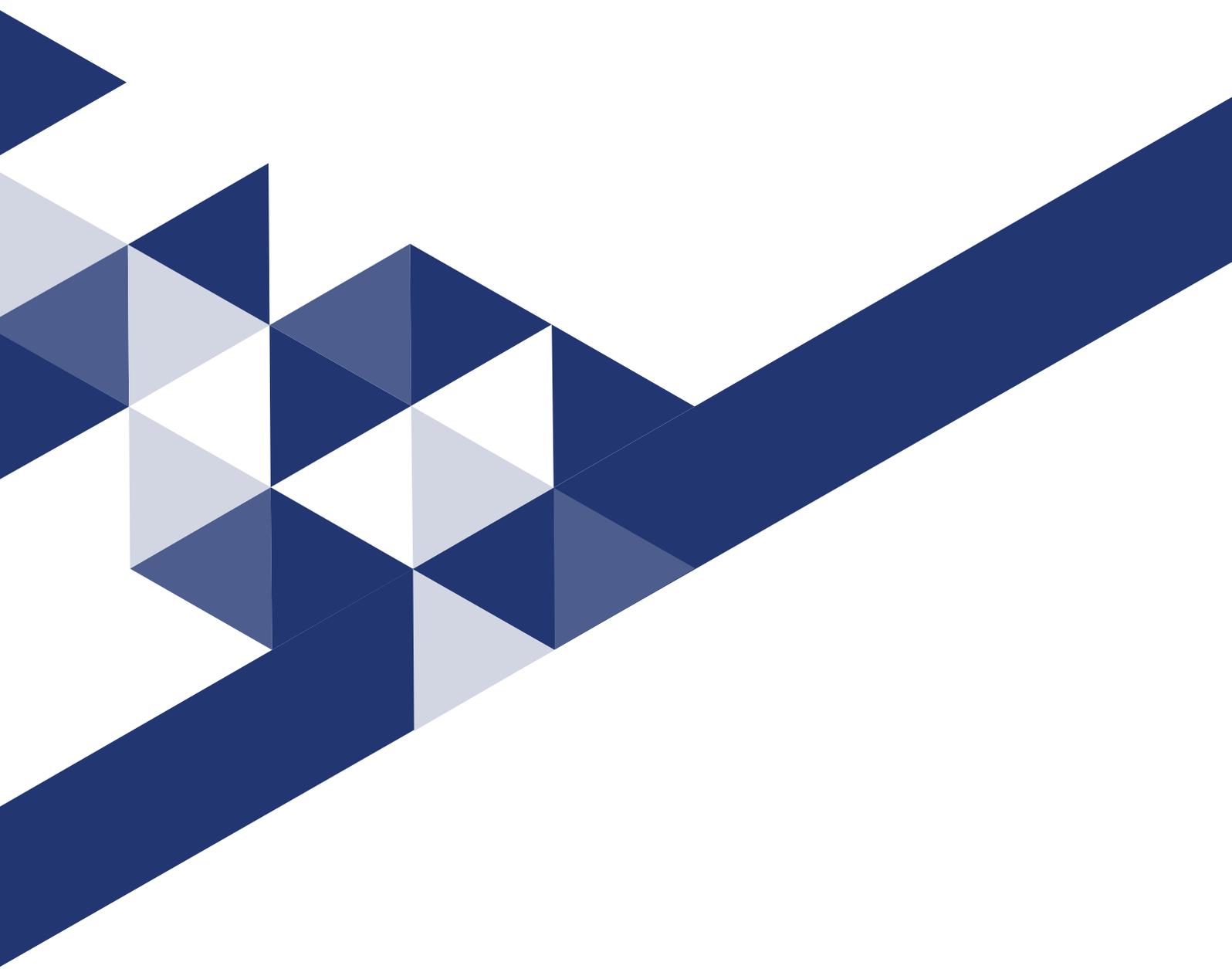


# WESTERN BALKANS FUND STRATEGIC DEVELOPMENT PLAN 2020-2024





The development of the WBF Strategic Plan 2020-2024 and its publication was supported by the PeaceNexus Foundation.



# List of Acronyms

<b>WBF/Fund/Secretariat</b>	Western Balkans Fund
<b>MFA</b>	Ministries of Foreign Affairs from Six Contracting Parties
<b>CMFA</b>	Conference of Ministers of Foreign Affairs
<b>ED</b>	WBF Executive Director
<b>DED</b>	WBF Deputy Executive Director
<b>CP</b>	Contracting Party
<b>WB</b>	Western Balkans
<b>WB6</b>	Six Parties of the Western Balkan area
<b>CSO Members</b>	WBF Council of Senior Officials
<b>CSO</b>	Civil Society Organization
<b>IVF</b>	International Visegrad Fund
<b>V4</b>	Visegrad Group
<b>RYCO</b>	Regional Youth Cooperation Office

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# Introduction

This document is a presentation of the Western Balkans Fund (thereafter referred to as WBF or Fund) and its Strategic plan for the 2020-2024 period. After an initial period of operations, marked by the foundational development and programme piloting between WBF's establishment in 2015 and 2018, the leadership of the Fund has developed this plan in 2019 based on the considerable success of the Fund up to date.

The plan is a result of an extensive process of consultation with founders, partners, grantees, peers, and a wide range of external stakeholders from/throughout the Western Balkans and beyond. The process entailed participatory inception and planning meetings (workshops) with key actors in WBF's leadership and Secretariat, desk research, interviews with over 50 stakeholders across the region as well as a specific set of surveys and interviews with the Secretariat to build the plan on the assessment of organizational capacities.

