31.12.2018, compared with the data from 01.01-31.12.2017.

The Denar is the functional currency in the Republic of Macedonia. All information unless otherwise stated are presented rounded in nearest denar.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies used for the preparation of the financial statements are as follows:

### **3.1 Recognition of income**

The income is recognized based on accounting principle of modified recognition of the effects of transactions and other events. The transactions related to income are recognized when they occur if the cash or its equivalent is received latest the thirty day after the date of the financial reports. Otherwise they are recorded in the accounting records and reported in financial statements as deferred income.

The recognition of revenue from donations with the clause to return the unspent funds occurs at the level of project costs reported in the current year. The rest of the received donation is presented as liability.

The interest income is recognized according the reflection of the effective inflow of the assets, if received latest after 30 days after the date of the financial reports.

### **3.2 Recognition of expenses**

The expenses are recognized based on accounting principle of modified recognition of the effects of transactions and other events. The transactions related to expenses are recognized when they occur if the cash or its equivalent is paid latest the thirty day after the date of the financial reports. Otherwise they are recorded in the accounting records and reported in financial statements as deferred expenses.

The income tax is applicable with rate of 10% on the difference of the total income and expenses, increased for the expenses not recognized for tax reporting purposes according the Income tax Law. The income from donations and membership payments is exempt from income tax.

### **3.3 Capital costs**

Capital costs are recognized when purchased asset increases the expected future economic benefits of intangible assets. Capital costs are recorded when fixed assets are purchased or manufactured which adds value to existing fixed assets. At the same time, they are recorded as an asset in the balance and recorded in the funds of BCSDN.

### **3.4 Calculation of the foreign currencies and accounting treatment of the exchange rate differences**

Calculation of all receivables and liabilities in foreign currencies in their MKD equivalent, are stated at average exchange rate valid on the balance sheet.

The positive and negative exchange rate differences caused by the calculation of receivables and liabilities in the value of foreign currencies in their MKD equivalent are shown in the income statement as income or funding expenses in the year to which they apply.

The value of foreign currencies used on 31.12.2018 is as follows:

Currency	2018 MKD	2017 MKD
1 EUR	61,4950	61,4907
1 USD	53,6887	51,2722

### 3.5 Property, plant and equipment

An asset is recognized as equipment when it is certain that the entity owns it and that he will realize future economic benefits and when the cost of its acquisition can be objectively measured.

The cost of an asset includes the cost of its acquisition, which includes:

- ✓ invoice value of the asset (decreased by any discounts and rebates)
- ✓ customs and taxes during the purchasing;
- ✓ initial costs associated with shipping and handling;
- ✓ installation costs and;
- ✓ compensate for experts related to the asset.

Equipment is recognized by its historical value lowered for the accumulated depreciation. The costs incurred for the maintenance are recognized as administrative costs. In case of disposal of the assets their value is recognized as other costs. The value of assets up to 100 EUR is recorded as an inventory.

Expenditure incurred during the use of tangible assets are recorded separately and are capitalized only if they are probable future economic benefits that would represent inflows into the Foundation.

The calculation of depreciation is straight-line depreciation method prescribed under the annual depreciation rates for 2018 are as follows:

Description	Rate
Office and computer equipment	12-20%

The depreciation is lowering the funds for fixed assets of the Organization.

### 3.6 Receivables

Receivables are recognized by the calculated amounts in accordance with the legal regulations.

### 3.7 Cash and equivalents

The cash and cash equivalents include cash and accounts in domestic banks and deposits with maturity up to three months. Transactions denominated in foreign currencies have been translated into Denars at rates, set by the National Bank of the Republic of Macedonia (NBRM), at the dates of transactions.

### 3.8 Liabilities and other liabilities

Liabilities to suppliers and other liabilities are translated at the height of the nominal amounts resulting from business transactions.

### 3.9 Funds and reserves

Funds are principal sources for the own assets. They include initial deposit for founding of BCSDN and additionally assets.



### 3.10 Revalorization

The revalorization is calculated on long-term assets for its revaluing, with using the growth products prices rate on industrial products published by the State Statistical Office.

The revalorization base is represented by the assets historical value and accounting reported accumulated depreciation. The result is reported in revalorization reserves.

### 3.11 Contributions for pension and disability insurance

Foundation made payments of contributions for pension and disability insurance to employees in accordance with domestic legislation. Contributions based on salaries of employees shall be paid into the national fund and through it to private pension funds to individual employees. Foundation doesn't have any additional obligations related to the payment of these contributions.

Foundation is obligated to pay the employees who leave for retirement severance minimum corresponding to two average monthly salaries paid in state at the time of retirement. Foundation doesn't have any reservations for this right to employees because it is considered that the amount is insignificant for the financial statements and the probability of their occurrence is currently low.

## 4. Incomes from activities

Incomes from activities includes income from annual membership fees and additional consultancy services.

Description	2018	2017
Incomes from membership fees	169.161	200.489
Income from other services	6.290	74.966
<b>Total</b>	<b>175.451</b>	<b>275.455</b>

## 5. Project activities incomes

The revenue recognition from donations with the clause to return the unspent funds occurs at the level of project costs reported in the current year. According to this policy in 2018 BCSDN has incomes related with project activities amounting 6.195.119 MKD (2017: 9.562.028 MKD).

Description	2018	2017
Donations	5.270.724	8.756.912
Incomes transferred from previous year	924.395	805.116
<b>Total</b>	<b>6.195.119</b>	<b>9.562.028</b>

The details for the donations per donor are presented in the table below:

<b>Donor</b>	<b>2018</b>	<b>2017</b>
European commission– cooperation with MCIC	1.084.830	2.863.265
The German Marshall Fund - BTD	945.893	1.636.909
International Civil Society Centre (ICSC)	1.242.129	1.682.997
Hauptkasse Der Freien Universitet		146.143
Horizont3000	3.250	427.775
MSI - USAID		217.296
CIVICUS	755.635	412.527
Family Health International (FHI 360)	692.423	
Civica Mobilitas - MCIC	546.564	1.000.000
MCIC		370.000
<b>Total</b>	<b>5.270.724</b>	<b>8.756.912</b>

During 2018 the following projects were implemented by BCSDN:

