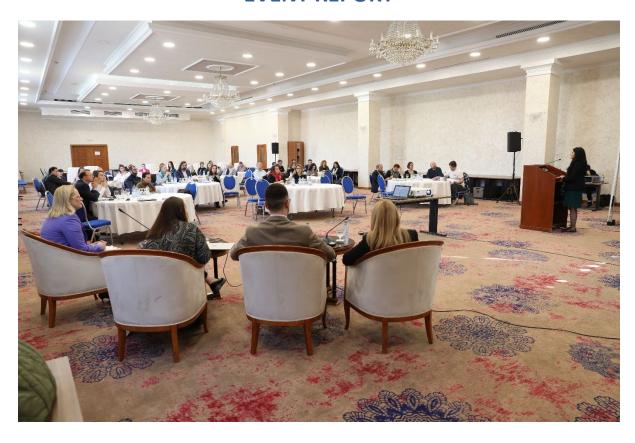# Third Annual FSTP Community of Practice Meeting

6 – 7 November 2024, Skopje, North Macedonia

EVENT REPORT

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Introduction

The last Annual Live Meeting of the FSTP Community of Practice under the EU TACSO 3 project was dedicated to reflecting on how CSOs from the Western Balkans and Türkiye, acting as the FSTP implementors, have changed over time, adapting to their new role in managing sub-grants under EU funded projects.

The Meeting was organised in Skopje, North Macedonia, on 6 – 7 November, gathering 55 participants (39 female, 16 male) representatives of FSTP implementors, including several sub-grant recipients.

The development process will continue through exchanging information and experience within the LinkedIn group of the FSTP Community of Practice and follow-up online meetings that will be organised in the last year of the EU TACSO 3 project. Resource materials from the event are available in the online library.

Opening speeches and plenary

The event was opened by **Ms Irena Ivanova, Task Manager from the Delegation of the European Union to North Macedonia**, who emphasised the important role of the FSTP in strengthening outreach to local communities and capacity building of final beneficiaries, smaller organisations receiving funds but also organisations acting as FSTP implementers who had to invest significant efforts in building their grant management policies and procedures but also equipping the staff with required knowledge and skills.

In the opening panel discussion, **Ms. Fjola Spanca from Albanian Women in Audiovisual (AWA)** discussed organisational challenges associated with adopting new practices.

> *"We were aware of the strength of the FSTP in reaching out to young people and giving voice to the voiceless. However, we struggled with designing the youth-friendly application process."*

Thus, they invested in targeted training for their staff, which helped them build confidence in designing a strategy for approaching youth CSOs. This resulted in developing the master-class programme for interested organisations, which were then capable of creating high-quality applications. AWA also invested additional funds in strengthening the finance manager position, which is a highly important role of each FSTP team.

Within the same panel, **Ms. Ana Dešić and Mr. Damjan Mileusnić from Partners Serbia** shared their experience adapting the organisational structure to meet FSTP requirements. Their approach centred on establishing clear and transparent processes, including the importance of accessible communication information sessions to help applicants understand the FSTP program. They also worked

on strengthening monitoring efforts and conducted workshops to train evaluators, ensuring consistency and fairness in the evaluation process. In the future months, they will work on implementing structured financial reporting timelines to maintain accountability.

In their journey as FSTP implementers, *Albanian Women in Audiovisual* and *Partners Serbia* both navigated significant organisational transformations, each with its own unique approach and challenges. For *Albanian Women in Audiovisual,* a relatively young organisation focused on media, journalism, and youth, the shift to FSTP felt daunting, initially described as a "feeling of being naked." Facing issues like hate speech against women and youth migration, they found critical support in targeted training, which helped build their confidence and capacity. This transformation allowed them to give voice to the voiceless, reaching out to young people unfamiliar with CSOs through masterclasses and other engagement strategies. They focused on hiring relevant experts, making their application processes youth-friendly, addressing gender gaps in applicant and leadership demographics, and adapting their internal practices for more flexibility and inclusivity.