As the Fund's governing body and the representative of the Ministries of Foreign Affairs from all of the Fund's six Contracting Parties (Albania, Bosnia and Herzegovina, Kosovo\*, Montenegro, North Macedonia and Serbia), the Council of Senior Officials provided tangible inputs to this development of this plan through intensive discussions.

We hope that every reader will realize the unique positioning and symbolic value of WBF, as well as its potential to create and facilitate tangible impact in bringing the societies of the Western Balkans closer together, in a cooperative and prosperous European region that is at peace with itself.

\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244(1999) and the ICJ Opinion on the Kosovo declaration of independence.

# Word from the Executive Director



*Dr. Gjergj Murra, Executive Director of the Western Balkans Fund, January 2020*

In November 2015, the Agreement for the establishment of the Western Balkans Fund (WBF) was signed by the governments of Albania, Bosnia and Herzegovina, Kosovo\*, Montenegro, North Macedonia and Serbia (thereafter referred to as Contracting Parties (CPs)) to pursue the goals of regional cooperation by supporting common projects at the “people-to-people” level, aiming fostering good neighbourliness in the region.

During 2016 and 2017, the Agreement was ratified by the parliaments of all CPs and so, for the first time, the WB6 Governments are jointly committed and legally bound to create a meaningful instrument for enhancing regional cooperation. As an all-inclusive and regionally owned initiative, WBF is considered as a ground-breaking regional instrument, signalling a new cooperation mentality, taking roots in the Balkans.

Today, this joint ambition has already translated into innovative and meaningful regional projects co-funded by our Fund and implemented by regional civil society organizations. Since becoming operational in November 2017, WBF’s Secretariat has managed to successfully launch three regional Calls for proposals that have attracted a lot of interest, showed by more than 890 project proposals received. We are supporting dozens of grantees, covering a wide range of actions in the spheres of sustainable development, cultural cooperation, education and research, cross-border and youth cooperation, etc. In this period, the Fund has also attracted talented staff from all over the region and invested in its institutional foundations. We have learned a lot from our inception phase, and we are proud of our accomplishments. However, we do not want to stop here, and the Fund is resolutely turned towards the future.

The Strategy development process has allowed us to discuss our ambitions and to consult with our stakeholders and with our Council of Senior Officials. It has enabled us to take a step back and look at our region critically to see how we can best support its peaceful development. Our 2020-2024 Strategy charts an ambitious way forward: the regional context and increased demand for cooperation requires nothing but organizational excellence and agility from the WBF. We look forward to accomplishing these objectives and continue serving to the champions of regional cooperation around Western Balkans region. The processes that led us toward the strategic and organizational development of the Western Balkans Fund was supported by the PeaceNexus Foundation, a long term and trusted partner of our Fund. The Strategic Development process of our Fund could not have been possible without the active and professional support of representatives from Ministries of Foreign Affairs, members of WBF Council of Senior Officials. Their positions, opinions, strategic views and inputs were highly valuable and relevant, a clear showcase of regional ownership and all-inclusiveness nature the WBF.

As they say, “success is best when it is shared”. We remain hopeful to continue cooperation with all of you in our journey to support the region’s peaceful and European future.

# Words from the WBF Founders

**H.E.Mr. Gent Cakaj, Republic of Albania**

“When we established WBF few years ago, no one could envisage that in a relatively short period, this organization will become an active regional actor, focusing on fostering good neighborly relations, enhancing regional cooperation and promoting “Soft Connectivity”. Just to mention that in such a short time the WBF has launched two Project Calls and received about 600 project applications with approximately 2,300 organizations participating. This is a success story. It is our success story.”

**H.E.Mr. Behgjet Pacolli, Kosovo\***

“We all knew that setting up the WBF would not be an easy process; but we knew better that the Fund is part of what we all need, to bring our people and societies together. For this, we must build on this spirit and commitment and make the WBF our common success story. The Fund in a short period of time and it is important to say relying almost entirely on our own forces, of the contracting parties, and relatively small but very efficient secretariat led by Dr. Gjergj Murra to whom we are all grateful for his great work and very proactive approach, managed to identify and address issues of main concern for our region.”

**H.E.Mr. Srđan Darmanović, Montenegro**

“WBF is one of the most active elements of our successful cooperation and understanding in the region. For the first time in the recent history of the region, this mechanism, with clear regional ownership, has opened a path of cooperation in the field of culture, science and research, youth exchange and the promotion of sustainable development, in a manner similar to how other European regions have merged and strengthened cooperation at one point.”

**H.E.Mr. Igor Crnadak, Bosnia and Herzegovina**

“Last year at our Ministerial conference in Sarajevo, we decided to double our contributions to the budget of the Fund. It was an important decision and our common signal concerning the importance that we all attach to the civil society activities in our region. This increasing of the contributions will allow us to increase the number of the granted projects in the second call. The start of its operations proved that the WBF has become an important tool in order to strengthen relations and promote common values among citizens and civil society by bringing people from the whole of our region to know each other and to exchange through different projects in their common interest.”

**H.E.Mr. Nikola Dimitrov, Republic of North Macedonia**

“We express satisfaction of the work of the WBF so far. The successful realization of the two calls for projects support is the best example of the European value of this regional instrument, which involved a large number of representatives from the NGO sector, education and local self-government in joint project activities with their neighbors.”

**H.E.Mr. Ivica Dačić, Republic of Serbia**

“In the two years of its existence the Fund has demonstrated and proven itself as a unique cooperation mechanism and a good example to other initiatives of how to put the needs before differences in pursuit of a common, overarching goal. In these two years, the WBF has gone a long way and asserted itself as one of the most effective instruments encouraging cooperation in the region, including in the most important element of cooperation – the people to people contact through personal relationship.”