<b>Project title</b>	<b>Donor</b>	<b>Implementation period</b>
Civica Mobilitas	Civica Mobilitas - MCIC	01.05.2017-30.04.2018
SO Accountability	International Civil Society Centre (ICSC)	01.05.2015-31.03.2018
Affirming the Value of Civil Society in Public discourse	The German Marshall Fund - BTD	01.06.2017-30.04.2018
Closing the distance: Building shared commitment for SOs sustainability	European Commission – cooperation with MCIC	01.01.2018-30.04.2021
Anti-corruption	European Commission – cooperation with MCIC	01.01.2018-19.06.2019
VICUS research partner	CIVICUS	01.07.2018-30.06.2019
Dynamic Accountability for a Resilient Civil Society	International Civil Society Centre (ICSC)	01.09.2018-30.04.2019
SO Sustainability Index (CSOSI) in Macedonia	Family Health International (FHI 360)	19.12.2017-19.10.2018
SO Sustainability Index (CSOSI) in Macedonia	Family Health International (FHI 360)	26.11.2018-15.11.2019
Western Balkan CSOs for Global development	HORIZONT 3000	01.12.2015-30.11.2017
VICUS research partner	CIVICUS	04.05.2016-03.05.2017

## 6. Financial incomes

<b>Description</b>	<b>2018</b>	<b>2017</b>
Interest income	0	124
Incomes from positive exchange rate differences	47.098	254.177
<b>Total</b>	<b>47.098</b>	<b>254.301</b>



## 7. Material expenses and services

Description	2018	2017
Consumables	72.961	42.155
Electricity	29.017	64.246
Materials	0	14.760
Transport services	354.024	294.005
Maintenance costs	62.715	41.505
Rents	294.301	307.599
<b>Total</b>	<b>813.018</b>	<b>764.270</b>

## 8. Other expenses

Description	2018	2017
Bank provision	70.486	85.841
Insurance	820	2.293
Per diems and travel expenses	559.826	1.076.152
Loss from foreign exchange differences	25.648	332.403
Membership fees	11.775	30.891
Intellectual and other services	1.193.770	4.208.027
Other expenses	109.417	221.497
Transferred assets to other entities	196.812	360.640
<b>Total</b>	<b>2.168.554</b>	<b>6.317.744</b>

In intellectual and other services are included transferred assets for the partner's project activities according to the agreements for the project implementation.

In other costs are included event management, advertisement services, printing expenditures, communal services, taxes and other.

## 9. Salaries

Description	2018	2017
Gross salaries	3.339.764	2.918.546
Vacation fee payment	56.188	66.590
<b>Total</b>	<b>3.395.952</b>	<b>2.985.136</b>

As at 31.12.2018 BCSDN has 4 employees.

## 10. Property, plant and equipment

	Equipment and office furniture
<b>Cost</b>	
Balance as of 01.01.2018	667.946
Additions for current year	62.900
Costs as of 31.12.2018	730.846
<b>Accumulated depreciation</b>	
Balance as of 01.01.2018	412.385
Depreciation for the current year	82.485
Depreciation as of 31.12.2018	494.870
<b>Cost</b>	
Balance as of 01.01.2017	591.966
Additions for current year	75.980
Costs as of 31.12.2017	667.946
<b>Accumulated depreciation</b>	
Balance as of 01.01.2017	323.849
Depreciation for the current period	88.536
Depreciation as of 31.12.2017	412.385
<b>Balance as of 01.01.2018</b>	<b>255.561</b>
<b>Balance as of 31.12.2018</b>	<b>235.976</b>

## 11. Tax Receivables

BSCDN as of 31.12.2018 has pre-paid income tax from previous years and requested contribution for project activities paid VAT.

Description	2018	2017
Income tax	5.319	4.880
VAT tax	320.728	178.558
<b>Total</b>	<b>326.047</b>	<b>183.438</b>

## 12. Other receivables

Description	2018	2017
Deposits	25.275	25.275
<b>Total</b>	<b>25.275</b>	<b>25.275</b>

## 13. Cash and cash equivalents

Description	2018	2017
Denar bank accounts	520.243	563.582
Petty cash	7.072	48.347
Foreign currency bank accounts	2.108.140	2.758.294
<b>Total</b>	<b>2.635.455</b>	<b>3.370.223</b>

#### 14. Deferred expenses

All expenses related with 2018 year were paid as of 31.01.2019 and as of 31.12.2018 there are no deferred expenses (2017: 12.333 MKD).

#### 15. Funds

BCSDN's initial fund prescribed in the Central registry of Macedonia are amounting 10,000 euro, or 620,000 MKD.

Description	2018	2017
Funds – Fixed assets	235.976	255.561
Funds – Initial fund	620.000	620.000
<b>Total</b>	<b>855.976</b>	<b>875.561</b>

#### 16. Payables

Description	2018	2017
Domestic payables	24.635	52.574
<b>Total</b>	<b>24.635</b>	<b>52.574</b>

#### 17. Tax payables

Description	2018	2017
Income tax	0	1.072
Personal tax	971	1.327
<b>Total</b>	<b>971</b>	<b>2.399</b>

#### 18. Pre-paid expenses and deferred income

BCSDN as of 31.12.2018 has prepaid expenses and deferred income amounting 347.547 MKD (2017: 204.938 MKD).

#### 19. Project activities payables

As of 31.12.2018 BCSDN has liabilities for implementing project activities 1.993.624 (2017: 2.711.358 MKD) transferred for the next year.

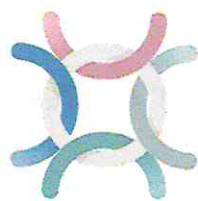
Project activities financed by	2018	2017
Anti-Corruption / European commission - MCIC	(16.177)	
The German Marshall Fund - BTD		1.079.559
International Civil Society Centre (ICSC)	1.601.325	968.515
SDC/ Civica Mobilitas/ MCIC		(453.387)
"Going the distance" / European commission - MCIC	(57.525)	
HORIZONT3000		(66.357)
BCSDN transferred incomes	466.001	1.183.028
<b>Net amount</b>	<b>1.993.624</b>	<b>2.711.358</b>

#### 20. Events after the balance sheet date

No events have been occurred after the balance sheet date which should be included in this report.

