



Successful Cooperation – Sustainable Results

Examples from Europe, Caucasus and Central Asia



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Foreword

Providing evidence of results in the SELLER region

The Paris Declaration on Aid Effectiveness, issued in 2005 by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), and the Accra Agenda for Action (2008) that builds on the Declaration, injected considerable momentum into the themes of Managing for Development Results and Aid Efficiency at international level. Both the declaration and the agenda for action send a clear and unambiguous message: the reputation of international cooperation stands and falls on the transparency, verifiability and credibility of its results. Organisations involved in international cooperation today are repeatedly asked about the results achieved in the partner countries. This is a question that all bilateral and multilateral donors, implementing organisations, and partners in the countries with which we cooperate, are required to answer.

For German development cooperation on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ) too it is therefore becoming more important to substantiate the results of its work even more systematically. The effectiveness of the work performed by German technical cooperation is essential for the legitimisation of development cooperation in the German public and therefore a central criterion for our actions. It is the standard by which we measure our success. Evidence of concrete results is provided and through facts and figures, which also underline the efficiency and performance capability of German development cooperation.

The Europe, Caucasus, Central Asia Division of the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) is addressing this issue and has adopted various measures. One of these was to establish a Results Task Force within the SELLER sector network in May 2009.

SELLER is GTZ's sector network for the Eastern Europe, Caucasus and Central Asia regions. It links over 100 projects and programmes in 22 countries in a forum that offers members advice on technical

issues and the further development of programme approaches. The network is designed to work across disciplines and covers a range of themes including private sector development, vocational education and training, agricultural policy, management of natural resources, regional development and advice on legal reform. The interdisciplinary orientation of the SELLER network ensures that the themes are not only examined in greater technical depth but are also addressed beyond the confines of the individual specialist fields.

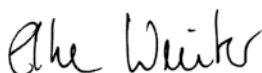
The Results Task Force therefore comprises representatives of various technical fields in the three regions and of Head Office in Eschborn. It was tasked by the steering group of the Sector Network SELLER to present evidence of the results our work in the various sectors using a variety of formats and to provide examples of best practices. This brochure represents one outcome of this work.

We would like in particular to thank all the field staff for contributing their insights and examples of practical work on the ground. They have helped promote a better understanding of what is actually being achieved on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and other commissioning parties in the countries of the SELLER region.



Manfred Horr

Director of the Europe,
Caucasus, Central Asia Division



Elke Winter

Head of Results Task Force

Georgia:

Municipal self-government

Building citizens' trust

Georgia has introduced local self-government, and municipal officials are gradually learning to deal with their new responsibilities. Six municipalities have set up citizens' offices, which are operating in an efficient and customer-oriented manner and serve as a model of best practice for the country as a whole.

Context

Until the Rose Revolution in 2004, Georgia was a centralised state. In 2005, the government ratified the Council of Europe's European

Charter of Local Self-Government. However, citizens were unsettled by the new decentralised structures, and local officials and politicians were overwhelmed by their new responsibilities. Whether dealing with building permits and land titles, or applications for welfare benefits, citizens often did not know which department was responsible for what. Procedures were not standardised, with the result that applications often took weeks to deal with, or in some cases were processed twice.



The project

Six municipalities – Tbilisi, Signaghi, Terjola, Akhaltsikhe, Lagodekhi and Khelvachauri – have pioneered the establishment of the new citizens' offices in Georgia. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ



has helped these municipalities to develop modern local administrations. Today, they carry out local planning, budget preparation and service delivery in an economically efficient and transparent manner. A handbook has been produced, that describes the necessary steps in designing and establishing a citizens' office. Modern management software has been introduced, and employees have undergone training and participated study visits to German administrations.



Results achieved so far

Citizens' trust in local self-government has increased because the citizens' offices are carrying out their work promptly, dependably and in a customer-oriented manner. For example, they have introduced a one-stop system. This means that if any members of staff are not responsible for dealing with a particular matter themselves, they will refer it to the appropriate department. This saves people the need for further visits to the authorities. Official business is now dealt with far more quickly: applications are processed in two to a maximum of ten days, and administrative staff also advise customers of the outcome by telephone, e-mail or even by sending a messenger if the citizen lives in a remote district. The citizens' offices publish basic information on charges, deadlines, application forms, responsibilities and contact details, and also publish the municipal budget. The charges for services are set by the municipal council. The first citizens' offices opened in three municipalities in 2008. During their first year of operation, there was a rise in requests for services – in some cases a three- to sevenfold increase – and between 50 and 85 % of the requested services were provided. Today, more than half the administrative staff are women. There are very few complaints; 98 % of citizens are satisfied with the performance of their citizens' office.

Outlook

The next municipality to receive GTZ's support in setting up a citizens' office will be Gori. International organisations, including the Civil Society Institute (CSI) and the United Nations Development

Programme (UNDP), have also endorsed the concept. In two further municipalities, the administrations have set up citizens' offices independently, using the handbook which was produced with the support of GTZ.