# Unique value - Case for WBF

The Fund, as a regionally owned body has become a home for aggregated data and evidence that demonstrate the impact and value of regional cooperation on the communities it assists. Through the support of regional projects and simultaneously supporting its governing body members in their efforts to promote the Fund in each of the Contracting Party, WBF contributes directly to the regional cooperation to become increasingly evident, increasingly visible, accessible and thus, increasingly respected as a low-cost, high-yield investment for the entire Western Balkans.

WBF has a special identity, emphasized by its mission and its institutional setup. There are extraordinary and uniquely valuable qualities that set the Fund apart:

**Regional Ownership** – Established by the Ministries of Foreign Affairs of six Contracting Parties, the Fund is fully regionally owned. It is one of the few regional Initiatives to have MFAs as the main governing body. This allows a level of access to policymakers that few peers can match. The Fund's Council of Senior Officials are dynamically engaged in guiding and leveraging the Fund as a leading regional investor in the achievement of the Fund's Mission. The fact that Contracting Parties have already doubled their funding since start-up is a compelling demonstration of trust in the impact and the potential of the Fund. WBF is the first Regional Initiative in the WB, having all WB6 CP as co-founders and recognizing each other as equal partners in an international organization. The uniqueness of the Fund is that funds it provides for civil society and other initiatives originate not just from the individual Ministries of Foreign Affairs of the Contracting Party territory where grantees live, but also from funds pooled in a relationship of trust and mutual commitment by all six Contracting Parties. This is reconciliation and trust building in action.

**All-inclusiveness** – Through direct support to a broad variety of stakeholders, the Fund creates and mobilises both the capacity and the demand for closer regional cooperation and partnerships. WBF's commitment to be an approachable grant-maker translates into an all-inclusive approach that enables less experienced actors to become champions of regional cooperation. WBF seeks to enable dialogue, build tolerance and celebrate cultural diversity and to do so beyond the technical implementation of its programmes.

**Mix of experiences** – WBF works at the intersection of governments and civil societies, and this is reflected in its team and their capacities. This allows the Fund to build its programs and drive its operations in a way that is informed by both by its founders and its constituents and is responsive to both. This is particularly useful in view of WBF's bridging role between civil society organizations and the governments in the region.

**Balance of focus and breadth** – The Fund’s broad mandate allows - indeed demands - a flexibility and agility of approach that is unrivalled by counterpart agencies, permitting it to target funds to emerging needs and challenges both tactically and strategically. At the same time, however, the Fund is consistently focused on supporting and providing opportunities for regional cooperation. This is how it achieves a uniquely beneficial balance between the consistent focus on regional cooperation and the ability (provided by its broad mandate) to contribute to cooperation from various perspectives and thus be responsive and needs based.

**Continuous learning and skills development** – The WBF’s priority is to continuously expand the knowledge and skills of both the participants of its programs and its own people in order to achieve the desired change in the best and most efficient way possible. Unusually among regional and inter-governmental funding organizations, the Fund deals with monitoring and evaluation, both as quality assurance and accountability instrument and as a vital part of learning about what regional cooperation investments work most effectively and sustainably. Uniquely among funding agencies, it is assembling a body of empirical evidence that will be invaluable in demonstrating proof of concept and assisting its Council of Senior Officials in making the case for deeper and broader investment in regional cooperation.

# Our vision and mission

The Western Balkans Fund is an international organization located in Tirana, Albania, founded by the governments of Albania, Bosnia and Herzegovina, Kosovo\*, Montenegro, North Macedonia, and Serbia. Its establishment as an all-inclusive and regionally owned initiative, is considered as a clear sign of a new cooperation spirit taking roots in the Balkans. WBF became one of the key players in the region by working closely with governments of the region and supports regional initiatives that put in practice bottom-up approach in a more transparent way. As a grant-making organization, WBF provides direct support to joint regional projects aiming to further strengthen skills of civil society in the Western Balkans and pursue regional cooperation and reconciliation via people-to-people approach.

WBF began its first investments in the Western Balkans in November 2017 with one Call for Proposal in Western Balkans region. Through the first two Calls for Proposals, WBF supported 43 regional projects for a total commitment of EUR 460,000 over two years. WBF continued with next calls in the years 2019 and 2020, while the call scheduled for 2021 is expected to be diversified and responsive to the challenges associated with the COVID-19 pandemic. The grants cover the following areas of intervention: Cultural Cooperation, Education Development and Scientific Exchange and Sustainable Development. The grants have been supported through steady commitments of the six Ministries of Foreign Affairs.

Western Balkans Fund is a vision-based and value-driven organization that works to translate the commitments of its CPs to peace, cooperation and European integration into reality for their constituents and societies through promotion of and support to regional cooperation across various sectors.

## VISION



The Western Balkans Fund envisions a region at peace with itself; prosperously integrated into its European home. It envisages a region where exchange and fruitful, mutually beneficial relations of cooperation between people at all levels and from all walks of life are the norm rather than the exception.

## MISSION



To promote (a) the development of closer cooperation and strengthening of ties between the Western Balkans Contracting Parties; (b) the integration of the Contracting Parties into the European Union and (c) a common presentation of the WBF Contracting Parties to third countries.

