



Governance Accountability Project  
Projekat upravne odgovornosti



# GOVERNANCE ACCOUNTABILITY PROJECT, PHASE II (GAP2)

## NINETEENTH QUARTERLY PROGRESS REPORT

For the period July – September 2012

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Koninkrijk der Nederlanden

# GAP2

## *Excellence in Local Governance*

“With dedication and expertise, promoting excellence in local governance now and for the future.”

# GOVERNANCE ACCOUNTABILITY PROJECT, PHASE II (GAP2)

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## LIST OF ACRONYMS

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CDMA	Capacity Development Municipal Association, a Sida-funded project
CDPC	Community Development Planning Committee
CIP	Capital Improvement Plan (or Planning)
CIPS	Citizen Identification Protection System (BiH government body; after Fall 2008 named IDDEEA)
CPF	Capital Projects Fund
COE	Council of Europe
CSC	Citizen Service Center
CSPC	Civil Society Promotion Centre
DfID	UK Department for International Development
EC	European Commission
EKN	Embassy of the Kingdom of the Netherlands in Bosnia and Herzegovina
FBiH	Federation of Bosnia and Herzegovina
GAP2	Governance Accountability Project, Phase II
GIS	Geographic Information System
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (the technical assistance agency of the Federal Republic of Germany)
GRB	Gender responsive budgeting
IABS	Integrated Accounting and Budgeting System [Software]
IDDEEA	Agency for Identification Documents, Registry and Data Exchange of BiH (former CIPS)
ILDLP	Integrated Local Development Project, a UNDP/Swiss Development Agency Program
IPA	EU Instrument for Pre-Accession Funding
ISO	International Organization for Standardization
IT	Information Technology
JMC	Joint Management Committee (USAID, Sida, EKN)
KRA	Key Results Area
LAN	Local Area Network
LEAP	Local Environmental Action Plan
LED	Local Economic Development
LI	Local Interventions
LSG	Local Self-Government
MA	Municipal Assembly (in the RS)
MAP	Municipal Action Plan
MC	Municipal Council (in FBiH)
MCI	Municipal Capacity Index
MOF	Ministry of Finance
MOJ	Ministry of Justice
MOLSG	Ministry of Local Self-Governance (RS)
MOU	Memorandum of Understanding
MTS	Municipal Training System Project, a UNDP/Sida project
MZ	Mjesna Zajednica (local community), a subdivision of a municipality
NGO	Non-Governmental Organization
OCR	Optical Character Recognition
OSCE	Organization for Security and Cooperation in Europe

OHR	Office of the High Representative
P-BMP	Performance-Based Monitoring Plan
PCM	EU-standard Project Cycle Management
PERA	Peoples' Empowerment in Rural Areas, a Sida program
PPP	(MS) Power Point Presentation
POI	Public outreach initiative
RS	Republic of Srpska
RSNA	Republic of Srpska National Assembly (parliament)
Sida	Swedish International Development Cooperation Agency
SIPU	Swedish Institute for Public Administration
SNV	Netherlands Development Network
SOW	Scope of Work (or Statement of Work)
SOGRS	Association of Cities and Municipalities of Republika Srpska
STTA	Short-Term Technical Assistance (or Short-Term Technical Advisor)
TA	Technical Assistance
TARA	Tax Administration and Reform Activity, a USAID program
TCN	Third country national
UI	Urban Institute
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
UPC	Urban Permitting Center
UPP	Urban Planning and Permitting
USAID	United States Agency for International Development
VNG	International Cooperation Agency of the Association of Netherlands Municipalities
WG	Working group

## EXECUTIVE SUMMARY

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As GAP2 begins to wind down, this reporting period marked the conclusion of a number of the project's activities, particularly in the local interventions component. GAP2 also hosted three closeout events—two regional conferences (in Sarajevo on September 17-18 and in Banja Luka on 24-25) for municipal officials from partner and non-partner municipalities throughout BiH as well as a final ceremony/conference in Sarajevo on September 28 for donor representatives and mayors of partner municipalities. The events provided GAP2 an opportunity to recognize the donors, partner municipalities, and project staff on the numerous achievements and impact made over the last five years and to share experiences, lessons learned, and recommendations for future reform with a broad range of local government stakeholders.