## ANNUAL REPORT





BALKAN  
CIVIL  
SOCIETY  
DEVELOPMENT  
NETWORK

# **ANNUAL REPORT 2018**

Skopje

January 2019

## VISION & MISSION

*Balkan Civil Society Development Network (BCSDN) is a regional network of local civil society development organizations (CSOs) from the Balkan region (Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro, Romania, Serbia, Slovenia, and Turkey).*

Its **VISION** is sustainable peace, harmony, and prosperity of societies in the Balkan region.

Its **MISSION** is to empower civil society and influence European and national policies towards a more enabling environment for civil society development in order to ensure sustainable and functioning democracies in the Balkans.

BCSDN **GOALS** and **OBJECTIVES** are:

1. Increased role of civil society by strengthening its voice in policy- and decision-making process on national, regional and EU level;
2. Promoted civil dialogue between civil society actors, state institutions and the European Union in order to influence public policy;
3. Developed advocacy knowledge and skills of civil society actors as a base for achieving greater impact; and
4. Strengthened communication, coordination, and cooperation between civil society actors in the Balkan region.

## METHODS OF WORK

BCSDN realizes its goals mainly through advocacy and lobbying activities, by:

- Developing joint positions and statements on initiatives and areas of interest common to all member organizations and taking necessary action;
- Coordinating and cooperating with other organizations, networks and other actors on joint positions and initiatives;
- Coordinating cooperation between its members and developing joint projects and initiatives;
- Facilitating the exchange of information and experience between its members and national and local state institutions and the EU;
- Coordinating and compiling researches and relevant information;
- Coordinating capacity-building and other events.

BCSDN is a registered foundation under the Macedonian Law on Citizens Associations and Foundations (Official Gazette of RM No. dated 31/98 and 29/2007) as of 30<sup>th</sup> September 2009 with the Decision no. 3012009172866 of the Central Register of the Republic of Macedonia (CRM). BCSDN identification number is 6524710 and tax identification number 4057009503419.

## NETWORK MEMBERS & ORGANS

BCSDN consists of partner organizations, which are equal in their rights and duties as members of the network. Principles of cooperation, partnership, tolerance, dialogue and respect for others are the main working principles in the network. The network organs consist of the Council, the Board, the Executive Office, and the Executive Director.

## **Members**

1. Center for Development of NGO's (CRNVO), Montenegro;
2. Centre for Information Services, Cooperation and Development of NGO's (CNVOS), Slovenia;
3. Center for Promotion of Civil Society (CPCS), Bosnia and Herzegovina;
4. Cenzura Plus, Croatia;
5. Civic Initiatives, Serbia;
6. Diakonia Agapes, Albania;
7. Ecumenical Humanitarian Organization (EHO), Serbia;
8. Civil Society Development Foundation (FDSC), Romania
9. Institute for Democracy and Mediation (IDM), Albania;
10. Kosovar Civil Society Foundation (KCSF), Kosovo;
11. Macedonian Center for International Cooperation (MCIC), Macedonia;
12. Opportunity Associates Romania (OAR), Romania;
13. Partners Albania for Change and Development, Albania;
14. Third Sector Foundation of Turkey (TUSEV), Turkey.

**The Council** is the highest organ of BCSDN and is composed of one authorized representative per each organization with a member status. The Council is chaired by the Chairperson of the Council, who are selected on an annual, rotating basis.

**The Board** is the governing and supervisory organ body of BCSDN. It is composed with up to 7 members: Chairperson of the Board, Deputy Chairperson of the Board and up to 5 Board members. The mandate of the Board members is 3 years. The current Board mandate has started on 19<sup>th</sup> June 2014.

### **Board members (mandate until 2020)**

1. Tina Divjak, Slovenia, Chair of the Board;
2. Aleksandar Krzalovski, Macedonia, Deputy Chairperson of the Board;
3. Ana Novakovic, Montenegro;
4. Bojana Selakovic, Serbia;
5. Slavisa Prorok, Bosnia and Herzegovina,
6. Klotilda Kosta, Albania.

**The Executive Office** in Skopje, Macedonia, manages the daily functioning and coordination of the network.

**The Executive Director** is the major administrative and financial official and represents BCSDN with other institutions, networks, and donors. The Executive Director is appointed by the Board and participates in Council and Board sessions without the right to vote.



# **1. PROGRAMME FRAMEWORK**

## **1.1. Strategic Objectives**

In the period 2017-2020, BCSDN is contributing to the implementation of its mid-term strategic objectives:

- To facilitate a common understanding of the enabling environment for civil society development among key actors and recognition of a common framework and tools
- To promote and recognize civil society as a competent, democratic actor (partner/player) in the EU accession process;
- To support the development of models and sources for CS access to and effective use of (financial) resources;
- To strengthen CSO capacities and their role in functioning democracies;
- To increase communication and collaboration within the network and its recognition among core stakeholders.

## **1.2. Target Group & Area**

BCSDN target group are CSOs working on civil society development (CSDDev) in the Balkan region. The direct beneficiaries are local civil society development and resource organizations. With its activities, the network targets stakeholders such as national institutions and international governmental organizations (IGOs). Among national institutions, the focus is on national public bodies and/or offices for cooperation with CSOs in member countries. Among IGOs, in focus are the EU institutions, Council of Europe (CoE), the Regional Cooperation Council (RCC), the Western Balkan Fund and related inter-governmental initiatives in the Balkan region. BCSDN promotes the principle of inclusiveness of marginalized and vulnerable groups in the society (incl. Roma community, inhabitants of rural areas). BCSDN works in countries of the Balkan region, Europe and internationally, according to its mission, vision, and goals.

## **1.3. Planned Activities & Results**

In 2018, the network continued with the implementation of its new Mid-term Strategy, which has been co-created by BCSDN members and governing bodies through a strategic and consultative process in 2016. The Mid-term Strategy is based on and continues the network's efforts from the previous strategic period 2012-2016. In 2018, the network remained devoted to the refined strategic priorities in the attempt to consolidate its efforts in the enabling environment for CSDDev in Balkan countries and the role of civil society in the EU integration process, while further strengthening information-sharing and coordination of civil society in creating synergies for cooperation and advocacy measures of its members. Greater focus has been put on strengthening internal accountability through further work on the network's Code of Conduct but also through promoting accountability within the sector. The Midterm strategy has been a basis for a strategic fundraising that has resulted with a possibility for new strategic partnerships with donors such as the Swedish International Development Agency and the Rockefeller Brothers Fund.