Project profile

Title:

Promotion of Municipal Development in Georgia

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Parliamentary Committee on Regional Policy, Self-Government and Mountainous Regions

Overall term:

January 2006 to December 2009



Montenegro:

Municipal land management

Proper systems now in place

Since Montenegro gained its independence in 2006, its economy has expanded rapidly. As it moves closer to membership of the European Union, the small country is removing one of the main obstacles to its further development, namely the lack of clarity regarding land ownership and spatial planning.

Context

Montenegro is keen to join the European Union. With that aim in mind, with support from German development cooperation, this small South-East European country is improving the conditions for economic development and for the increasing volumes of foreign direct investment. This includes clarifying the legal situation with regard to land ownership issues. In Montenegro, a country with a population of just 620,000, the national cadastral and land registry authority has so far lacked any comprehensive, up-to-date and reliable data on land and property ownership; any spatial planning documents which do exist are outdated. As a result, the country's 21 municipalities have been unable to exploit revenue sources such as land taxes in order to finance investment in infrastructure and control of land use.



The project

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ is helping the Ministry for Spatial Planning and Environment and, in particular, the national cadastral authority to establish legal security and improve municipal spatial planning. The State Office for Surveying and Geographic Information of the German state of Brandenburg is also involved as an

administrative partner of the cadastral authority. The municipalities are introducing geographic information systems (GIS), which are essential for spatial planning and land management. GTZ is also supporting the development of a private surveying sector. In its advisory services, GTZ makes it a priority to ensure that planning processes take due account of economic, social and environmental concerns.

Results achieved so far

Since Parliament adopted the Spatial Plan for Montenegro in 2008, 16 municipalities have begun to update their municipal spatial plans or have already completed this process. Five municipalities have produced land use plans, and six municipalities have produced a total of nine local development plans. These address development priorities in accordance with sustainability principles. Furthermore, for the first time, land use plans have been produced for two settlements



located in a national park. For an area of more than 370 hectares, clear provisions are now in place providing a legal basis for orderly municipal development. These adhere to urban planning and building laws, and accommodate a range of other concerns. The official property data from the cadastral authority are available to all 21 municipalities and are accessed with the help of the GIS software. Eleven municipalities are using this software to issue their land tax assessment notices. During the first year of this software use, the municipalities were able to double their municipal tax revenues. They

also achieved a 40 % increase in the second year – a stable basis for municipal investment planning and a fairer tax system. More GIS applications have been implemented as part of the project, including applications for municipal land management and the collection of the tourist tax.

Outlook

In future, planning documents issued by the cadastral authority will be uniformly structured and will meet the requirements of the

European Directive establishing an Infrastructure for Spatial Information. Moreover, together with its administrative partners in Brandenburg, Montenegro is addressing further issues in order to bring greater professionalism to municipal land management. This includes the production of forgery-proof paper for official extracts from the property register, which will help raise legal and investment security.

Project profile

Title:

Municipal Land Management

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry for Spatial Planning and Environment

Overall term:

March 2004 to December 2011



Serbia:

Economic development and employment promotion

Start-up assistance for the future

Foreign investors are increasingly attracted to Serbia and to the Autonomous Province of Vojvodina. Here, GTZ is supporting the Vojvodina Investment Promotion Agency and business incubators to facilitate new start-ups. Investors and new businesses have already created several thousand jobs.

Context

During the Balkan wars and the embargo in the 1990s, foreign investors avoided Serbia and the Autonomous Province of Vojvodina. However, since the political shake-up in 2001, the government has made great efforts to improve the economic conditions with a view to attracting investors. Against this background, in 2003 Vojvodina's provincial government requested GTZ, which is acting on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), for support in the drafting and implementation of a regional development plan.

The project

The regional development plan, which was passed by the provincial parliament in 2003, sets the priorities for economic development. GTZ's role was to support the establishment of the Vojvodina Investment Promotion Agency, which opened in December

2004, and business centres, known as 'incubators', to provide support for small and medium-sized enterprises (SMEs). The start-up assistance provided by GTZ encompassed conceptual development, the production of a business plan, including the structure for an Investment Promotion Fund to finance the Agency, and the design of the service portfolio. Staff received training in project management,



trade fair and conference organisation, location marketing and planning methods. They also engaged in an exchange of experience and information with other economic promotion agencies in the region and in Germany. With support from the programme, the Agency was also represented at trade fairs and business congresses in Germany.

Results achieved so far

The Agency is now cooperating with 45 municipalities in Vojvodina. Investors, municipalities and businesses have access to a comprehensive

portfolio of services, including facilitation of contacts between Serbian and foreign companies, business information, advice on funding opportunities and financing models for investors, and support for municipalities in location promotion. By 2008, the Investment Promotion Agency had advised a total of 148

foreign companies. This had leveraged investment by six companies from the mechanical engineering, electrical and service sectors, amounting to EUR 130 million, which has created 2,400 jobs. Business start-ups are also proliferating: with support from the two business incubators in Vojvodina, 18 new businesses were set up in the industrial and service sectors between 2006 and 2009, employing almost 100 people.