The philosophy of concept guiding the WBF:

- 01 Regional and cross-border programming is essential and WBF has a key bridging role to play
- 02 It is key to nurture a sustainable ecosystem composed of diverse and committed CSO's
- 03 Sustainability and regional collaboration are cornerstones of all grants to CSOs
- 04 Interconnection between areas of intervention and support to cross cutting issues are a must
- 05 Conflict sensitivity throughout the programme design planning and implementation

# The 2020 - 2024 Strategy of the Western Balkans Fund

## What we are building on

This strategic document is possible because of two key successes. Firstly, the historic success of the Fund's establishment, when the leaders of Western Balkans Six (WB6) came together to deliver on and operationalize their commitment to regional peace and cooperation. Second, the success of the effective inception phase of the Fund's operations that proved there is specific demand for the Fund's programming, as well as the effective implementation of WBF's inaugural rounds of funding for civil society projects that promote regional cooperation.

This document also builds on the organizational learning from the inception phase of the Fund's operations, the context analysis and the interviews done as part of the strategy development process.

**Learning from the context:** In an era of political, social and economic volatility, far too little investment is being made in the champions of regional cooperation and reconciliation at the community, business, academic and overall civil society level. Yet, WBF has learned that it is at this level that increased and sustained investment is needed if real momentum for regional reconciliation and cooperation is to be secured, and for tangible benefits to be gained for citizens. It is clear that the Western Balkans needs a robust, expanded and sustained investment in the capacities and activities of its regional cooperation champions at the soft connectivity level, and that this investment must be delivered and promoted. WBF in itself is a result of progress at the diplomatic level of cooperation, and the demand from civil society (demonstrated through the inception phase of its operation) shows the need for

further investments in people-to-people links, as well as the potential that civil society had to make a difference in the regional context.

**Learning from constituents:** The Fund also prominently elicited and received encouraging feedback and guidance from its constituents, the champions of regional cooperation, the civil society leaders who promoted peace, reconciliation and cooperation even when it meant swimming against the tide of the status quo. Their examples inspired and keep inspiring the operations of WBF. The experience of supporting them in the Fund's first years informed the development of this strategy.

**Learning from peers:** WBF is unique, but not alone. There are organizations in other regions who champion support to regional cooperation. Likewise, there are other actors in the Western Balkans who play a role in supporting regional cooperation and reconciliation. WBF is committed to exchange with and learn from the lessons of others, as well as to seek mutually beneficial cooperation programs to invest in its learning and increase its impact potential. The International Visegrad Fund promotes regional cooperation in the Visegrad region (V4) as well as between the V4 region and other countries. The IVF is thus an example of an inter-governmental, grant-making agency that receives and disburses funding from its governments as well as from international donors, while remaining resolutely owned and governed by the four founding states. During the planning period, the Western Balkans Fund will continue to leverage its cooperative relationship with the IVF to benefit from its experience - while holding to its values, its identity and its unique role as a regionally-owned organisation, focused exclusively on supporting the champions of regional cooperation in the Western Balkans Six. Likewise, WBF will continue regular exchanges with the Regional Youth Cooperation Office (RYCO) and other key supporters of regional cooperation in the Western Balkans.

# Overview

The principles on which this strategic plan is built are:

## ● **Regional Cooperation:**

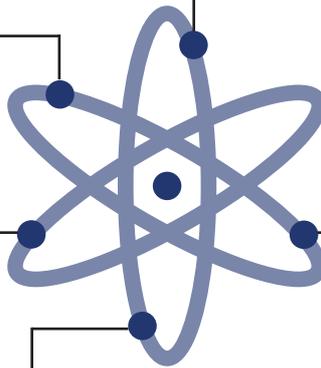
WBF exists because of the people of the region. Its mission is to provide investments in regional cooperation in such a way that they translate to tangible benefits for the people of the region.

## ● **Transparency:**

Information about activities and overall management has always been publicly available because the WBF believes that openness and accountability is very important.

## ● **People to People**

**Links:** WBF is available to all civil society initiatives of the region, regardless of their religious and/or any other beliefs, the language they use or any other personal characteristics.



## ● **Efficiency:**

The WBF strives to achieve the best possible results with the minimum resources. The principle of efficiency is, therefore, applied both in the implementation of projects and administration. The salaries paid in the WBF are in accordance with the non-profit sector's standards, while the overhead costs are kept to the minimum required for efficient operations.

## ● **Effectiveness:**

The WBF attaches great importance to achieving clear and concrete results and has developed mechanisms to monitor its work and the results of its projects. As such, this strategic plan represents the basis of cooperation between the Western Balkans Fund and civil society around the Western Balkans region, by committing the financial support of six governments in creating favourable conditions for strengthening regional cooperation.

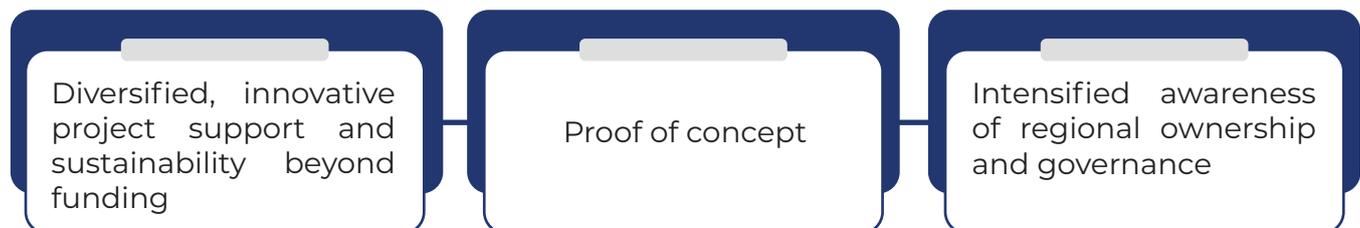
# Theory of change

The Western Balkans Fund Theory of Change emphasises that through direct support to regional projects, it can improve good neighbourly relations that can transcend geographical and cultural boundaries. This investment is yet more compelling because the funding is provided by the Contracting Parties themselves, thus demonstrating a clear commitment at the highest political level. The Fund's Theory of Change is rooted in the belief that by providing targeted, adapted grants and technical support to grassroots projects, local authorities, think tanks, civil society organisations, economic development initiatives and academia, it can creatively address regional cooperation challenges through culture, education and sustainable development.