## 2. IMPLEMENTED ACTIVITIES

### 2.1. To facilitate a common understanding of the enabling environment for civil society development among key actors and recognition of a common framework and tools

**RATIONALE:** *For civil society to operate in an enabling environment, a common understanding of the enabling environment for civil society development among key actors – CSOs and institutions, needs to be established, and thereafter integrated in the key national instruments in the respective countries. More so, key enabling environment measures that are identified, as regional minimum standards for consultations, public funding reforms, measures vis-à-vis basic rights backsliding, economic value of CSOs, need to be implemented by 2020. The strategic approach is to utilize the Monitoring Matrix on Enabling Environment for Civil Society Development as the framework onto which a consensus shall be established and which has the tools for identifying key measures that need institutional consolidation.*

#### Monitoring Matrix: The Way Forward

**Immediate results and impact include:**

*BCSDN reviews the methodology and the way forward towards unified approach  
BCSDN continues to be relevant actor on EE recognized globally*

On 19-20 March, BCSDN members met in Pristina, Kosovo, for a **strategic workshop on the Monitoring Matrix**, co-hosted by Kosovar Civil Society Foundation (KCSF), to solidify the network's position and efforts undertaken in the monitoring and advocacy on the enabling environment. Under the theme "The Way Forward", the workshop served to determine a joint strategy and plan for implementation of the Monitoring Matrix in the coming years, while focusing on the strategic positioning, presentation and communication towards key stakeholders. The Monitoring Matrix is recognized as a relevant and credible tool, leveraging the expertise and legitimacy of the network, by donors, EU institutions

and other civil society organizations and networks, not only in the WBT region, but also in other regions and globally. At the two-day workshop, participants reflected on the previous experience of implementing the Monitoring Matrix and the lessons learned, both in terms of the monitoring and the advocacy based on the findings. An implementation framework with timeline and goals was decided upon, and improved and more efficient tools for the future monitoring and advocacy were proposed, with the aim to provide consistent systematic monitoring of the CSO environment in the Western Balkans and Turkey.

After months of consulting with an external expert in providing guidance to unify the MM methodology and to come up with future steps for the MM implementation, on 29-30 October, a **methodology workshop on the Monitoring Matrix** was organized in Skopje. The workshop discussed the consultant's recommendations on how to make the implementation of the MM research and analysis effective and resulted in an action plan on how to unify the approach in research, based on implementing a two-year cycle of reporting, and concrete action points on improving the scoring exercise, the report presentation and engagement. With the planned changes, to be implemented in the coming year, BCSDN members will continue implementing the Monitoring Matrix, as one of the core and most valuable activities of the network in the area of enabling environment for civil society development.

#### Promoting the Enabling Environment for CSDev

To raise awareness on the damaging trend of violations to civic space across the Balkan region and worldwide, in April, BCSDN published a paper ["What Can We Do to Promote Civic Space: Perspectives from the Western Balkans and Turkey"](#) aimed to inspire other CSOs, formal or informal civic initiative in the countries, the region or globally, to take affirmative action in promoting civic space where they operate, and for donors to rethink their funding strategies. The paper was based on the discussions and the local efforts and experiences in countering/promoting civic space from the region shared at the



regional conference “The Role of CSOs in Promoting Civic Space”, organized by BCSDN on 21 June 2017 in Skopje, with the support of Civica Mobilitas.

In June 2018, BCSDN published the first [online edition](#) of the **Balkan Civic Practices: Promoting Civic Space** to reflect on the challenges in the environment for civil society development in the Western Balkan and Turkey, focusing on local responses in the fight against closing of civic space. The BCP brought together opinions and institutional reflections from professionals, academics and activists from the network and beyond, to debate what can be done to promote civic space in the WBT countries. The special edition was result of months of work, together with representatives from BCSDN member organizations and partners, to demonstrate the efforts that have been done in recent years and how we have responded to the shrinking of civic space in the Western Balkans and Turkey, on one hand, and to its promotion, on another. This BCP edition presents concrete problems and potential solutions, but also analyses issues that have not been addressed yet and can be considered as factors threatening the civic space in the region.

### **Regional Cooperation in Promoting Civic Space and an Enabling Environment**

Within the **CONOCORD HUB3 Spring Meeting** which took place from 13<sup>th</sup> - 14<sup>th</sup> of March, BCSDN together with CONCORD Europe and Fond Romania/Black Sea NGO Forum organized an all-day event dedicated to Promoting civil society space. The aim was to build a platform for discussions, exchanges and solutions of shared problems around the issues of enabling environment for CSOs, shrinking space by illiberal democracy, CSO accountability, the engagement of civil society in EU policy, civic participation and community engagement. The event gathered more than 100 participants, representatives of national and EU organizations, platforms and networks, and representatives of the European Commission and the donor community. BCSDN's Policy and Advocacy Biljana Spasovska participated as a speaker at the opening panel and BCSDN led two sessions – one on the enabling environment for civil society in the European Enlargement countries and the Eastern Neighbourhood aimed to raise awareness, initiate a debate and identify potential joint actions in regards the civil society space in this region. On invitation by the Council of Europe, BCSDN got involved with the Council of Europe working group for improving civil participation in policy and decision making. The working group consisting of representatives of CSOs and experts on civil society participation from the Western Balkans and EU Neighbourhood countries worked on developing common activities that will promote the Council of Europe Guidelines on Civil Participation, their dissemination and by that will encourage widest possible use of the Guidelines. A strategic working group meeting was held in Paris on April 8<sup>th</sup>, where BCSDN's Policy and Advocacy Officer Biljana Spasovska participated.



BCSDN participated at the **11<sup>th</sup> edition of the Black Sea NGO Forum** organized this year in Brussels, Belgium from 11-13 November by the Romanian NGDO Platform FOND, with the support of the European Commission, the Romanian Ministry of Foreign Affairs. This year's edition, titled “Building a more resilient civil society in the Black Sea region “, served as a platform for gathering input from the participants on the main issues and support mechanisms for strengthening regional cooperation among civil society and for fostering society resilience. BCSDN's Policy and Advocacy Officer Biljana Spasovska facilitated a session during the second day of the event when representatives of CONCORD, The European Civic Forum, Civil Society Europe and DG NEAR discussed about mechanisms and initiatives for improving civil society environment, focusing on sharing expertise and building solidarity.