Partners Serbia, also adapted its organisational structure to meet FSTP requirements, but their approach centered on establishing clear and transparent processes. Recognizing the importance of accessible communication, they organized information sessions to help applicants understand the FSTP program. They also hired an external expert to strengthen monitoring efforts and conducted workshops to train evaluators, ensuring consistency and fairness in the evaluation process. Geographical coverage was a key priority for *Partners Serbia,* as they aimed to reach diverse communities, and they implemented structured financial reporting timelines to maintain accountability.

Both organisations have evolving plans. *Albanian Women in Audiovisual* will continue refining their support strategies for applicants, with an eye toward fostering inclusivity and addressing gender gaps in leadership roles. Meanwhile, *Partners Serbia* is committed to enhancing its rigorous monitoring and evaluation systems to further increase transparency and reach. Their shared commitment to flexibility and transparency in the FSTP process highlights a thoughtful approach to community engagement and grant distribution.

The experience shared in the panel guided participants through the breakout sessions, at which examples from the FSTP practices were discussed, including the organisational transformations of the FSTP implementers and the effects of change already visible at the level of sub-grant beneficiaries.

Breakout sessions on practical examples of organisational changes

BS1: Harnessing Digital Transformation and Good Governance in FSTP: A Case Study of Foundation Mozaik's Grant Distribution Model by Mr. Dženan Šarić, Director of Cooperation and Development, Foundation Mozaik

During the breakout sessions on examples of the effects of the FSTP on the organisational development of FSTP implementors, Mr. Dženan Šarić, from Foundation Mozaik in Bosnia and Herzegovina, presented a digital tool they developed to ensure the entire grant-making process respects good governance principles.

"Building a supportive and adaptive organisational culture has been a priority for Mozaik, achieved through communication retreats, team-building activities, and professional development programs. We incorporated methods like RACI, Adizes, and LEAN to instil a mindset focused on efficiency and innovation. This culture shift has been integral to our success in navigating digital change and fostering a shared vision."

Mr. Šarić shared insights into how his organisation has embraced digital transformation, not as a purely technical shift but as a profound organisational change. For Mozaik, digital transformation meant adopting new practices and a mindset that could scale efficiently. This was especially important given their partnership with 50 municipalities and management of around 600 grants, all coordinated by a lean finance team.

In their quest to expand the Youth Bank program and increase grantee numbers across communities, Mozaik grappled with the challenge of balancing efficiency and effectiveness in grant evaluation. Handling hundreds of applications and invoices underscored the need for streamlined processes, which digital tools helped address. To stay responsive to changing needs, Mozaik adopted an Agile approach, allowing the organisation to pivot strategies based on real-time feedback and outcomes. They even created a dedicated innovation department, exploring startups and establishing separate legal entities to try new ideas and methods.

Building a supportive and adaptive organisational culture has been a priority for Mozaik, achieved through communication retreats, team-building activities, and professional development programs. They incorporated methods like RACI, Adizes, and LEAN to instill a mindset focused on efficiency and innovation. This culture shift has been integral to their success in navigating digital change and fostering a shared vision.

In terms of governance, Mozaik has leveraged tools like Microsoft Dynamics and engaged local communities in decision-making, which strengthens their governance of public funds and makes processes transparent and accessible. Besides, transparency remains a guiding principle, with financial, operational, and organisational openness being central to Mozaik's commitment to good governance. This transparency fosters trust and accountability, reinforcing Mozaik's reputation as a responsive, community-centered grant distributor.

This session highlighted how Mozaik's holistic approach to digital transformation has strengthened its capacity to manage grants efficiently while remaining flexible, innovative, and transparent in all aspects of governance.

In the discussion session, the participants highlighted the importance of optimizing resources and using open-source solutions, minimizing dependency on specific vendors while maintaining flexibility. It was also emphasized having in-house IT expertise is invaluable for navigating the digital landscape smoothly.