### Local Interventions

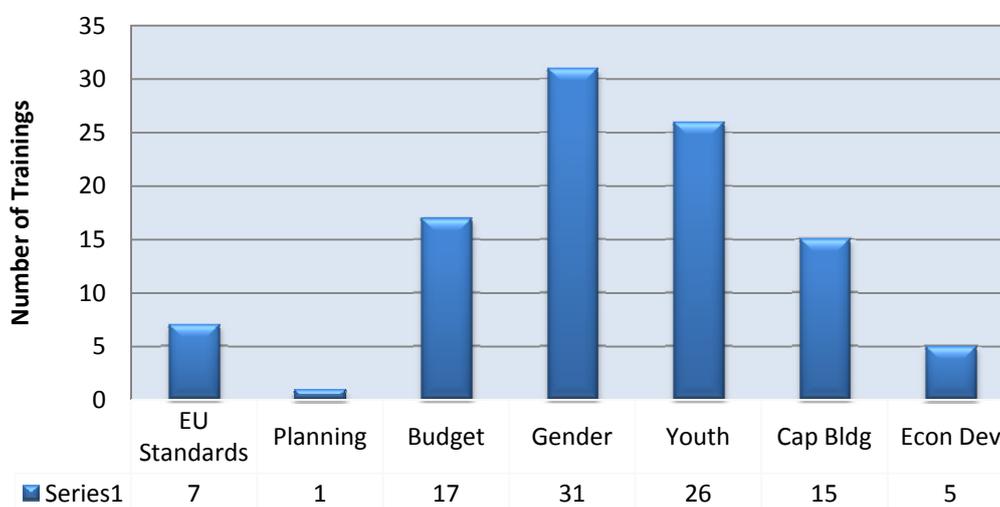
During this reporting period, the local interventions team completed the remaining 11 MAP projects and conducted the final 6 MAP-related workshops.

GAP2 successfully concluded its capacity building activities for program budgeting introduction in 14 partner municipalities and gender responsive budgeting introduction in an additional 11 municipalities. There are now 25 municipal working groups with the capacity to work independently to transform the remaining sectors of their municipal budgets utilizing program budgeting and gender responsive budgeting methodologies.

GAP2 successfully delivered training for municipal gender working groups and youth working groups on advocacy and project cycle management. This effort resulted in the adoption of 20 youth advocacy plans, as well as 19 gender advocacy plans in partner municipalities. Implementation of the activities outlined in the municipal advocacy plans has already commenced and will be finalized during the following year.

In cooperation with the FBiH Association of Cities and Municipalities, GAP2 organized four regional workshops on the introduction of treasury operations for all FBiH municipalities. The workshops provided an opportunity for GAP2 pilot municipalities to exchange information and experiences introducing treasury operations with the associations other member municipalities. A total of 113 participants attended the four events.

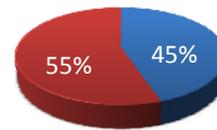
### Quarterly Trainings by Focus



The CIP team worked with partner municipalities to finalize 6 outstanding capital improvement projects and initiate 2 projects that had previously faced delays and potential cancellation. The CIP team also finalized its environmental assessment that was led by a local short-term environmental specialist. The results of that assessment will be presented to the donors in mid-October.

## Number of People Trained This Quarter

■ Males ■ Females ■ Total 504



### Policy Interventions

The policy interventions team continues to make a final push to see progress made on each of its outstanding pieces of legislation and within active working groups. Unfortunately, ongoing political strife in the FBiH government has led to a halt on productive parliamentary discussions, resulting in delays for GAP2-supported legislation that has already entered parliamentary procedure. Regardless, the policy team took advantage of the legislative slowdown to meet with the chairs of the FBiH House of Peoples and House of Nations to emphasize the urgency of several GAP2-supported legislation, most notably the Law on Electronic Documents and the Law on Concessions and secure their commitment to having those laws as priorities for adoption once sessions resume.

The policy team achieved some notable success this quarter in its efforts toward seeing the Code on Intergovernmental Relations signed in each entity. In the RS, the municipal association and RS Government finally signed the prerequisite MOU that had been delaying signature of the Code itself. The MOU obligates the parties to adopt the Code, so the project is optimistic formal adoption/signature of the Code by both parties will occur soon. In the FBiH, the Code has now been adopted by the FBiH Government and FBiH municipal association. An official signing ceremony, making the document legally effective, will occur early in the next quarter.

GAP2 fiscal policy experts in the RS and FBiH continue to support the respective working groups addressing issues with the existing laws on local government financing.