On 30 November and 1 December, BCSDN's Communication Officer, Anja Bosilkova-Antovska, represented BCSDN at the final event for the **Civica Mobilitas** programme for support to civil society in Macedonia, including the fourth networking event for Civica Mobilitas grantees and the central national forum titled "Us, The Drivers of Change". 132 CSO representatives took place in the networking event, with the aim to exchange experiences and present the changes they have made in society. With the support of Civica Mobilitas, BCSDN implemented the project "Protecting Civic Space: Duties and Participants", promoting mechanisms for monitoring and improvement of the environment in which CSOs operate, and increasing CSO's understanding for accountability and transparency.



### Contributing to Global Monitoring and Advocacy Trends



BCSDN continued the research collaboration with CIVICUS for the **CIVICUS Monitor: Tracking Civic Space** project, which started in May 2016. The project allows for global comparisons and trends in real time regarding freedom of association, freedom of peaceful assembly and freedom of expression around the world. BCSDN, as one of the 20 regional partner networks, is responsible for bi-monthly research updates for Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro, Serbia and Turkey. In 2018, BCSDN was supported by KCSF and Civic Initiatives in providing updates for Kosovo and Serbia, gathering relevant information on the civic freedoms in both countries. By tracking civic space in a continuous manner, BCSDN is also providing alerts and early warning notification when worrying signals are observed, some of which result in supporting further action by CIVICUS for organizing in-depth interviews with civil society activists regarding worrisome developments in some countries.



A CIVICUS Monitor Research Partners Workshop was organized on 27<sup>th</sup>-29<sup>th</sup> June in Beirut, Lebanon, and BCSDN's Communications Officer, Anja Bosilkova-Antovska, participated. Hosting research partners from 19 different organisations, the workshop aimed to build and strengthen linkages between researchers. During the [workshop](#), research partners reflected on the progress made, identified new areas for development and growth, and discussed ideas and opportunities for further promoting the Monitor, as well as connecting the partners' research with advocacy on civic space.

BCSDN partnered with USAID and FHI 360 to produce the 2018 **Civil Society Organization Sustainability Index (CSOSI) for Macedonia**, as part of USAID's 21st edition of the CSOSI for Central and Eastern Europe and Eurasia. The report examines the overall sustainability of the CSO sector, by looking at seven specific dimensions of sustainability: legal environment, organizational capacity, financial viability, advocacy, service provision, sectoral infrastructure, and public image. The report for Macedonia, available in [Macedonian](#) and [English](#) language, was presented in more details at a public presentation organized by BCSDN on the 4th October 2018 in Skopje.



Promoting enabling environment for civil society on global level is one of the 4 core advocacy themes of CPDE, which is where BCSDN - being the focal point of the CPDE Balkan sub-region - has been the most active in. BCSDN's Policy and Advocacy Officer participated in the global workshop devoted to the Third Monitoring Round in Nairobi, Kenya from 30th January to 1st February and has become a



member of the CPDE Working Group on enabling environment. CPDE is in the Steering Committee of the Global Partnership for Effective Development Cooperation (GPEDC) and, among the other activities, it mobilises CSOs to engage the GPEDC monitoring process to ensure accountability of all development actors in their EDC commitments. BCSDN is the regional focal point for the 3rd GPEDC Monitoring Round, and 4 of BCSDN's members are involved in the country level monitoring.

## 2.2. To promote and recognize civil society as a competent, democratic actor (partner/player) in the EU accession process

**RATIONALE:** *With the 2012 Communication "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations", the EU give value to a dynamic, pluralistic and competent civil society and recognized the importance of constructive relations between states and CSOs. An emphasis of the EU policy was also put on CSOs' engagement to build stronger democratic processes. The EU has put forward priorities for EU support in order to promote a meaningful and structured participation of CSOs in domestic policies of partner countries, in the EU programming cycle and in international processes. BCSDN will continue the monitoring of the EU support in this context, providing best practices of CSOs' involvement in the enlargement and promote the role of CSOs in implementing, supporting and monitoring EU accession reforms. BCSDN will also look to reflect on global processes by promoting partnership with civil society, in order to deliver greater impact and better outcomes in global governance.*

### **Immediate results and impact include:**

*BCSDN leading new ways of understanding EU foreign and development policies in the region among CSOs*

On 15 and 16 January 2018, the first Regional Policy Forum for Development (PFD) Meeting Europe was held in Ghent, Belgium. Discussions focused on policy coherence for development to achieve the SDGs; enabling environment for development actors and recent trends in EU external action policies and programmes. Participants from all countries of the Council of Europe represented different constituencies: civil society, cooperatives, private sector, local and regional governments as well as trade unions. The meeting was organized in the scope of the global PFD process that is facilitated by the European Commission and aims at accommodating and strengthening multi-stakeholder exchange and collaboration, as well as facilitating dialogue with the EU institutions on EU external policies and practices. Within its mandate and goals, the European PFD meeting assess what this means for EU's external action and for the European civil society and local governments actors to engage in international cooperation. The discussion and conclusions of the PFD Europe meeting will feed the global gathering planned for March 2018. BCSDN's Iliana Nesik was one of the selected participants on the first European meeting. More information is available [here](#).



On the invitation of the European Economic and Social Committee, BCSDN participated at the [High Level Conference on Economic and social cohesion in the Western Balkans](#) where BCSDN's Policy and Advocacy Officer Ms. Biljana Spasovska moderated the session on Economic and social cohesion of the

Western Balkans. The Western Balkans Conference was planned as a civil society contribution to the EU-Western Balkans Heads of State Summit, scheduled by the Bulgarian Presidency that took place on 17 May 2018 in Sofia. The Conference gathered EESC members, civil society representatives of the countries of the Western Balkans, as well as Bulgarian officials and members of the organized civil society. The outcome of the Conference was shared with the participants of the EU-Western Balkans Summit.



In 2018 the [9th Background analysis](#) "Window of Opportunity for Enlargement: How much Space for Civil Society?" was published assessing how the European Commission has treated the issue of civil society development and assessed the progress made in the Enlargement countries within the Enlargement Strategy and Country Reports 2018. The analysis set against BCSDN's Monitoring Matrix on Enabling Environment for Civil Society Development was disseminated to all relevant stakeholders and received numerous positive feedback.