Outlook

Despite the financial crisis, in 2009 it was possible to attract a major Italian investor in the textiles sector. This investor is planning to invest around EUR 300 million in Vojvodina by mid 2010, which will create jobs for up to 4,000 people.

Project profile

Title:

Serbia – Economic development and employment promotion

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry of Economy and Regional Development, Secretariat of the Autonomous Province of Vojvodina

Overall term:

September 2003 to December 2010



Montenegro:

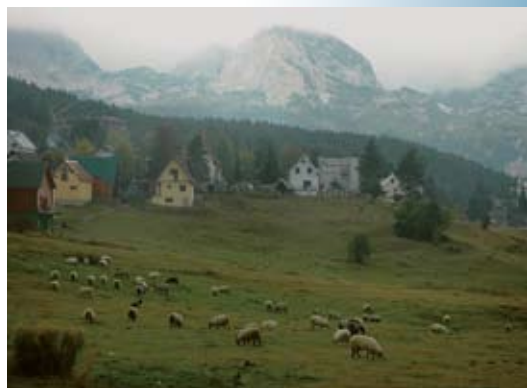
Economic development and employment promotion

Leveraging potentials

Montenegro not only has a well-performing tourism sector, it also has a strong food industry. What it has been lacking, however, is a systematic approach to business promotion. With support from GTZ, quality and performance in Montenegro's meat industry have been raised to international standards.

Context

In Montenegro, which gained its independence in 2006, there are great structural differences between the poor north of the country, the central region where industry and administration are well-developed, and the south, which is dominated by tourism. Promising shoots of economic development are apparent not only in tourism, but also in the food industry. However, companies have little experience of operating in a market economy, and not enough support is available from government business promotion agencies, private-sector service providers or training institutions. Montenegro, with its population of just 620,000, lacks the skills and expertise required to develop and introduce business promotion structures and instruments.



The project

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ is supporting the development of effective business promotion structures in order to improve the prospects of growth in selected private-sector industries. During its first phase, the project mainly focused on promoting the tourism and food industries, which were already performing strongly. A sector

analysis revealed that the meat industry offered good potential, particularly with locally-cured Njegusi ham as a high-quality niche product. The most important promotion activities in this phase of the project were advisory

services to improve the professionalism of the meat industry association, the production of a manual explaining the hygiene regulations and quality management principles, training for local expert advisors, and assisting the veterinary authorities to introduce an inspection and quality control system in line with international standards.



Results achieved so far

With GTZ's support, companies in the Montenegrin meat industry have greatly improved their business performance and product quality. This was apparent at the International Trade Fair for the Meat Industry (IFFA) in Frankfurt in 2007, when companies from this small South-East European country won 51 awards, including 27 gold, 11 silver and 10 bronze medals as well as three honour cups for Montenegrin cured meat products. The 14 companies of the Njegusi

Ham Producers' Association have invested more than EUR 0.5 million in improving their production facilities in order to meet the EU's more stringent hygiene standards. While planning this investment, they received professional advice from local experts and the Veterinary Office. The investment has paid off: the companies increased their turnover by an average of 17 % between 2007 and 2008 and, over the same period, also created 22 new full-time jobs as well as 60 temporary jobs during the curing season.



Outlook

Priorities for the second project phase are the provision of advisory services to the Montenegrin Government on business policies to support small and medium-sized enterprises, and the promotion of co-operation between the public and the private sectors to create a good business and investment climate. In the food sector, priority will be given to advising the Ministry of Agriculture and the Veterinary Office, in order to improve the monitoring of food safety by government agencies. This is necessary if Montenegrin companies are to obtain permits to export their products to the EU. The efforts will be based on a sector analysis prepared in consultation with the EU.

Project profile

Title:

Economic development and employment promotion in Montenegro

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry for Economic Development, Montenegro

Overall term:

January 2005 to December 2011



Open Regional Fund for South-East Europe: Legal reform

Masters Programme for Europe

To extend regional integration among South-East European countries, and to accelerate their convergence with the European Union, these countries are currently adapting their business law. GTZ supports the reform process in various ways, including the establishment of a Masters Programme for lawyers at 11 universities.

Context

Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia are in the process of establishing market economies. To help achieve this, they are radically reforming their business laws. Free trade agreements with neighbouring states and the desire to join the European Union make these reforms essential. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ is supporting the legal reform process in the South-East European countries through an Open Regional Fund, a flexible instrument which enhances bilateral development cooperation.