### Monitoring and Evaluation

GAP2 finalized the attitudinal survey on citizens' satisfaction with municipal administrative and communal services delivery and submitted the corresponding report this quarter.

The annual survey on municipal budget performance indicators confirmed once again that the economical crisis continues to have a tremendous negative impact on municipal budgets in BiH.

The final P-BMP quarterly survey showed impressive and expected results related to the local interventions activities, while specially designed capacity indexes for measurement of improvements in activities specified by SOW modification additionally confirmed these results.

### Project Operations

As the project is approaching its end date, the work of the operations team is intensifying. A detailed demobilization plan was developed and submitted to donors; numerous close-out activities are initiated, including disposition of equipment to municipalities and other donor funded projects; staffing plans and budget forecasts have been updated; and the majority of outstanding procurements have been finalized.

The operations team also worked tirelessly this quarter to organize and provide logistical support for GAP2's three final events that took place in late September.

## ABOUT THE PROJECT

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The Governance Accountability Project, Phase II (GAP2) is a \$30 million, five-year program co-financed by the U.S. Agency for International Development (USAID), the Swedish International Development Cooperation Agency (Sida), and the Embassy of the Kingdom of the Netherlands (EKN). GAP2 is implemented by Chemonics International and its partners, the Urban Institute, VNG International, SIPU International, and the Civil Society Promotion Centre (CSPC).

The purpose of the program is to provide technical assistance to strengthen democratic local governance in Bosnia and Herzegovina by dramatically and visibly improving the ability of municipalities to serve their citizens and to support a policy and fiscal framework which is conducive to accountable, democratic governance.

To achieve these objectives the project is comprised of two major components: *Local Interventions* and *Policy Interventions*. The Local Interventions component provides direct technical and material assistance to 41 legacy and 31 new partner municipalities to improve municipal service delivery, municipal administration, and budgeting and financial management, and to improve municipal capacity to plan for and administer capital improvement projects. A February 2011 SOW modification added activities in select pilot municipalities for improving municipal management of communal service provision, preparing for the introduction of municipal treasury operations in the FBiH, improving spatial and urban planning, helping implement youth engagement strategies, and ensuring successful implementation of the Law on Gender Equality. The Policy Interventions component works primarily through the two associations of cities and municipalities to provide technical assistance to parliamentary bodies and ministries at the state, entity, and cantonal levels of government. This component works to strengthen intergovernmental communication, promote responsible fiscal and functional decentralization, and improve municipal advocacy. New activities include addressing policy obstacles to improved municipal management of communal service provision, improved spatial/urban planning, and the introduction of municipal treasury operations in the FBiH; ensuring cooperation with the Sida-funded CDMA project; and developing a comprehensive GAP2 exit strategy. A robust, performance-based *Monitoring and Evaluation* system, including periodic surveying of citizen attitudes and rigorous analysis of municipal capacities, ensures that GAP2 is measuring progress towards its objectives.

Underlying this approach are four guiding principles. One, *to maintain the momentum of reform* developed under the first phase of GAP (2004-2007) and during the first and subsequent years of GAP2. During the first phase, GAP achieved exceptional results in creating a climate for reform, results on which the second phase of this program is building upon and expanding. Two, *to build institutional and technical sustainability* by improving the financial base and know-how in partner municipalities, strengthening their collective advocacy through the municipal associations, and laying the seeds for a dynamic local government consulting market. Three, *to foster local ownership of reform* by providing ample opportunity for stakeholder input into municipal decision-making, providing demand-driven assistance to legacy municipalities, and creating working groups and advisory committees with members from the community and civil society to help ensure that municipalities receive the assistance they need and want to achieve their goals. And four, *to facilitate effective communication* as a means of achieving project goals and institutionalizing reforms. This includes internal communication within municipalities, horizontal communication between municipalities, and vertical communication between municipal and higher levels of government.

As GAP2 strengthens the capacity of local governments to better serve their citizens, it is working towards a more rational and accountable system of governance throughout Bosnia and Herzegovina and pushing the country towards greater EU integration. In the following sections, we present GAP2's latest quarterly report, outlining the activities and accomplishments leading toward fulfillment of the project's goals and objectives.