**RATIONALE:** Financial sustainability is one of the top priority for organizations dealing often with budget cuts and the shifting priorities of the donor community. Competition for resources and visibility is seen as a key barrier to CSO effectiveness. While the availability of funds is a continuous struggle for civil society the CSOs, on the other hand, are demonstrating their value as facilitators, conveners, and innovators as well as service providers and advocates. BCSDN sees civil society's effective role in tackling societal challenges as essential and therefore will focus its research and advocacy on presenting successful and innovative funding models in the region and beyond that enable CSO's work. It will also monitor the donor's presence in the region and their funding in order to promote a support that is accountable, coordinated, effective and based on experience.

### BCSDN Position on the Proposal for Regulation establishing the IPA III

Following the Proposal for a Regulation of the the European Parliament and of the Council establishing the Instrument for Pre-Accession Assistance (IPA III), BCSDN prepared the [Position paper - The Future of EU Support to Civil Society](#). The document outlines the views and recommendations of BCSDN and its members on how the EU can provide a more strategic and effective support for enlargement and civil society in the 2021-2027 period and calls on the EU to strategically support civil society enabling environment as a prerequisite the civil society to continue "to play constructive role in supporting democratic processes and ensuring greater checks and balances". The Position paper was disseminated to all relevant stakeholders on EU, regional and national level.

**Immediate results and impact:**

*BCSDN recognized by donors as relevant source of knowledge and experience in future ways of supporting CSOs in the Western Balkans*

On the invitation of the European Economic and Social Committee (EESC), BCSDN's Policy and Advocacy Officer Biljana Spasovska participated on the EESC Study Group Meeting devoted to the preparation of [EESC Opinion on the IPA III Regulation](#). Ms. Spasovska shared the network's lessons learnt and recommendations on how to make the next Instrument for Pre-Accession Assistance more effective, form the perspective of the civil society organizations.

### BCSDN contributes to 2018 Aid Transparency Index

[Publish What You Fund](#) has again published the 2018 Aid Transparency Index. The Aid Transparency Index is the only independent measure of aid transparency among the world's major development agencies, this year assessing 45 agencies. BCSDN has once again contributed to the ATI evaluations as an independent reviewer by assessing European Commission's DG NEAR performance. Overall, the 2018 results show positive improvements, with 93% of Index organisations now publishing in the International Aid Transparency Initiative (IATI) Standard. This means timelier aid and development data is being made openly available than ever before. Around half of the organisations are publishing essential information on their aid and development spending on a monthly basis. Compare this to just a quarter reported in the 2016 Index. However, there is still need for improvement, as the publishing of timely data should also be more comprehensive and cover all aspects of development projects, including, but not limited to, financial and performance – related data. Seven organisations are in the 'good' category, where all EC agencies are including the EC-NEAR. Among the EC agencies, EC-NEAR is the agency that receives the highest score on the finance and budget component and it is the only EC agency to publish project budget documents, although the score for this indicator is



comparatively low. The EC-NEAR should make improvements to the publication of performance-related information. The full ranking and accompanying analysis is available on the following website for the [2018 Aid Transparency Index](#).

### Contribution to the Direct and Democratic Resourcing for CSOs

Within the global efforts for more effective ways of supporting a diverse and resilient civil society, in times of shrinking civic space, BCSDN has been working with CIVICUS since 2017 on reflecting how donors should reconsider funding CSOs through new modalities and local organizations. These efforts have led to discussions between SIDA and BCSDN regarding potential funding and piloting such programme in the Western Balkans. A concept note was submitted to SIDA in December 2017 and resulted in a co-creation process for a Regional Civil Society Development Hub (Fund) throughout 2018. BCSDN held several meetings with SIDA when different scenarios and concepts were discussed and created, and held several Board meetings and member's discussions on the creation of the Hub. SIDA organized an internal review committee where the funding for BCSDN has been approved and it to be detailed in 2019. The Regional Civil Society Development Hub, was also presented on a global call for USAID BAA protecting and enabling civil society and was shortlisted as one of 20 global networks to participate in a co-creation process for new initiatives to counter shrinking civic space.

### 2.3. To strengthen CSO capacities and their role in functioning democracies;

**RATIONALE:** In times of changing role of civil society and active pressure and shrinking civic space, civil society actors need to ensure they retain their core missions, integrity, purposefulness and high levels of trust. Independent organizations are needed to act as watchdogs, ethical guardians and advocates of the marginalized or under-represented. Civil society in all its forms has an important role in holding all stakeholders, including itself, to the highest levels of accountability. BCSDN will work in strengthening its own internal capacities and practices and sharing those accountability standards with wider civil society.

#### The Global Standard Promoted Widely in the Region and Europe

**Immediate results and impact:**

*Global Standard successfully promoted in Europe and the region  
BCSDN global efforts on accountability scaled down on national level in Macedonia in partnership with MCIC*

BCSDN, together with eight other Accountability Initiatives, developed the Global Standard for CSO Accountability based on their own existing accountability standards and practices.

The Global Standard is a reference standard that captures a globally shared dynamic understanding of CSO Accountability. The first phase ended in 2018 with a project partners meeting in Nairobi, Kenya where BCSDN participated and contributed to the development of the structure for the extension phase of the project. Through an internal call for proposals 5 networks were selected to continue with the implementation of the Global Standard activities, related to testing and implementing the Standard and BCSDN was

one of the networks that received further funding for this purpose.

As part of the Global Standard for CSO Accountability project and the project "Promoting Civic Space: Duties and Participants" supported by Civica Mobilitas, BCSDN provided a translation of the Global Standard in [Macedonian](#) and [Albanian](#) language.

Within the [CONCORD HUB3](#) Spring Meeting in Brussels, which took place on the 13th of March and was devoted to Promoting civil society space BCSDN led the session on Transforming Accountability that was devoted to opening a discussion on how our accountability practices can contribute to





improving the civil society enabling environment, where BCSDN representatives also presented the [Global Standard for CSO Accountability](#) and discussed #dynamicaccountability as an innovative approach to accountability captured and promoted by the Global Standard.