BS2: The challenges of a FSTP implementation when working with different donors by Ms. Ivana Velkova, Director of ALDA Skopje

The breakout session focused on the experience of implementing financial support for third parties (FSTP) and the practical organisational changes that can enhance the effectiveness and sustainability of FSTP projects. Ms. Velkova opened the session with an overview of ALDA's role in the Balkans, discussing the recently launched BOOST Project and its regional grant component.

The session stressed the importance of an internal strategy for FSTP that managers can share and implement. This includes action plans, Gantt charts, and internal tools, mainly digital, created with the purpose of improving accountability.

Capacity building of subgrantees includes helping subgrantees improve their internal procedures, skills, and organisational resilience. Also, this includes developing simplified templates to ease the sub-grantee process, thus focusing energy on fieldwork rather than procedural complexities.

This session underlined the essential role of capacity-building, simplified processes, strategic planning, and transparency in improving FSTP effectiveness, fostering more resilient and impactful CSOs, and ensuring that administrative burdens do not impede project goals.

Breakout sessions: Effects on change

Two sessions were organised to discuss the visible examples of the changes at the organisational and community levels due to the FSTP support provided. The breakout sessions also reflected on the main struggles of the FSTP beneficiaries when implementing FSTP-funded projects and the effects of the application of the horizontal aspects into FSTP approaches and supported projects.

BS1: Effects of the "Ortaklaşa" (Jointly) programme on the transformation of municipalities' culture and arts policies by *Mr. Ayberk Çelikel from Istanbul Foundation for Culture and Arts (IKSV)*

At the sessions dedicated to the effects of changes already visible at the sub-grantee level and level of local communities, Mr. Ayberk Çelikel from the Istanbul Foundation for Culture and Arts (IKSV) talked about the positive effects of the "Ortaklaşa" (Jointly) programme on the transformation of municipalities' culture and arts policies including:

- Production of common cultural and artistic actions and studies resulting from cooperation among cultural CSOs and municipalities.
- Improvement of local artistic and cultural scene, resulting in equal access to arts and culture.
- Providing new and/or improved spaces for artistic and cultural activities, encounters and collaboration.
- Projects recommending or establishing mechanisms to include CSOs in the local cultural planning and decision-making processes.
- Establishment of formal and/or informal dialogue and consultation mechanisms to promote the interaction between cultural CSOs and municipalities at local level.

BS2: Strengthening of the rural territorial partnerships by applying the EU LEADER approach by *Mr. Dragan Roganović, Network for Rural Development of Serbia*

Mr. Dragan Roganović from the Network for Rural Development of Serbia presented how the rural territorial partnerships where strengthened implementing the FSTP and applying the EU LEADER approach.

> "When we have introduced indicators tied to community-defined goals, this helped us assess the broader impact of local development strategies on social inclusion and economic resilience," emphasised Mr. Roganović in his presentation.

Wrap-up focusing on the Financial Support to Third Parties (FSTP) impact on communities, organisations, and beneficiaries within the Leader approach:

- Community Empowerment and Engagement: FSTP has driven participatory local development by funding initiatives that meet specific community needs, empowering local groups to take active roles in addressing issues like youth inclusion, women's leadership, and intersectoral cooperation.

- Enhanced Organizational Capacities: Through FSTP, organizations have strengthened their management skills, improved transparency, and adopted better planning and impact assessment practices. The added capacity helps organizations sustain long-term community impact and adapt to new challenges.

- Improved Project Execution for Beneficiaries: Beneficiaries of FSTP support have benefited from clear guidelines, mentorship, and simplified procedures, which facilitate more efficient project delivery and ensure compliance with funding requirements. This structured support also reduces administrative burdens, making it easier for beneficiaries to focus on community impact.

- Increased Advocacy and Influence: FSTP has enabled organizations to engage more effectively in advocacy, supporting initiatives like rural policy forums that connect local stakeholders with governmental bodies to address structural challenges in rural development.

- Building Sustainable Networks and Partnerships: The FSTP framework has fostered robust partnerships across CSOs, LAGs, and public institutions, laying the groundwork for sustainable, community-led projects that continue to benefit local populations beyond individual project timelines.