The project

The aim is to bring business law in the South-East European countries into line with international and EU standards. As well as supporting numerous legislative processes, the project promotes the reform of legal education. This means developing new curricula, providing training for staff in the ministries involved in EU integration, facilitating the networking of public authorities, and promoting dialogue between state

and civil society on topics such as consumer protection law. Working together with 11 universities in South-East Europe, GTZ has developed a Masters Programme in European business law. The aim

of this postgraduate course is to offer young lawyers the opportunity of a regionally-coordinated programme of legal training. GTZ initiated the formation of a management board to coordinate the cooperation between the institutions. The management board decides on organisational issues, curricula and training sessions. It has also ensured the mutual recognition of qualifications, and organised series of courses.

Results achieved so far

The cooperation agreement between the participating universities was signed in 2007. GTZ experts supported the process of curriculum development and have assisted with training sessions and the selection of teaching materials. By establishing contacts with European universities and regional and international experts who give guest lectures, they promote international dialogue on topical legal issues. GTZ is also funding the production of information material and a basic set of textbooks, and provides financial support for the provision of lecturers. The Masters Programme has already been introduced at universities in Tirana (Albania) and Skopje (Macedonia), with 40 and 50 participants respectively.

Outlook

The course will gradually become established at the other participating universities as well. The universities in Mostar (Bosnia and Herzegovina) and Belgrade (Serbia) introduced the Masters Programme in the 2009/2010 winter semester. Prospective students can find out about the programme on a website which GTZ helped to develop.



Project profile

Title:

Open Regional Fund for South-East Europe – Legal reform

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ), with co-financing from the Dutch-based Center for International Legal Cooperation

Lead executing agency:

Ministry of Economic Development, Montenegro

Overall term:

January 2007 to December 2011



Uzbekistan:

Vocational training in the information and communication technology (ICT) sector

Learning for the digital age

Uzbekistan suffers from a shortage of qualified professionals in the field of information and communication technology (ICT). A project supported by GTZ and KfW has developed new occupational profiles designed to meet market needs. 4,320 graduates have already found employment commensurate with their qualifications or have continued their studies at institutes of higher education or university.

Context

The reform of Uzbekistan's education and training system began in 1997. Its aim is to enable all young people to achieve a secondary education, either academic or vocational. The young people should acquire qualifications that will support Uzbekistan's transformation to a market economy. As ICT has now entered almost every area of life in the Central Asian country, there is a particularly high demand for ICT professionals. However, there have so far been no modern training courses for this sector, and no cooperation with private industry. In consequence, the existing vocational training system has been unsuited to promoting the country's economic development.



The project

By creating new training courses, GTZ and KfW Entwicklungsbank, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), are supporting the reform of Uzbekistan's economy. The vocational colleges involved in the project have received new equipment for their ICT laboratories and workshops, and teachers have been provided with teaching and learning



materials that are suitable for the new training courses. GTZ assisted with the development of new occupational standards and curricula and supported the introduction of the new training courses at the vocational colleges.

Results achieved so far

To date, around 220 teachers and school directors have received training in interactive teaching methods and the management of a modern training institution. Through

the project, three new occupations have been introduced to meet the needs of the ICT sector (ICT electronics, ICT programming, and ICT business). These have been trialled successfully at 32 vocational colleges throughout Uzbekistan. Furthermore, a computerised school management system has been introduced. Between 2007 and 2009, the modernisation process has benefited 4,320 students in particular, who trained in one of the new ICT professions, but it was also generally beneficial for the more than 30,000 trainees attending the project schools. As the ICT training is practical in focus and is delivered in cooperation with private companies, the graduates had good prospects of finding employment. Four out of five graduates found appropriate jobs immediately after completing their training. In all, the project has reached three per cent of Uzbekistan's 1.3 million trainees.

Outlook

The new ICT professions have been formally integrated into Uzbekistan's system of vocational training, and all the colleges in the ICT sector offer the new courses. The 32 vocational colleges which participated in the project have joined the Association of Information Technology



Companies of Uzbekistan. This means that the colleges and companies will continue to cooperate for the sustainable provision of high quality training. The colleges admit around 3,840 trainees each year – roughly 120 per college – and 40 % of these train for one of the new ICT professions. All the project colleges have opted to focus entirely on information technology training.

Project profile

Title:

Uzbekistan – Vocational training in the information and communication technology (ICT) sector

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ) as a GTZ-KfW cooperation project

Lead executing agency:

Centre for Specialised Secondary and Vocational Training (CSSVT) of the Ministry of Higher and Specialised Secondary Education (MHSSE) of the Republic of Uzbekistan

Overall term:

May 2003 to June 2010



Serbia: Reforming vocational education

Fit for practice

Young people training for commercial occupations in Serbia gain experience of day-to-day work by setting up and running their own virtual companies. Vocational education reform in Serbia has entailed the fundamental modernisation of training methods, examination systems and institutional structures.