BCSDN through different activities on promoting civic space also promoted accountability as a means to increase trust in civil society with the hope to inspire other CSOs, formal or informal civic initiative in the countries, the region or globally, to invest in our own accountability. Such efforts were done the paper "What Can We Do to Promote Civic Space: Perspectives from the Western Balkans and Turkey" that was made available in [English](#) and in [Macedonian](#) language and the [Balkan Civic Practices Special Edition on Promoting Civic Space](#).

BCSDN joined MCIC and CNVOS as a partner in the EU funded project in Macedonia, **Going the Distance: Building Shared Commitment for CSOs Sustainability** that will be implemented from January 2018 till April 2021. The idea behind this collaboration is to further promote dynamic accountability on national level by promoting the Global standard and testing its applicability with national networks and organizations.



BCSDN as part of AGNA and the Global Standard for CSO Accountability celebrated the Global Accountability Week from 12-16 November, to promote civil society accountability by showcasing CSO accountability initiatives from the region and around the world and to advance the understanding of the dynamic accountability. Through online engagement, 11.2K people worldwide were reached, making huge uptake

and momentum around accountability issues. Together with MCIC and the grantees from the joint project, we shared how our organizations are accountable and what are the experiences and practices on accountability we are proud of by producing [videos](#) that were promoted during the Global Accountability Week.

BCSDN has also been partner in a project implemented by MCIC aimed to strengthen civil society capacities to monitor anti-corruption reforms. The project "Mirror to the State Report on Anti-Corruption Reforms" is funded by the EU, and BCSDN is responsible for bringing in regional experience and best practices from its members and partners from the Balkans and the EU. In June 2018 BCSDN together with MCIC organized the conference "The UNCAC and the integrity, transparency and the anticorruption prevention policies" in Hotel Arka in Skopje which brought together more than 40 stakeholders, representatives of state institutions and the civil society. Part of the conference was dedicated for sharing of good practise of CSO involvement in the UNCAC review cycle from the countries of the region and the EU as a good example that can be used domestically.

## 2.4. To increase the communication and collaboration within the network and its recognition among core stakeholders.

**RATIONALE:** In order to ensure effective and sustainable functioning of the network, BCSDN will keep on strengthening the network's 3 Cs: communication, coordination and cooperation, but also increase opportunities for collaboration. A communications strategy, as well as protocols regarding issuing public statements, fundraising etc., will be developed for strengthening the internal collaboration and the network's effectiveness and efficiency. BCSDN Executive Office is the organ in charge to initiate and coordinate joint projects and actions, maintain communication with all relevant stakeholders, promote the work of the network and strengthen its brand visibility on national and regional level. The EO will continue to will timely share relevant information to its members and other civil society actors through its regular communication tools (E-mail alerts, newsletters, social media and websites). In terms of outreach to the wider public, the focus is on communicating the enabling environment standards through innovative communication tools and methods with tailored-content, translated into the local languages for stronger effects of the network's advocacy efforts.



## Outreach and Communication

The main BCSDN **website** continued to be a relevant source of information, news and resources on civil society in the Balkans, based on the continuous web visits throughout the year, similar in dynamics with previous years. The website was regularly updated and maintained, and has attracted many returning visitors, mostly from the Western Balkan countries, but also a significant number from the USA, France and Germany. Due to persisting technical problems with the Monitoring Matrix platform, the website was not accessible during 2018, and Monitoring Matrix reports and related news were published on the main BCSDN website.

### **Immediate results and impact:**

*Email-Alerts recognized as a relevant source of information on civil society in the region*

BCSDN continued using different **social networking channels** in 2018, namely Facebook, Twitter and, sporadically, LinkedIn and YouTube. BCSDN's Facebook and Twitter page had an increase in following, reaching 3866 "likes" and 644 followers in total. An increase in audience engagement with the page was also noted, especially on Twitter, with BCSDN being more involved in the global conversations on civil society. 5 new videos were published on the YouTube channel as part of the Global Accountability Week campaign, which were further shared on other social media channels.

The **Email Alerts** (EMAs) have remained BCSDN's most important tool for reaching expert audience and BCSDN's stakeholders and has been perceived as a valuable source of information and exchange among the key actors of civil society development in the region. In November, BCSDN celebrated 400 editions of the Email Alerts published every 1st and 15th of the month since 2002. In 2018, BCSDN published 24 editions of the EMA and only 1 newsletter edition, covering the main achievements and activities of the network for 2018, as well as relevant news from the members. The audience for both EMAs and our **Newsletter** is more than 1700 Subscribers.

In 2018, BCSDN published three **publications** and the Balkan Civic Practices online edition available as a subdomain on the BCSDN website. In April, BCSDN published the paper "[What Can We Do to Promote Civic Space: Perspectives from the Western Balkans and Turkey](#)", highlighting best practices and local/regional efforts in countering shrinking civic space, based on the conclusions on the 2017 regional conference on promoting civic space and an enabling environment for civil society development. Later, BCSDN published the [9th background analysis](#) on how the European Commission has treated the issue of civil society development and assessed the progress made in the Enlargement countries within the Enlargement Strategy and Country Reports 2018 published. In June, the [Balkan Civic Practices online edition on Promoting Civic Space](#) was published, consisting of 8 papers that positively and credibly present what civil society stands for and how its actions and initiatives contribute to society, while guiding CSOs and citizens to understand why an enabling environment and open civic spaces are important. Finally, in November, BCSDN published its Position on the Proposal for a Regulation of the European Parliament and of the Council establishing the Instrument for Pre-Accession Assistance (IPA III). BCSDN's [position on the IPA III proposal](#) discusses how the EU could provide a more strategic and effective support to civil society through this instrument, and presents lessons learned from the IPA II implementation and recommendations.

## 3. ORGANISATION

### **BCSDN has a new office in Skopje**

BCSDN started the year in a new location in Skopje, more convenient to the needs of the executive office staff. Our work so far has attracted interns from prominent universities and this was the case in 2018 as well. Master students from Maastricht University and the Paris Institute of Political Studies had both concluded internships in BCSDN executive office in 2018.



## 4. EXTERNAL COOPERATION AND NETWORKING

In terms of **governmental actors**, BCSDN has continued its work with a diversity of European institutions, esp. with European Commission, European Parliament and EESC via organizing debate, meetings. It has also continued cooperation with the newly established Center of Thematic Expertise on Civil Society (COTE) in DG NEAR, which is tasked to support monitoring of civil society issues in Enlargement countries. At regional level, BCSDN has also continued the traditional cooperation with Government CSO focal points, although their regional Gov2Gov platform was less active in 2017.