# GAP2 PARTNER MUNICIPALITIES

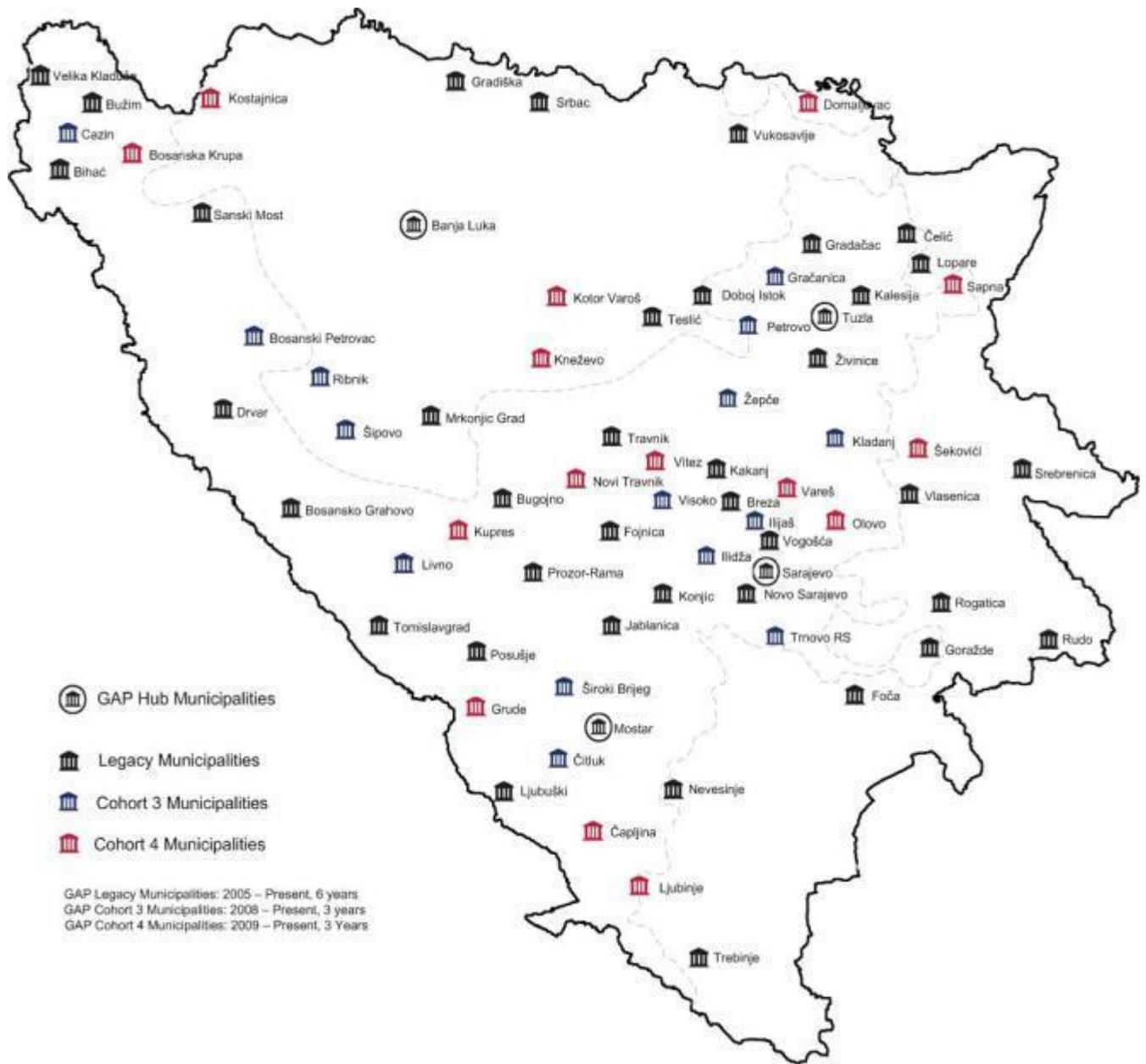


Figure No. 1 – GAP2 Partner Municipalities

## SIGNIFICANT EVENTS OF THE QUARTER

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### GAP2 CLOSEOUT EVENTS:

- SEPTEMBER 17-18, REGIONAL CONFERENCE HELD IN SARAJEVO;
- SEPTEMBER 24-25, REGIONAL CONFERENCE HELD IN BANJA LUKA;
- SEPTEMBER 28, FINAL CONFERENCE OF MAYORS OF GAP PARTNER MUNICIPALITIES HELD IN SARAJEVO.