Context

In Serbia, vocational education for commercial occupations has undergone a transformation since 2002. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ),

GTZ is supporting the Serbian Ministry of Education and Sport with this reform. Before the project began, the traditional forms of vocational training did not meet the needs of the Serbian economy. The curricula, teaching methods and final examinations did not address the practical needs of the employers who consequently could not place graduates immediately. Despite their four years in education, the enterprises still had to teach the young people the practical skills they needed.



The project

Five new courses for commercial occupations have been introduced: 'Business administrator', 'Financial administrator', 'Bank clerk', 'Insurance clerk' and 'Commercialist'. The training centres on simulating business processes in virtual companies and staging nationwide trade fairs for the training companies. The new examination system requires students to demonstrate their practical skills using case studies. The new training concept requires a different organisational structure: 12 pilot schools are participating in a pilot study which

aims to transform schools into vocational education centres within regional vocational education networks. To this end, they are also cooperating with schools in the German state of Lower Saxony. Alongside their normal workplace commitments, 250 Serbian teachers and 46 school directors are supporting the Ministry of Education and Sport by actively contributing to the vocational education reform. They are involved in developing practical exercises for use in examinations, devising seminars, training teachers, revising the curricula, writing textbooks and organising the training company trade fairs. The school directors are developing proposals for legislative and regulatory amendments. The teachers and school directors are organised into associations through which they provide their services for the system. Any surplus revenues are used to fund further activities.



Results achieved so far

9,600 students – i.e. four per cent of all Serbian vocational students and 26 % of those studying business and administration – are currently training for the new occupations at 46 vocational schools in 38 towns and cities across the country. 1,300 teachers have undergone further training to enable them to teach the new courses. The



vocational students have set up 145 virtual companies. In March 2009, 2,900 students, parents and other interested persons attended the third training company trade fair. Teachers and school directors have set up networks with fellow professionals in Serbia and abroad.

Through these activities they have become key players in the reform of the country's vocational education system.

Outlook

By the end of 2011, the association of teachers and school directors will be organised on a permanent basis and will thus be able independently to maintain the structures created by the project. The association will work with the project to set up a network of partner schools from Germany and Serbia. By the end of 2010, 1,500 students will have spent a week living and working together.

Project profile

Title:

Serbia – Reforming vocational education

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry of Education and Sport, Serbia

Overall term:

May 2002 to March 2012



South Caucasus:

Legal and judicial reform

Towards the rule of law

An effective judicial system is the basis for economic development in Armenia, Azerbaijan and Georgia. New laws, further training for judges, officials and lawyers, and the publication of judgments all help to build trust in the legal system.

Context

The judicial system in the countries of the South Caucasus has been unable to guarantee due process in proceedings under civil and economic law. Judgments were often lacking in transparency and were incomprehensible to the parties concerned. Furthermore, major areas of law, such as commercial and company law or the law of civil procedure, consisted of numerous, often conflicting individual items of legislation. This eroded citizens' confidence in the state and adversely affected economic development in Armenia, Azerbaijan and Georgia.



The project

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ is supporting the development of an efficient judicial and legal system in the South Caucasus, in order to create legal stability for citizens and a reliable framework for business activity. Draft laws for the civil, economic and administrative sectors are being drawn up, and to ensure that legislation is correctly applied by legal professionals, further training is provided for judges, officials and administrative staff. Public communication is another priority area. This raises awareness of the law and builds public confidence in the judicial system. In Azerbaijan, for example, training is provided for journalists, while in all the countries, the judgments of the Supreme Court are now published.

Results achieved so far

Almost 1,000 judges, lawyers, parliamentarians, officials and civil society representatives from the region have participated in international conferences, training events and round tables in order to engage in an exchange of experience and information. Important reforms have been initiated: in Armenia, these include the opportunity to bring constitutional complaint proceedings and the establishment of an Administrative Court, while in Georgia they include the founding of a University Law School. In Armenia, major constitutional amendments came into force in 2005. To date, around 900 citizens have used the opportunity to lodge individual constitutional complaints. In Georgia, more than 20 supplements containing information about every-day legal issues have been published in the newspapers. Public trust in the judicial system is gradually increasing, as is apparent, for example, in the fact that more and more people are initiating legal proceedings. In 2008, the judges at Armenia's Administrative Court ruled in citizens' favour in around 65 % of cases – a sign of the court's growing independence.



Outlook

The reforms are progressing but the level of implementation of legislation still needs to be improved. In Azerbaijan, the administrative law reform entered into force in 2010; in Armenia, the legal framework for business activity has improved; and in Georgia, the judgments of the Supreme Court attest to the independence of the judiciary. Nonetheless, the legal situation is still contradictory in many areas, and there is a low level of public trust in the system.



Project profile

Title:

Legal and Judicial Reform in the South Caucasus

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministries of Justice of Azerbaijan, Armenia and Georgia

Overall term:

April 2002 to December 2011



Central Asia: Legal and judicial reform

Building trust in justice

The judicial system in the Central Asian countries was often arbitrary and corrupt. A recent legal reform has introduced new laws as well as practical training for judges, and a radio programme now provides answers to citizens' questions on air. As a result, trust in the judicial system is gradually increasing.