BCSDN expanded its communication and cooperation with **key global civil society networks** and institutions in key areas of its work. Cooperation with *CIVICUS - World Alliance for Citizen Participation* has been transformed into concrete cooperation for the CIVICUS Monitor platform, with BCSDN being a regional research partner for the Western Balkans and Turkey, as well as in other programmes of work such as the AGNA network and the Vuka! Coalition, to which BCSDN officially became a partner in April 2018. BCSDN became a regional partner to CIVICUS also in the organization of the 2019 International Civil Society Week, to be hosted by Civic Initiatives in Belgrade in April 2019. Regular coordination meetings have taken place since October 2018, with BCSDN becoming the lead coordinator of the local events in the WBT region, in the lead up to the ICSW 2019.

BCSDN has stepped up its contribution to the global development movement, serving as a secretariat for the *CSO Partnership for Development Effectiveness (CPDE)* for Balkans region as of 2018. CPDE is an open platform that unites civil society voices from around the world to contribute towards improved development cooperation and effectiveness. As part of this engagement BCSDN has participated as a representative for the European Region at the All Secretariats Meeting that took place from 7th-10th June



in Beirut, Lebanon and has been involved with the preparations of the annual Work plan, coordination and outreach of CPDE related activities in the region. Part of this has been coordination in regards the 3<sup>rd</sup> GPEDC Monitoring round, hosting of the 2019 Global Council of the CPDE in the Balkans region (later cancelled due to logistical issues); and hosting of Global CPDE Summit on Enabling Environment back to back with the International Civil Society Week in 2019 in Belgrade.

BCSDN has strengthened cooperation with *Civil Society Europe* by sharing information and advocacy input and has continued its cooperation with *Black Sea NGO Forum* participating at an event which brings more than 100 CSO from 8 countries of the Black Sea region, who gather annually to discuss cooperation and joint action of CSOs in the region. Finally, by becoming the 9th members of the global initiative for improving CSO accountability - *Global Standard on CSO Accountability*, BCSDN has further expanded its global partnerships and outreach of its work.

## 5. INTERNAL RULES AND PROCEDURES

BCSDN on the 8th of February, the BCSDN Council adopted the Code of Conduct on the 9th Annual Council Meeting extended session. The Code has been a result of an active two-year long process of consultation and collaboration among BCSDN Executive Office, members, experts and stakeholders. The BCSDN Code of Conduct is a set of principles and commitments on how we carry out our work and it sets out actions on how to improve our results. Applying these principles and commitments can help us hold us, our members and partners accountable to a shared standard. It also helps us explain to donors what they can expect when they support us in carrying out our initiatives. It establishes credibility for the network at all levels – with partners, the public, governments, and funders. Building on international best practices, such as the Global Standard for CSO Accountability, and our national members' codes and practices, the BCSDN Code of Conduct presents our understanding of accountability that drives learning and change, develops trust with our stakeholders, and enhances the

legitimacy and credibility of CSOs. Our Code of Conduct is at the core of what we regard as good practices in CSO accountability. BCSDN commits to respect and promote those practices. During 2018, BCSDN EO worked on further developing an accountability implementation framework that will allow us to report how accountable we are to our stakeholders. The full Code of Conduct is available [here](#).

In 2018 BCSDN made an effort to further develop internal procedures. We focused on work safety and developed our manual on safety and health at work. A workshop was organized in the EO, and all employees went through a basic training for work and safety. All legal requirements related to protecting personal information and mobbing at the workplace were undertaken in 2018.

## 6. FINANCIAL REPORT (IN EUR)

Budgetlines		Financial report till 31st Dec	Financial report till 31st Dec	Financial report till 31st Dec
		2016	2017	2018
1	Members	3.213	3.256	2.750
2	BTD	/	22.137	15.380
3	EC IPA CSF FPA 2012-2014-2016	185.018	12.518	/
4	Mirror to the State Report on Ac. Reforms (IPA CFCD Macedonia MCIC)	/	/	9.160
5	Going the distance: building shared commitment for CSO's sustainability (IPA Macedonia MCIC)	/	/	8.480
6	OSI TTF	/	/	/
7	SIDA/Global Standard for CSO Accountability	26.996	31.426	20.197
8	CSO Sustainability index / FHI360 / USAID	8.170	3.529	11.258
9	Horizont3000	6.878	6.580	52
10	CIVICUS CSM	4.477	6.700	12.286
11	Protecting Civic Space: Duties and participants (Civica Mobilitas – SDC, NIRAS, SIPU, MCIC)	/	16.242	8.887
12	Other revenues (Tax ret., exch.rates, reimburs.)	3.118	12.192	3.993
CARRIED OVER		17.990	50.162	15.030
<b>TOTAL REVENUES</b>		<b>237.875</b>	<b>164.742</b>	<b>104.723</b>

\*Status up-date 31<sup>st</sup>December, 2018



Budgetlines		Financial report till 31st Dec	Financial Report till 31 Dec	Budget (approved April 2018)	Financial Report till 31 Dec
		2016	2017	2018	2018
<b>1</b>	OFFICE COSTS (incl. overhead)	13.390	14.698	12.855	12.545
<b>2</b>	TRAVEL & MEETINGS (incl. network organs)	971	12.103	10.000	7.909
<b>3</b>	COMMUNICATIONS	2.282	2.303	1.800	1.554
<b>4</b>	STAFF SALARIES	61.275	48.484	55.360	56.032
<b>5</b>	INFORMATION SERVICES (web, alerts etc.)	5.110	5.384	2.200	2.021
<b>6</b>	FINANCIAL SERVICES (incl. audit)	6.384	6.605	6.540	6.232
<b>7</b>	EXCHANGE RATE DIFFERENCES	991	5.399	600	34
<b>8</b>	DIRECT COSTS	165.462	69.766	20.000	18.396
	CARRIED FORWARD	/	/		/
TOTAL EXPENDITURES		<b>255.865</b>	<b>164.742</b>	<b>109.355</b>	<b>104.723</b>

\*Status up-date 31<sup>st</sup>December, 2018