In the continuation of the event, the participants networked and exchanged their views on further developing FSTP practices. Thus, the second day of the event was dedicated to capacity-building approaches in FSTP implementation.

Breakout sessions: Efficient capacity-building approaches in FSTP implementation

BS1: BİRLİKTE Institutional Development Model and Self-Assessment, which also outlines the steps to be taken by CSOs for gender mainstreaming *by Mr. Çağlar Yenilmez, BİRLİKTE*

Mr. Çağlar Yenilmez from the BİRLİKTE project presented approaches to efficient capacity building and mentorship within the Birlikte project, which supports CSOs with comprehensive institutional development strategies. The project includes core grants which allow CSOs to cover essential expenses such as rent, utilities, and salaries without restrictive conditions, enabling them to focus on sustainability and organizational development. It also includes a mentorship program that pairs organisations with mentors who guide them through a structured,

iterative self-assessment process. Mentorship ensures that CSOs are not only self-evaluating but are engaging in a meaningful reflection process that leads to practical action plans.

Furthermore, Collective Learning Hubs are established as spaces for shared knowledge and experiences, facilitating collective problem-solving and skill-building among participant CSOs.

Mr. Yenilmez presented the Self-Assessment Tool in detail, which is a cornerstone of the capacity-building approach. The tool includes 75 targeted questions assessing various aspects of organisational function, such as risk management, governance, and gender mainstreaming. The self-assessment is repeated three times over a two-year period to track progress and guide improvements. The process is not intended as a mere checklist but as a flexible framework adaptable to the unique needs of each organisation.

Among the main challenges Identified in applying this approach is identified the following:
- Resource and Time Constraints: Organizations need to dedicate significant time and personnel to complete assessments and implement action plans.
- Performance Anxiety: Scoring mechanisms sometimes induce stress within organisations striving for high marks.
- Role Diversity: Ensuring diverse perspectives (board members, staff, volunteers) are represented during assessments to get accurate feedback.
- Terminology Resistance: Rights-based CSOs sometimes resist business-oriented language, impacting engagement in processes like human resources management.

Key Takeaways for Sustainability:
- Building Organizational Memory: Introducing documented systems and procedures (e.g., financial protocols, anti-violence policies) to ensure continuity and institutional stability.
- Strategic Planning: Encouraging organisations to adopt flexible long-term plans that help maintain direction despite external challenges such as economic volatility or political events.
- Pilot Initiatives: STGM conducted its own internal assessments to fine-tune tools before wider implementation, reinforcing the importance of practice-based refinement.

BS2: Experience of MasterPeace in building capacities of grass-roots organisations in 45 countries by *Ms. Njomza Berisha, Regional Coordinator of MasterPeace Global Foundation*

The foundation promotes peace and collaboration through art, utilising non-formal education as a core methodology to engage and empower local organisations through art, including the use of arts, dance, and festivals to foster participation and strengthen community ties. It also encourages networks among stakeholders to enhance communication and mutual support while focusing on capacity building for sub-grantees through mentorship and shared learning experiences.

To date, they notably succeeded to achieving:
- Managed 99 sub-grantees with grants ranging from € 400 to € 1,000, ensuring ownership and accountability at the grassroots level.
- Implemented innovative projects, such as the Stafed project in Albania, which promoted youth development through artistic initiatives.
- Fostered regional solidarity by connecting clubs from different countries to share expertise and strengthen collaborative efforts.

Key methodologies they apply:
- Non-Formal Education: Training methods include interactive workshops and peer-to-peer mentorship, which are more accessible and adaptable.
- Doughnut Economics and Activism: Empowering organisations to merge economic sustainability with social activism, using art as a medium for change.