Context

In the early 1990s, the Central Asian countries began to establish an independent judiciary and modern legal system. However, it proved impossible to eradicate corruption, legal uncertainty and arbitrary behaviour on the part of the public authorities. Due to the legal uncertainty, public trust in the judicial system was generally poor. Business activity was fraught with risks, for example because contractual agreements were often not adhered to. The judicial system proved to be

incapable of implementing the reforms, largely due to a lack of transparency and judicial independence, as well as inadequate knowledge about the application of the law.

The project

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ has been supporting the reform of Tajikistan's Code of Civil Procedure since 2002, for instance by advising on draft legislation and publishing 750 copies of the Code – one for every judge. In 2008 and 2009, instructors trained by GTZ trained more than 60 % of the country's judges in implementing the new legislation. Training is a priority in Kyrgyzstan as well: here, GTZ supports a training centre in which more than 1,100 judges have undergone team training with German and

international experts since 2007. Legal experts from GTZ are also involved in a radio show, called 'My Rights', in Kyrgyzstan. The programme is broadcast twice weekly and answers questions from the public on topics as diverse as property law, employment law, boundary law, customs legislation, and domestic violence.

Results achieved so far

Practice-based training and the provision of legal information have helped judges in Central Asia to apply the new civil law with increasing confidence, using procedures that comply with the rule-of-law. As procedures become more efficient, the judges' excessive workload is reduced, thus improving the way they handle cases. Citizens also now have more control over their private legal affairs, as the state's influence over the private sphere has been reduced. The introduction of 'procedure by default' has reinforced the rights of the party who is present in court and increased the efficiency of proceedings. The radio show which provides legal advice in Kyrgyzstan now has up to 50,000 listeners, many of whom request more detailed information after the broadcast or say that they would like the programme to be given more time on air. This demonstrates the broadcast's important role in raising awareness of the law and building trust in the legal system, which has resulted in more citizens making use of this system today.



Outlook

In 2010 and 2011, priorities will be to provide training and legal advisory services, including the reform of administrative law in Kazakhstan. In Tajikistan, GTZ is supporting the establishment of



independent chambers to hear administrative cases. Uzbekistan is also showing increasing interest in administrative law reform, and GTZ is supporting the publication of a textbook on administrative law here. At the same time, it is important to monitor and, if appropriate, adapt the application of the reform legislation that is already on the statute books. This applies, for example, to the Code of Civil Procedure in Tajikistan.

Project profile

Title:

Legal and judicial reform in Central Asia

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Justice Ministries and Supreme Courts in the Central Asian countries

Overall term:

2002 to 2011



Montenegro:

Development of tourist sites in the Montenegrin hinterland

Leveraging potentials

Montenegro has more to offer tourists than just coastline and beaches. With its diversity of landscapes, the Montenegrin hinterland is perfect for hiking and cycling. The basic infrastructure is already in place: accommodation is available, there are marked paths and a professional wine-growing industry, and contacts to travel companies have been established.

Context

With its unique and diverse landscape, Montenegro has massive potential for tourism. So far, however, the development of tourism has focused mainly on the coastal areas, and the potential of the country's attractive hinterland has not been adequately tapped. With the project 'Development of tourist sites in the Montenegrin hinterland', GTZ, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), is supporting tourism development in the less developed central and northern regions of Montenegro.



The project

To create new income opportunities for local people in the less developed regions of Cetinje and Plav and at Lake Scutari, the project is helping municipal administrations, tourism organisations, clubs and associations to develop and market new tourist activities, such as climbing, mountain biking and angling. On a number of visits, travel organisations have familiarised themselves with what is on offer. The project also supports local vintners, who have set up a vintners' association and designed a 'wine road'. Guidelines have been established to help them invest in developing their wine cellars, and a legal framework for business registration is in place. GTZ is also

providing advisory services to the Ministry of Tourism and Environmental Protection, for example on drawing up standards for marking out hiking and cycling paths, establishing legally recognised quality standards for accommodation, and simplifying the rules for businesses to provide overnight accommodation.

Results achieved so far

Local people are seizing the new opportunities: to date, around 80 new tourism businesses have been established in these regions and 360 jobs created. The new tourism organisations, which are funded from a visitor's tax, are working independently to develop tourist services and marketing activities. In Plav, they coordinate a working group which is drafting a tourism strategy, and at Lake Scutari, the municipality is co-financing gates for at the national park, where a charge is made for entry. With this revenue, the national park has been able to appoint 13 new rangers and fund the maintenance of the new hiking and cycle trails. The wine-growing industry is also set to experience a boom: 30 wine cellars have been expanded, and all owners are officially registered. The National Vintners' Association provides funding for marketing activities and organises training courses for vintners. In 2008, two national agencies, acting as business partners for four international travel companies, added the regions of Plav and Prokletije to their programmes. All 25 of the largest national travel companies now offer Cetinje and Lake Scutari as destinations.