### LOCAL INTERVENTIONS:

- FINAL 11 MAP PROJECTS COMPLETED;
- 20 YOUTH ADVOCACY PLANS ADOPTED;
- 19 GENDER ADVOCACY PLANS ADOPTED;
- ORGANIZED FOUR REGIONAL WORKSHOPS ON EXPERIENCE EXCHANGE ON INTRODUCTION OF TREASURY OPERATIONS FOR ALL MUNICIPALITIES IN THE FBiH, IN COOPERATION WITH FBiH ASSOCIATION OF CITIES AND MUNICIPALITIES;
- OPENING OF THE OLOVO CULTURE CENTER (CIP PROJECT);
- ENVIRONMENTAL ASSESSMENT OF NINE CIP PROJECTS COMPLETED;
- SIX CIP PROJECTS SUCCESSFULLY COMPLETED.

### POLICY INTERVENTIONS:

- MEETING OF THE WORKING GROUP ON DRAFTING NEW LAW ON LOCAL GOVERNMENTS FINANCING IN RS HELD ON AUGUST 27, 2012;
- CONTINUATION OF ACTIVITIES RELATED TO ANALYSIS AND DRAFTING OF SOLUTIONS IN THE REVENUE ALLOCATION AREA IN THE FEDERATION BIH AND DRAFTING OF THE PROPOSAL OF A NEW LAW ON REVENUE ALLOCATION IN THE FEDERATION BIH;
- FBiH CODE WORKING GROUP COMPLETED ITS TASKS;
- FBiH CODE ADOPTED BY THE FBiH GOVERNMENT AND FBiH MUNICIPAL ASSOCIATION;
- LAW ON ELECTRONIC DOCUMENTS SUBMITTED TO THE FBiH GOVERNMENT FOR ADOPTION AND FURTHER PARLIAMENTARY REVIEW;
- CONTINUATION OF SUPPORT FOR IMPLEMENTATION OF THE FBiH LAW ON PRINCIPLES OF LOCAL SELF-GOVERNMENT;
- FBiH ASSOCIATION COMMISSION OF SPATIAL PLANNING, URBANISM AND ENVIRONMENTAL PROTECTION MET AND DISCUSSED THE GAP2 URBANISM POLICY PAPER WITH CONCRETE CONCLUSIONS;
- MEETINGS WITH CHAIRPERSONS OF THE HOUSE OF REPRESENTATIVES AND HOUSE OF

NATIONS OF THE FBH PARLIAMENT WITH RESPECT TO GAP2-SPONSORED LAWS IN PARLIAMENTARY PROCEDURE;

- IMPLEMENTATION OF GAP2 EXIT STRATEGY WAS INITIATED, NUMBER OF MEETINGS WITH RECIPIENTS HELD, TRANSFER PROCESS COMMENCED.

#### **MONITORING AND EVALUATION:**

- ATTITUDINAL SURVEY ON CITIZENS' SATISFACTION WITH MUNICIPAL ADMINISTRATIVE AND COMMUNAL SERVICES DELIVERY COMPLETED;
- ANNUAL MUNICIPAL BUDGET PERFORMANCE INDICATORS SURVEY COMPLETED;
- FINAL P-BMP SURVEY AND SPECIAL CAPACITY INDEXES SURVEY COMPLETED.

## SECTION I – ACTIVITIES AND RESULTS

### GAP2 CLOSEOUT EVENTS

As GAP2 prepares for closeout, we organized a series of final events in late September to recognize the achievements of partner municipalities and their mayors as well as disseminate key information to local government employees across Bosnia. The three events—two regional conferences and one formal ceremony—aimed to:

- Raise awareness that ownership in reforms belongs to the municipal level of government as the driving force for further development of democracy in local communities;
- Share GAP2 experiences and best practices with non-GAP municipalities through interaction with partner municipalities;
- Promote sustainability of GAP2 achievements, notably through the Associations of Cities and Municipalities as organizations that will house GAP2-developed materials and tools and will continue a number of GAP2-initiated activities;
- Address open issues that are to be settled in the future and areas where the assistance of donor community is still needed;
- Recognize the efforts of partner municipalities and steadfast support of donors through a high profile official ceremony for project closure.

Given the various target audiences and the broad range of topics to be covered, GAP2 decided to organize two types of events.