Sustainability and Challenges:
- No Major Challenges Noted: The foundation's structured yet flexible approach helped mitigate significant issues, with a strong focus on maintaining the originality of sub-grantee projects.
- Inclusivity and Knowledge Sharing: Encouraged organisations to share capacities, such as gender analysis expertise, ensuring collective growth.
- Communication and Coordination: Utilized tools such as WhatsApp and held monthly online meetings to maintain connections and cohesion across regional clubs.

Success Stories and Impact:
- Clubs supported by the foundation demonstrated resilience and adaptability, fostering regional cooperation without barriers.
- The Peace Day celebrations highlighted the foundation's commitment to global unity through a series of synchronised events.

Lessons Learned from Both Sessions:

- **Mentorship** is vital for guiding organisations through structured self-assessment and implementation phases.
- **Tailored, flexible tools** empower organisations to adapt their processes to their specific contexts, fostering sustainable growth.
- **Cross-regional collaboration** strengthens the resilience of CSOs and contributes to cohesive regional development.
- **Strategic documentation** and transparent decision-making processes are crucial for long-term sustainability.
- **Inclusivity in approaches**, such as gender mainstreaming and accessibility, can significantly enhance the effectiveness of programs.

The sessions underscored that successful capacity building relies on structured yet adaptable frameworks that support continuous learning and collaboration. Both STGM and the Masterpiece Global Foundation emphasized the importance of mentorship and shared experiences as key drivers of sustainable organisational growth. The importance of long-term planning, transparency, and strategic resource use emerged as recurring themes crucial for resilience in the face of challenges.

Presentation of the EU Civil Society Funding Support Database *by Mr. Richard Allen, EU TACSO 3 Team Leader*

This session provided insights into the extensive activities undertaken by the TACSO project, emphasising its support for the FSTP (Flexible Support to Partners) community of practice and the broader CSO landscape. Discussions ranged from data tracking to governance insights, focusing on sustainability, VAT exemptions, and regional cooperation.

Key Points and Presentations:

1. TACSO Project Overview and Goals:
   o TACSO 3 is set to conclude in June next year, focusing on consolidating existing work, supporting CSO communities, and transitioning knowledge to potential future projects like TACSO 4.
   o Emphasis on organizing online meetings due to limited capacity for live events, with this session marked as the last live event under the current TACSO phase.
   o Continued support and material handover to subsequent projects to ensure a seamless transition.
2. Database Development for EU Civil Society Funding:
   o After years of planning and negotiations with Brussels, a comprehensive database for tracking EU civil society funding and sub-grants has been developed.
   o The database, inspired by the Eastern Partnership's TAMIS system, enables better oversight of EU grant allocations and sub-grants, addressing previous gaps in tracking fund recipients.
   o Initial data has been inputted, and cleaning/verification processes are underway, ensuring accuracy and usability. Sub-grant data collection will involve organizations filling in simplified spreadsheets with essential details (e.g., recipients, amounts, focal areas).
3. Importance of Gender and Data Categorization:
   o Concerns were raised about accurately tracking gender equality as both a key and cross-cutting issue. The current system allows categorization based on project descriptions and titles, albeit with recognized data limitations.
   o Experimental use of AI for data categorization has been introduced to enhance the accuracy and reliability of information.
4. VAT Exemption Guide:
   o A newly published VAT exemption guide is available online to support CSOs in navigating complex VAT regulations.
   o The guide includes practical advice and a "lessons learned" section to aid regional and cross-border projects. The guide will be regularly updated in response to rule changes, such as those anticipated in Albania.
5. Promoting Success Stories:
   o The TACSO project team is collecting and promoting impactful success stories from CSOs on their website and social media. Submissions are encouraged to highlight noteworthy projects that have driven positive community changes.
6. Governance and Research Initiatives:
   o Research on CSO governance is ongoing to bridge the gap between theoretical knowledge and practical governance needs.
   o The annual assessment of civil society in the region is aligned with the EU Guidelines on Support to Civil Society in the Enlargement Region (2021-2027), contributing to structured evaluations in EU progress/country reports.