Outlook

Tourism in the Montenegrin hinterland is constantly developing. However, a further rise in visitor numbers and an extension of the tourist season are essential if the investment in infrastructure, accommodation facilities and wine cellars is to generate higher incomes for local people on a sustainable basis.

Project profile

Title:

Development of tourist sites in the Montenegrin hinterland

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ) and the Austrian Development Agency

Lead executing agency:

Ministry of Tourism and Environmental Protection,
Montenegro

Overall term:

January 2006 to December 2011



Romania: Economic development and employment promotion

Incubators for young entrepreneurs

Essential prerequisites for a successful economy are innovation, future-orientation and networks. This especially is true in Romania as a new member of the European Union. In Romania, young entrepreneurs can benefit from premises and services provided by a publicly-funded ‘business incubator’.

Context

Since the mid 1990s, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ has been supporting Romania’s efforts to establish an enabling environment for the development of free market economic structures. This has included preparations for the EU internal market, structural reforms, and the introduction and consolidation of appropriate economic support instruments so that more new businesses are set up and create jobs.

The project

As one of the measures adopted in this context, support has been provided for the University Business Incubator Timisoara (UBIT).

The incubator takes the form of business centre providing intensive start-up support for young entrepreneurs. Structured as a joint project between the local administrations and the “Politehnica” University, the centre was set up in 2004 with advice and co-financing from GTZ. Its aim is to facilitate business start-ups by innovative young entrepreneurs. As a rule, the new businesses are located for three years at the centre, which has 18 separate business spaces available. Information technology graduates can



obtain business start-up advice. Training sessions are also available for young entrepreneurs. The rent paid by new businesses is subsidised and affordable. In addition, the centre offers a range of services such as high-speed internet access, conference and training rooms, telephones, fax machines, printers, copiers, scanners and postal services.

Results achieved so far

Since it opened, 27 business start-ups have used the centre's spaces and services. Ten of these companies have successfully graduated from the centre and are now operating independently on the free market. Together, the young companies have created 82 jobs, with each company now employing between one and seven staff. In total, the businesses generated sales revenue of EUR 1.25 million during the period 2004-2008. In September 2009, 14 companies were based at the centre. One floor at the UBIT is set aside for branches of German companies, which has resulted in good business relations between them and the local companies based at the centre. The UBIT model is also evolving into a model of best practice outside Romania. A business incubator has been established in Zrenjanin in Serbia, for example.

Outlook

Scottish investors, attracted by UBIT, intend to develop a software park with an investment volume of EUR 12 million. There are also plans to set up a software centre based on the UBIT model in



Romania's border region with Serbia. The start-up financing from GTZ has been progressively reduced since 2008. Since spring 2009, UBIT has been funded entirely by the county and municipal councils and the "Politehnica" University of Timisoara.

Project profile

Title:

Economic Development and Employment Promotion in Romania

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry of Public Finance

Overall term:

2004 to 2010



Central Asia:

Support for regional economic cooperation

Removing barriers

The Central Asian countries have isolated their economies. Products manufactured here do not comply with international technical standards, and there is little trade even within the region itself. This is obstructing the countries' development. Kyrgyzstan is the first of these countries to simplify its import and export formalities.

Context

Economic exchange between the Central Asian countries is obstructed by trade barriers. The greatest challenge is to reform the conditions inherited from the Soviet system (customs procedures, quality standards, and trade and industry law) to align them with international standards. The volume of external trade, competitiveness and productivity levels are low, and smuggling and corruption characterise around a third of trade transactions. Stronger integration in international trade, and an expansion in regional trade and cross-border value chains could generate more growth and employment in all the countries and help to alleviate poverty.



The project

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GTZ is supporting the modernisation of the economies of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. The project helps to overcome administrative barriers to trade, especially by reducing the large number of documents required. In Kyrgyzstan, GTZ has worked with the Economic Regulation Ministry to identify a set of basic documents that are essential for trade purposes, based on country comparisons and international practice and taking account of national security. GTZ has also

advised the country's Presidential Investment Council on ways of simplifying customs procedures. A similar process is under way in Tajikistan. Both countries have also improved the efficiency of cross-border trade by introducing the electronic single-window system. Uzbekistan and Kazakhstan are following suit and are in the process of developing recommendations on ways of optimising trade formalities.

Results achieved so far

Kyrgyzstan has reduced the number of documents required for trade with other Central Asian countries from 13 to just five: a bill of lading, a certificate of origin, an invoice, a contract and a customs declaration. Tajikistan will shortly follow suit. The reform is already having an effect: from 2006 to 2008, the volume of Kyrgyzstan's trade doubled to around USD 6 billion, while Tajikistan's rose by more than 50 % to USD 4.7 billion. Successes have been achieved in the other two countries as well: in Uzbekistan, the volume of trade grew by around a quarter to USD 87 billion, and in Kazakhstan, it doubled to USD 21 billion. In 2009, however, all these countries, with the exception of Uzbekistan, experienced a 30 % downturn in trade as a result of the financial crisis.