Two-day interactive regional conferences in each entity were organized for municipal officials from partner and non-partner municipalities, specifically those department heads and advisors who actually work on the issues that GAP2 addressed. Over 480 participants attended various conference sessions in Sarajevo (September 17-18) and Banja Luka (September 24-25). Given the key role the municipal associations will continue to play in fostering the sustainability of GAP2 other and municipal reform efforts, the conferences were organized jointly by the project and the associations. The conference panel discussions allowed project staff and representatives from partner municipalities to share experiences, successes, and challenges regarding MAP, urbanism, communal service, finance and budget, youth, gender, capital improvement planning, and policy initiatives.

A one-day, high profile final conference/ceremony was held for GAP2 donor representatives, mayors, entity level ministries and institutions, NGOs, other donor-funded projects, and members of the international community in Sarajevo on September 28. Among the distinguished guests were their Excellencies U.S. Ambassador Patrick Moon, Ambassador of



"As GAP experience demonstrates, focusing time and energy in improving governance at the local level and ensuring citizens receive the services from government to which they are entitled is a win-win outcome for all concerned."

*-H.E. Patrick Moon, U.S. Ambassador*



"Without any doubt, the GAP project has, to date, been the most positive and successful of our cooperation programs."

*-H.E. Bosse Hedberg,  
Ambassador of Sweden*

"There is no doubt that GAP has achieved its goals, that it has made results that are visible and measurable, but it has also achieved something that is already visible but not yet measurable....At the beginning of April, I participated in a study tour to Sofia that was organized by CDMA. During the exchange of experiences with Bulgarian experts, an esteemed gentleman said to me: "You see, you think like GAP and behave like GAP". This observation means that the perception has changed. We have become GAP and we begin to think like GAP."

*-Mirjana Davidović  
Chief of Finance, Foča Municipality*

the Kingdom of Sweden Bosse Hedberg, and Ambassador of the Kingdom of the Netherlands Jurriaan Kraak, who each delivered welcoming speeches to guests. USAID Mission Director David Barth and Sida Director Pelle Persson also attended on behalf of the GAP2 donors.

Working sessions of the event featured a number of presentations by GAP2 staff, mayors, senior municipal officials, the FBiH municipal association, CDMA, and other participants. They spoke about the results achieved across BiH over the past five years

and addressed the issue of sustainability of GAP2 achievements and future reforms, particularly in the area of spatial planning and support to the municipal associations.

A booklet highlighting the project's key results was developed and distributed at the conference. It has been added to the project website and will be shared with donors.

## LOCAL INTERVENTIONS

This reporting period was devoted to completing many Year 5 work plan activities in accordance with the project implementation schedule. During this reporting period:

- the final 11 MAP activities were completed;
- capacity building workshops and onsite visits focusing on program budgeting for 14 municipalities were conducted;
- training sessions on gender responsive budgeting for 11 municipalities were held;
- regional workshops on treasury introduction for all FBiH municipalities were held; and
- project cycle management and advocacy training was delivered to 40 youth and/or gender partner municipalities.



**Figure No. 2** – GAP2 Regional Conference in Sarajevo, September 17-18, 2012

In addition, GAP2 designed, organized, and led the three final events held in September.

### Municipal Action Plan (MAP) Process

In this reporting period, the following 11 MAP projects were successfully completed in Cohorts 3 and 4 municipalities:

- Document Scanning and Imaging, Development of Electronic Library in Kladanj;
- Location Marketing – development of a plan for attracting investments in Grude and Šekovići;
- Establishing and equipping a municipal unit for managing economic development in Kotor Varoš and Kneževo;
- Improvement of permitting processes allowing for the legalization of illegal settlements in Vitez and Kneževo;
- Electronic urban permitting (Level 2 training) in Kostajnica;
- Electronic urban permitting (Level 3 training) in Vares, Olovo; and
- E-mail communication between municipal employees and citizens in Šekovići.

Since the launch of MAP assistance to Cohorts 3 and 4 municipalities in 2008, a total of 143 projects were completed.

Region	Cohort 3	Cohort 4
Banja Luka	17	20
Mostar	15	20
Sarajevo	15	20
Tuzla	18	18
<b>Total</b>	<b>65</b>	<b>78</b>

In September, urbanism staff from Vareš and Olovo municipalities, under the MAP project *Electronic urban permitting* (Level 3 training) participated in basic and advanced training on the use of AutoCADMAP3D software. As a result of the training, municipal staff are better able to prepare textual and graphical data in electronic format, enabling them to serve their customers more efficiently and create spatial databases with digital maps and spatial documentation.