- o New deep-dive studies are planned, focusing on sustainability, constituency, and human resource management.
7. Strategic Mentoring and Government Support:
   - o Six organizations are currently supported through strategic mentoring, pairing them with expert mentors to enhance their capacity.
   - o Ongoing projects in Kosovo and Albania include promoting transparency of public funding and supporting the development of government-CSO cooperation strategies.
8. Interactive Discussion and Wrap-Up:
   - o Participants were invited to provide feedback on what further knowledge or support they require and to contribute to discussions that will shape future TACSO phases.
   - o Strategic priorities for the next six months include online workshops, knowledge sharing, and continuous community engagement.

Participant Reflections and Questions:

- The value of the database was discussed, including its potential for advocacy and research. Questions arose regarding data accessibility, with assurances that while the database is not public, data requests can be addressed subject to GDPR and fairness considerations.
- The importance of transparency in government funding was highlighted, noting Kosovo's exemplary public database as a model that other regions could emulate.
- Participants also mentioned the strategic utility of semi-public access to project data for relevant organisations, suggesting balanced approaches for future projects.

Conclusion:
The session emphasised the critical role of data tracking, regional cooperation, and transparency in strengthening CSOs. The tools, guides, and ongoing research presented aim to bolster the capacities and sustainability of CSOs in the region. Continued feedback and collaborative input are essential to refining these efforts and ensuring their relevance for future initiatives.

Envisioning the Future of the FSTP Community of Practice

These new insights have inspired participants to discuss different views and approaches to managing FSTP-related projects and explore the possibilities of the new capacity-building support needed for FSTP implementors and sub-grant recipients.

The continuous investment in understanding the donor requirements is assessed as needed regarding the further development of the FSTP implementors and continuous work on developing the FSTP procedures applicable to the needs and capacities of the target group.

"It was a privilege to share the panel with you and our colleagues. You are always a source of wisdom, passion, and inspiration, bringing out the best in others and spreading positivity wherever you go." stated Ms. Fjola Spanca from AWA in her follow-up note to the event.

The development process will continue through exchanging information and experience within the LinkedIn group of the FSTP Community of Practice and follow-up online meetings that will be organised in the last year of the EU TACSO 3 project.

Evaluation of the event

Twelve participants provided their feedback through an online questionnaire sent to them in follow-up to the event.

The participants were delighted with how the event addressed their needs and capacities, focusing on the practical aspects of FSTP implementation and sharing best practices. They were also very positive about the organisational and logistical aspects of the event, including the duration of the sessions and the prior information received.

The information, knowledge, and experience I gained at this event have provided valuable insights for improving internal processes and enhancing the development of existing projects.

We observed the practices of other organisations related to capacity building in the FSTP process that we will implement in future projects.

I have met many people with whom we can work together in the future who share the same values and have common goals. We can collaborate on projects and share our contacts, allowing us to stay in touch in the future.

I previously attended a training in Pristina in April 2024, where I gained a basic understanding of FSTP. However, this event allowed me to expand it further. The experiences of other organisations motivated me to actively work on creating the foundation for the FSTP in our organisation. I have a better understanding of how FSTP approaches can be adapted to different organisational structures and needs, which is crucial for our future work. Training provided me with additional insights into building capacities and procedures within the organisation, with an emphasis on best practices from both the region and my country. This step forward in my professional development also prepared me for future challenges in this area.

Participants also shared ideas on how such events can be improved, emphasising they would like to strengthen the practical approach by having short workshops instead of panels. Additionally, they would like to expand the topic of finance and work on program and finance case study examples.

> *It has been a great experience! I met lots of new, enjoyable, and experienced people throughout these events. In the end, I think it is the great aim of the programme to link people and experiences which last beyond the events. I have one suggestion, perhaps, for the next TACSO 4.*
>
> *To strengthen community bonds, consider creating a mentorship network for FSTP members who could serve as guides for newcomers and share their insights. Thank you for everything! I look forward to new events.*

Annexes

Relevant documents to which the report is referring, including the agenda of the event and presentations from the breakout sessions, are available at the EU TACSO 3 library.