Outlook

Reducing technical trade barriers is also on the project agenda. Kyrgyzstan and Uzbekistan are bringing their quality infrastructure into line with international standards. In order to improve efficiency and product quality at company level, GTZ is supporting the introduction of the Japanese kaizen production principle and other quality management systems such as 'lean manufacturing'. The aim is the widespread introduction of ISO certification as the basis for improving Central Asian companies' international competitiveness.

Project profile

Title:

Support for regional economic cooperation in Central Asia

Commissioned by:

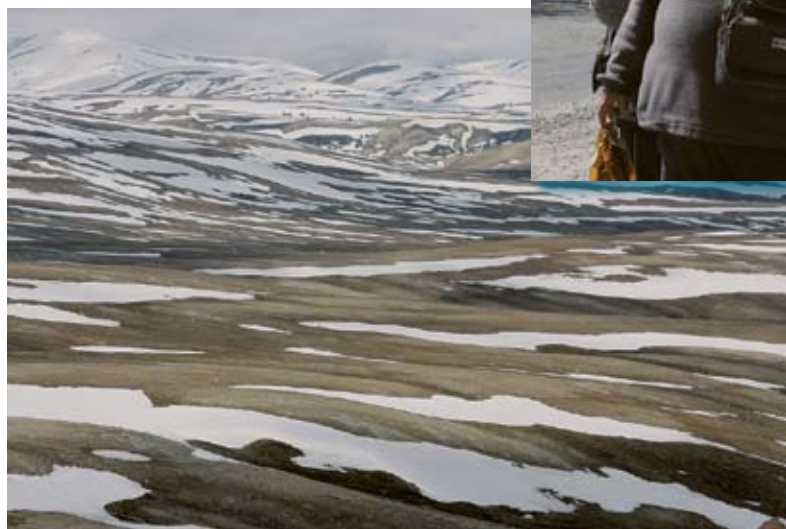
German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministries of Economic Development and Trade of Kazakhstan, Kyrgyzstan and Tajikistan, and the Ministry for Foreign Economic Relations, Investments and Trade of Uzbekistan

Overall term:

January 2005 to December 2014



Azerbaijan: Private sector promotion

Persevering with reforms

Azerbaijan still lacks a sufficiently enabling environment for private-sector development outside the oil industry. Declared objectives of government policy are to diversify the economy, strengthen external trade and promote the development of the country's rural regions.

Context

Since 2000, Azerbaijan's economy has demonstrated a strong growth rate. This development is mainly based on oil and gas production, which accounts for more than 40 % of gross domestic product. Other sectors have been unable to keep pace. Companies are suffering due to the unstable legal and institutional conditions, monopolisation, corruption, and poorly developed domestic and foreign business relations.

The project

The project, which was commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ), supports efforts by Azerbaijan's Ministry for Economic Development and other partners to improve the conditions affecting private-sector development in the non-oil sectors. The main focus is on creating

an enabling environment, building business links and facilitating cooperation, improving the national standardisation system, and promoting economic development in the southern region. The project provides supports for the development of strategies and legislation. It facilitates contacts with international clients, investors and capital providers, and encourages inter-company cooperation through business networks and the formation of industry associations. In view of Azerbaijan's forthcoming accession to





the World Trade Organization (WTO), GTZ is supporting the establishment of an information office on technical trade barriers. In order to speed up the pace of development in the southern region of Azerbaijan, GTZ is

promoting the tourism, furniture and tea-growing industries here and encouraging dialogue between government and private-sector actors.

Results achieved so far

In cooperation with the export agency AzPromo, national export alliances have been developed for the fruit juice and textiles sectors.

The demand for the export agency's services has increased and revenue has doubled since 2007. In 2008/2009, companies linked to GTZ increased their exports by 21 % on 2007, and their turnover rose by 25 % compared to a control group of companies. Output in the tea sector, for example, increased by 50 %. The Azerbaijan Tea-Growers Association has more than 350 members, half of whom are women. In Lenkoran, 240 employees have received training in tourism, which is essential for the region now to market itself more vigorously as a tourist destination. The Ministry and the Azerbaijan Investment Company are competent interlocutors for potential investors.



Outlook

As a result of the international economic and financial crisis, the overall conditions for private-sector activity worsened in 2009 compared to the previous year. Furthermore, the high level of staff turnover in companies and institutions, combined with the generally low level of education, is impeding positive long-term economic development. In future, the project will therefore also aim to build the capacities of state- and private-sector training institutions.

Project profile

Title:

Private sector promotion in Azerbaijan

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:

Ministry for Economic Development of the Republic of Azerbaijan

Overall term:

2004 to 2011



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