Through direct support to a broad variety of stakeholders, the Fund creates and mobilises both the capacity and the demand for closer regional cooperation and partnership. Thus with the growing scale, visibility and acceptance of successful regional initiatives, coupled with a growing awareness that project support comes from the Contracting Parties themselves, the notion of regional cooperation will be normalised and celebrated. The Theory is rooted in the conviction that by addressing the prejudices that continue to blight the region, the Fund can aid in facilitating the reconciliation process, help overcome the legacy of the past, normalise regional projects and thus strengthen social, political and cultural cohesion within the region. This on-going investment will contribute to economic development, security, stability and to citizen-driven democracy.

# Strategic Priorities

The following strategic priorities clearly signal what the Fund will focus on during the period covered by this strategic plan, to embrace, champion and utilize its unique position to create a powerful platform for sustainable support to regional cooperation:



## Diversified, innovative project support and sustainability beyond funding

In the coming period, the Fund will direct its support to demographics and thematic areas where the opportunity for social, cultural and/or economic impact can be assured, and where needs can be tangibly and measurably addressed. The selection may focus on a demographic group based on age, location, gender, etc., including demographics who are marginalised and left behind by the rapid changes in the region. To properly address this, the Fund will organise its funding and technical assistance portfolio in such a way that permits innovative regional cooperation ideas and projects to flourish across the region, even when they are not driven by large, sophisticated organisations.

**Thematic focus:** The Fund will direct its support to specifically selected thematic areas where both pressing need and a unique support opportunity indicate that measurable impact can be delivered.

**Innovation:** The Fund will adopt a positive and pro-active approach towards innovation and will encourage innovative regional cooperation efforts in its Calls.

**Ownership:** The Fund in all its support for the champions of regional cooperation, will support life-transforming projects for people. The Fund will explicitly ensure that its beneficiaries and stakeholders genuinely own all the projects it funds. Thus, the Fund will actively seek out project opportunities that mobilize people, that demonstrate true co-ownership, that offer optimal sustainability potential.

## Demonstration of proof of concept

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The Fund will become a home for aggregated data and evidence that demonstrates the impact and value of regional cooperation on the communities it supports. It will partner with other practitioners of regional cooperation in their efforts, and simultaneously support its own governing body members in their efforts to promote the Fund in each of the Contracting Parties. This will position the Fund to learn about what type of investment yields the most tangible and enduring results, share its learning with partners, and facilitate the advocacy of its work by its Contracting Parties. To achieve this, the Fund will invest significantly in a revised, streamlined and strengthened project monitoring mechanism, so that it both simplifies administrative procedures for its grantees, and more effectively aggregates impact-monitoring data for policymakers and other partners. This will also position the Fund most effectively as an organisation worthy of investment from international funding partners.

## Intensified awareness of regional ownership and governance

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In the coming planning period the Western Balkans Fund will leverage its unique position as a proven, credible and growing regional organisation, owned and funded by its Contracting Parties, and again uniquely for the region - governed by their Foreign Ministries. The Fund will increasingly emphasise to the regional public and all its grantees that funding for their efforts is provided by their governments, and indeed that these governments are committed to bringing people together across the region. Key to this aspect of the Fund's visibility and advocacy role, the Executive Director will devote more time to the representational and advocacy function, working closely with the Council of Senior Officials to design strong policy and advocacy messages, while showcasing the successes of the broadened programme portfolio.

To deliver on its strategy and fulfil its Mission, the coming five years will be a period of consolidation, expansion, capacity investment and learning. While the latter half of the phasing plan will necessarily be adapted and modified in line with learning, experience and the evolving context, the first two to three years will focus more on consolidation and growth in terms of internal investment into staff capacities that are responsible in programme management of the Fund.

In implementing the strategy, the Fund will coordinate with its founders, its grantees and international organizations, including other key actors involved in regional cooperation and reconciliation. To ensure ownership, grants for impact, and effective coordination, WBF will expand its presence in the region through direct support to regional initiatives.

The Western Balkans Fund confirms its commitment and will to enhance the involvement of various civil society actors in its programming to improve regional cooperation through cooperation with them and provide financial and non-financial support through grant making. In this working plan the Fund aims to establish regular and structured communication with civil society sector, partnership and transparency in regional cooperation processes.

## Strategic and organisational goals and objectives

In order to provide meaningful, innovative and responsive support to its constituents and do this while facilitating the Fund's own development, growth and consolidation, this strategic plan maps out two types of strategic goals and objectives. On one hand, the strategic goal and objectives focus on maximising WBF's programmatic impact, while on another, the organizational and institutional goal and objectives focus on WBF's commitments to making itself a model of organizational excellence.

### Strategic goal and objectives

The strategic goal and objectives should enable the Fund to fully grow into an impactful supporter of regional cooperation in the Western Balkans that utilizes its unique position and informs its programs and interventions through its distinct areas of insight that set it apart from any other actor in the field of supporting regional cooperation projects.

**Strategic Goal: A responsive, context-driven, measurably high-impact regional cooperation programme**

This strategic goal will be pursued by the following strategic objectives:

**SO1** Diversified and segmented grants programme portfolio

**SO2** Targeted mentoring and coaching support to grantees

**SO3** Strengthened quality assurance, research and proof of concept

**SO4** Effective promotion, visibility and advocacy for regional cooperation

**SO5** Productive partnerships with like-minded organisations

## SO1: Diversified grants programme portfolio

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The Fund has foreseen to continue revising and strengthening its Calls for Proposals system. During the planning period, the Fund will begin to move the Call process to an online system. Efficiencies will be introduced, notably the application process will be simplified, and application procedures will be more concise. The Fund will search for opportunities on how to increase its comprehensive approach in grant management. The Fund will seek external support to diversify its grant portfolio by adapting to financial and technical support for innovative projects that bring together a wider group of stakeholders and demographics working across a wide range of themes.

The Fund will monitor the political and socio-economic context as it evolves and develops targeted grant Calls that address the critical issues of the day and support evolving Contracting Party policies on regional cooperation. In some cases, lots may be established within general Calls, to allow for smaller segmentation opportunities. New grant packages will be incorporated into the grant portfolio, including matching funds, strategic funds, etc. The Fund will thus position itself to provide a variety of grant-making facilities, including:

- **Annual Calls for Proposals** – targeting all three areas of intervention along with cross-cutting issues covering a wide range of stakeholders;
- **Strategic Grants** – targeting projects for sustainable regional cooperation, and serving the development of civil society, the improvement of mutual awareness among the WB6 societies, and the promotion of the WB6 region at a European level in line with the Fund's strategic priorities;
- **Matching Grants** – targeting on-going projects that are already being supported by other donors and that address needs in compliance with the Fund's objectives;
- **Research/Advocacy/Networking Grants** - introducing a wide range of study, research and exchange opportunities within the WB6 region and internationally both for individuals and groups. Such grants would target research bodies (policy research), internships (networking and mobility), campaigns (awareness-raising and advocacy).

## **SO2: Targeted mentoring and coaching support to grantees**

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In addition, WBF intends to play a capacity development role when suitable. The Fund's Secretariat will further develop and deliver a range of custom-made orientation and mentoring packages to accompany its funding to grantees. The Secretariat programme team has relevant expertise and may provide some of this assistance directly. However, the Fund may also bring in Experts for technical support to complement its efforts. Thus, grantees with strong project management systems, and grantees who may not yet have sufficient reporting instruments or management structures in place will all benefit from their relationship with the Fund and derive technical support that is targeted to their needs. The added value of technical assistance support will constitute a key component of future funding solicitations to prospective WBF funders.

## **SO3: Strengthened quality assurance, research and proof of concept**

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The Fund will invest in strengthening its Monitoring, Evaluation, Research and Learning (MERL) mechanism in order to ensure its investments deliver as planned, and to enable it to demonstrate which types of investment yield the most effective, scalable and sustainable results. It will continue developing the capacity of its programme staff, grantees, government counterparts, and other key stakeholders in monitoring and evaluation, data collection and management as well as analysis and learning methods. To strengthen its Proof of Concept commitment, the Fund will develop an online data management system to allow it to gather and aggregate monitoring and evaluation data in a variety of formats. The Fund will provide orientation, mentoring support, training, coaching and support to grantees as required, to optimize reporting reliability and integrity. It will also leverage its partnerships with academic institutions to ensure the development of a reliable and effective and transparent data management and interpretation system. During the planning period, the MERL system will be further adapted to accommodate the capacities and needs of different types of grantees, and thus to increase the efficiency of reporting and results management. MERL variants will be designed in 2021/22 to address the needs of less formally organised and structured potential grantees. The Secretariat will leverage its learning on MERL to consult with grantees on how they benefit from MERL, and how such benefits can be enhanced. A Grant Survey Questionnaire will be disseminated to each grantee on project closure, in order to better understand the Fund's grant management shortcomings and address them accordingly.

## **SO4: Effective promotion, visibility and advocacy for regional cooperation**

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The unique nature of the Fund as an inter-governmental organisation, will feature prominently in the Fund's promotional campaigns and information-dissemination. The Secretariat will strengthen its public relations and communications capacity to ensure that messaging is timely, appropriate and effective. It will also support the Fund's governing body in this regard, by equipping it with compelling narratives supported by statistical data about funded and technically supported projects, that demonstrate the value and impact of the Contracting Parties investment in regional cooperation. Specific objective (Proof of Concept) will feature prominently as a tool to assist the Secretariat in supporting the Council of Senior Officials in its own promotional efforts to Contracting Party authorities. During the planning period, the Fund will leverage the power of its partnerships and grantee experience to advocate for the benefits of regional cooperation:

- During the planning period, the Executive Director will be positioned to fulfil a more focused role in representing and advocating for the work of the Fund.
- Council of Senior Officials members will be enjoined to participate robustly in advocacy at a Contracting Party level and beyond, as it deems appropriate.
- Current and previous grantees will be asked to assume a more visible and dynamic role in supporting the Fund's advocacy efforts.

## **SO5: Productive partnerships with like-minded organisations**

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The Fund aims to continue enhancing consultative relationships and operational partnerships with academic institutions across the region, as well as with Think Tanks, research organisations, independent media and other funding and technical assistance organisations. It will partner with other funding organisations on initiatives where both organisations bring distinct and complementary value.

## Organisational goal and objectives

The main organisational goal will render the Western Balkans Fund a model of institutional and organisational excellence. Considerable and on-going investment in the strengthening of the organisation will be major priority, because:

- As a highly effective and efficient organisation will be positioned to deliver a high-impact programme in such a complex and challenging programming context.
- With its growing visibility, the increased scrutiny to which the Fund will undoubtedly be exposed in the media requires that its governance, leadership, management and operations function at a demonstrably exemplary level.
- The Fund demands the highest standards of delivery and accountability of its grantees, leveraging their success as part of its promotional activities. As it demands the highest standards, it must be positioned to demonstrate that it also operates to the highest standards.
- As a regional organisation, the Fund acts solely on behalf of its Contracting Parties. It can only merit their on-going trust and confidence by demonstrating its unshakeable commitment to its Mission, and to the demonstrable implementation of the highest operational standards.

**Organisational Goal: Establish an institutional model of accountability and sustainability.**

The organisational development goal will be pursued by the following organisational development objectives:

**ODO1** Strengthened management structure and HR systems

**ODO2** Diversified & increased funding, supported by an explicit funding policy

**ODO3** Increased capacity of Secretariat staff to deliver optimally

**ODO4** Exemplary governance and oversight systems

## **ODO1: Strengthened management structure and HR**

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A revised management structure will be initiated during the planning period, reflecting the growing portfolio and the growing complexity of the programme. Job description and responsibilities of the Secretariat staff will be redesigned to permit the introduction of an effective human resource management performance measurement system. Additional specialist staff will be recruited to complete the Fund's team, and to permit Secretariat specialists to focus increasingly on the professional areas where they bring particular skills and capacity to the programme portfolio. A Deputy Executive Director will be recruited in order to share the burden of representation, leadership and overall programme management. The role of the Executive Director will be adapted to emphasise the diplomatic, promotional and representational and advocacy role, while shifting operational responsibility to the Deputy and senior Secretariat staff.

## **ODO2: Diversified and increased funding, supported by an explicit funding policy**

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In close cooperation with the Council of Senior Officials, the Secretariat will launch and strengthen a funding diversification process during the coming planning period. Careful attention will be paid to ensure that all prospective funders of the Western Balkans Fund appreciate that they are supporting a regionally owned and governed intergovernmental organisation where the primacy of the Fund's governing body is inviolate. Thus the Fund will reach out to potential funding partners within Europe and beyond, while ensuring that its cherished autonomy as an intergovernmental organisation is preserved, and the supremacy of its governance is maintained.

The Fund will also seek to increase the contributions of its six-member Contracting Parties to ensure the growth of the programme and the strengthening of its organisational structure and systems, proposing a significant increase in funding from 2022 onwards.

## **ODO3: Increased capacity of Secretariat staff to deliver optimally**

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The Fund will continue to invest in developing and strengthening the capacity of its Secretariat team, focusing particularly on reinforcing and extending its coaching and mentoring skill development, training staff in the use of instruments such as quickbooks, online grant management software, archive and knowledge management, public speaking and public relations management. Further, the Fund will conduct a review of the remuneration package currently provided to international staff working within the Secretariat. In the coming two years, additional, specialist staff will be hired to ensure that the WBF's programme strategy can be successfully achieved. The current performance management system will be reinforced through a revision and reshaping of all professional positions.

More strategically focused job description for all staff will reinforce current contract-based job outlines, and the gradual introduction of a good practice personnel supervision system rooted in a Management by Objectives instrument.

## ODO4: Exemplary governance and oversight systems

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During the planning period, the Council of Senior Officials will be technically supported in its efforts to provide good practice governance, and exemplary support and oversight to the Executive Director. The Council will set aside time to reflect on its own performance and to set governance performance guidelines. Further, a good-practice Governance Manual will be developed during the planning period in order to enshrine good governance, as well as to ensure a legacy of good practice to new Council members when they join the Council of Senior Officials. The Council of Senior Officials will function more formally within the planning period. From 2020 onwards, all CSO meetings will operate to good practice standards, with advance agendas, pre-meeting briefings between the Executive Director and the Chair, voting acceptance or revision of the Minutes of the previous meeting, and Minute-taking of all meetings, focusing on the decision taken. Minutes will be taken by a staff member of confidence, not a CSO member or by the Executive Director. A good practice Board Manual will be introduced in 2021 to enable newly recruited CSO members to take up their governance responsibilities from a well-informed perspective.

Thus, the institutional memory of the Fund will be preserved and available to the entire organisation. A governance Code of Conduct will be introduced in 2021. Every year the CSO will be invited to participate in a strategy review retreat with key Secretariat staff in order to refresh the strategy and set the organisation on an appropriate path for the following year.

## Phasing of the Plan

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The coming five years will be a time of phased programmatic consolidation and growth. Year 1 of the strategy will focus on continuity at the programme level, while preparing the organisation for programme expansion and growth in Year 2 and beyond. 'Diversified' Calls and awards will take on a more focused and specific character, inviting proposals from grant-seekers and potential awardees who are focused on activities that are determined by the Secretariat and the CSO as being of priority social, political, economic, cultural or indeed demographic significance in the current context. The Secretariat will make these recommendations on the basis of a rolling context and risk analysis. By identifying pressing problems that get little attention, the Fund will seek instruments and mechanisms, by applying a proactive approach, to allow a quick response, out of ordinary Calls; either through a grant or a policy paper, memorandum of cooperation, or a contract. This will require a more flexible approach, giving more space for decision to the Fund's management.

Thus, a tactical element will be introduced into the strategy, allowing the Secretariat to target particular regional issues of concern as they emerge across the five-year planning period. From its Calls in 2021 and in all aspects of its revised and strengthened grant management system, the WBF will more actively and overtly indicate that its support is intended to go beyond the notion that regional cooperation is an intrinsically good thing, or that, provided the proposed project reaches across Contracting Party boundaries, it will qualify for the Fund's interest and commitment. In their design, implementation and reporting, General and diversified Calls for Proposals and implementation records will have to demonstrate that the concerned project or initiative is having - or has had - a tangible impact on Knowledge, Attitude and Practice, how such impact will endure, and how it can be scaled up.

## Managing and mitigating the risks of change

The Western Balkans Fund strategy comes with an awareness of risk and the need to mitigate risk whenever possible. The table below indicates how the CMFA, the CSO, the Executive Director and the Secretariat staff will work together to mitigate such risks in order to achieve smooth and effective strategy transitions at the programmatic and organisational level.

Risk	Level	Potential Impact	Mitigation measures
Restrictions to mobility and people-to-people contacts	High	Decreasing demand for regional cooperation; loss of civil society ecosystem favourable to regional cooperation	Adapt WBF's grant schemes to the challenges posed by the pandemic and ensures that WBF contributes to the sustainability of civil society organisations
Public health and security risks	High	Participants to WBF-funded activities exposed to public health risks	The Secretariat will continue to carefully monitor the regional situation and adapt its programming accordingly. A contingency plan specific to each WBF funded project will be developed to ensure that all risks are considered, and mitigation strategies are appropriately designed. Mitigation measures will include flexible programme design that can be adapted to evolving dynamics.
High turnover of CSO members.	Medium	Loss of institutional memory, decision-making efficiency and overall governance coherence. Loss of support from Contracting Parties	WBF will keep sustaining and building new relationships with both politically appointed government officials and civil servants working on regional cooperation process to secure political buy-in and programme continuity WBF will also design a rotation and CSO renewal schedule and propose it to the CMFA

Overly rapid or insufficiently well-managed pace of organisational and programmatic change.	Medium	Destabilisation of programme, and overall programme quality losses; loss of autonomy and loss of governance supremacy by the Contracting parties	Continue to pay attention to sequencing of organisational change; ensure that cooperation agreements with new funding partners are mindful of the primacy of regional ownership and systematically contribute to WBFs internal development.
WBF's grant-making is not responsive to the evolving needs of the region	Medium	Decreasing demand for regional cooperation; loss of civil society ecosystem favourable to regional cooperation	The design of WBF's grant-making will be informed by regular high-quality context analysis and by the findings generated through WBF's monitoring and evaluation framework. WBF will undertake regular consultations with its stakeholders
Insufficient financial support to WBF	High	Insufficient ability to meet demand for regional cooperation; decrease of programmatic quality; staff turnover	Design a WBF external funding policy document and agree on it with the CSO. Present the Fund as an operational partner to selected funders of regional cooperation
Financial risk	Low	The fluctuation of WB currencies against the EUR negatively affect WBF's grantees; Less experienced grantees struggle with administrative and financial management of the grants	To mitigate this risk, WBF will work closely with grantees to monitor the fluctuations of currencies and make necessary changes to the work plans and budgets if necessary. WBF will continue to a) provide grantees with a clear set of financial management guidelines and templates that are regularly updated to respond to lessons learned and changes in the grantee environment; b) use every opportunity to meet with grantees during the grant implementation, to enhance the capacity of grantees to manage WBF funds

# Annex 1: WBF Founding Agreement

## AGREEMENT CONCERNING THE ESTABLISHMENT OF THE WESTERN BALKANS FUND

The Governments of the Republic of Albania, Bosnia and Herzegovina, Kosovo\*, the Republic of Macedonia, Montenegro and the Republic of Serbia, (hereinafter referred to as the "Contracting Parties"),

Guided by the provisions of the Western Balkans Joint Statement signed on 31 October 2014 in Bratislava,

HEREBY AGREE AS FOLLOWS:

### Article 1

The Western Balkans Fund (hereinafter referred to as the "Fund") with its seat in Tirana is hereby established.

### Article 2

The Statute of the Fund is hereby adopted and shall constitute an annex hereto.

### Article 3

This Agreement and its annex thereto may be amended in writing by the consent of all Contracting Parties.

### Article 4

1. This Agreement shall be opened for signature by the Contracting Parties.
2. This Agreement shall be adopted pursuant to the relevant legislation of each Contracting Party and shall enter into force as of the day on which the last instrument certifying adoption hereof is deposited with the Government of the Republic of Albania, acting as the Depositary.

### Article 5

The Government of the Republic of Albania, acting as the Depositary, shall notify all Contracting Parties of the deposit of all instruments certifying adoption, the entry into force hereof, as well as of any other facts connected with this Agreement.

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\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of independence.

**Article 6**

1. Each Contracting Party may withdraw from this Agreement at any time by written notification to the Depository, which shall then transmit a certified copy of that notification to each Contracting Party.
2. Withdrawal shall take effect six months from the date on which the notification was received by the Depository.
3. The dissolution of the Fund in accordance with the Fund Statute shall constitute termination of this Agreement in its relations with all other Contracting Parties.

**Article 7**

1. The Government of Albania shall act as Depository of this Agreement.
2. The original of this Agreement in a single copy in the English language shall be deposited with the Depository which shall transmit a certified copy to each Contracting Party.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement

Done at Prague, on the thirteenth day of November in the year two thousand fifteen in a single original in the English language.

**Republic of Albania:**

**Bosnia and Herzegovina:**

**Kosovo\*:**

**Republic of Macedonia:**

**Montenegro:**

**Republic of Serbia:**

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of independence.



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