*Electronic urban permitting* (Level 2 training) was completed in Kostajnica Municipality, with the completion of GIS training in July 2012. The same training was attended by urban planning staff from Kneževo Municipality. This was the final stage of the MAP project *Improvement of permitting for legalization of illegal settlements*.

The MAP project *Document Scanning and Imaging, Development of Electronic Library* was completed successfully in Kladanj. Following installation of Optical Character Recognition (OCR) and scanning software modules and training of employees, both the archive and protocol departments are now scanning documents.



**Figure No. 3** – Document Scanning and Imaging in Kladanj

Upon completion of three months of intensive training and on-site MAP assistance in *Location Marketing*, the Grude and Šekovići municipalities successfully finalized their respective municipal attraction plans, a comprehensive strategy to promote investment and facilitate local economic growth. Both municipal teams have worked on SWOT analyses and collected, assessed, and produced municipal profiles for investors. The materials are being disseminated through citizens' services centers.

While BiH municipalities have been challenged by the functioning of the legislative branch in recent years, municipal leaders have recognized that they can affect their municipalities' economic prospects through development and implementation of strategic planning. Through MAP assistance, municipal staff, with support from GAP2 staff and consultants, produced their respective municipal attraction plans to present the municipalities' strengths and capacities to investors. The plans highlight the main competitive advantages that the municipalities possess and lay out the specific steps to be undertaken by these municipalities to create successful investment climate. Additionally, 11 municipal employees were trained in standard techniques for preparing similar strategic documents (e.g., SWOT analyses).

As a part of the *Establishing a Municipal Unit for Managing Development* MAP project, representatives of Kotor Varoš and Kneževo received introductory training in IPA (EU Instrument for Pre-Accession Funding) and preparation of project proposals applying EU standards. The training has enhanced the capacity of municipal staff to develop project proposals for IPA cross-border cooperation programs.

In addition, within the process of establishing a municipal unit for



**Figure No. 4** – Municipality of Grude, Location Marketing Working Group, July 2012.

Grude has significant potential for cross-border cooperation with neighboring countries.

managing development, the municipal organization and staffing plan (*systematization*) were thoroughly analyzed. Based on the analysis, GAP2 proposed restructuring to reflect basic human resources management (HRM) standards, legal requirements, and existing municipal needs. Some of the recommendations have been introduced in the new draft of organizational and systematization rulebook in both municipalities.

**Sub-Component A: Improve service delivery in legacy and new municipalities (KRA 1.1)**

**Activity A.1: Enhance performance of municipal citizens’ services centers (CSCs) and urban permitting centers (UPCs)**

CSC performance audits were conducted in all 31 Cohort 3 and 4 municipalities from June-August 2012, and they demonstrate excellent performance results, with consistently good quality performance and customer orientation. Employing the practices introduced to them through GAP2 technical assistance packages, CSC staff have achieved the following successes since the first GAP2 CSC opened in November 2008:

- More than two million data entries were entered into digital registrar books;
- More than 400,000 administrative cases were handled by over 1,000 employees using document management systems;
- More than 2,735 citizens are being served on a daily base, with more than 85 percent of customers expressing themselves as satisfied or very satisfied with services provided.

**Activity A.2: Improve municipal management of communal services in select municipalities**

Performance audits to measure improvements to municipal management of communal services were conducted in nine pilot municipalities. The audit results show moderate use of the “Service in Less Than 48 Hours” program by citizens, and all participating municipalities committed to launch one more promotional campaign to encourage citizens to use the newly established service more regularly. In the promotional campaigns, municipalities will further promote the program through use of local media, promotional posters, municipal web pages, and regular community meetings. An FAQ section is now available on municipal web pages and is becoming standard municipal practice.



Figure No. 5 – “Service in Less Than 48 Hours”

The “Service in Less Than 48 Hours” program was one of the major topics of discussion when presented during the citizen services panel during the GAP2 regional conferences in late September. Participants from non-GAP2 partner municipalities were introduced to the program concept and its benefits (as indicators for communal issues or sectors that need further analysis) which will be considered when deciding on further communal infrastructure investment priorities.



Figure No. 6 – “Service in Less Than 48 Hours”, Foča Municipality

In addition, all pilot municipalities updated their catalogues of communal/non-administrative services and have made it available at service points and on municipal web pages.

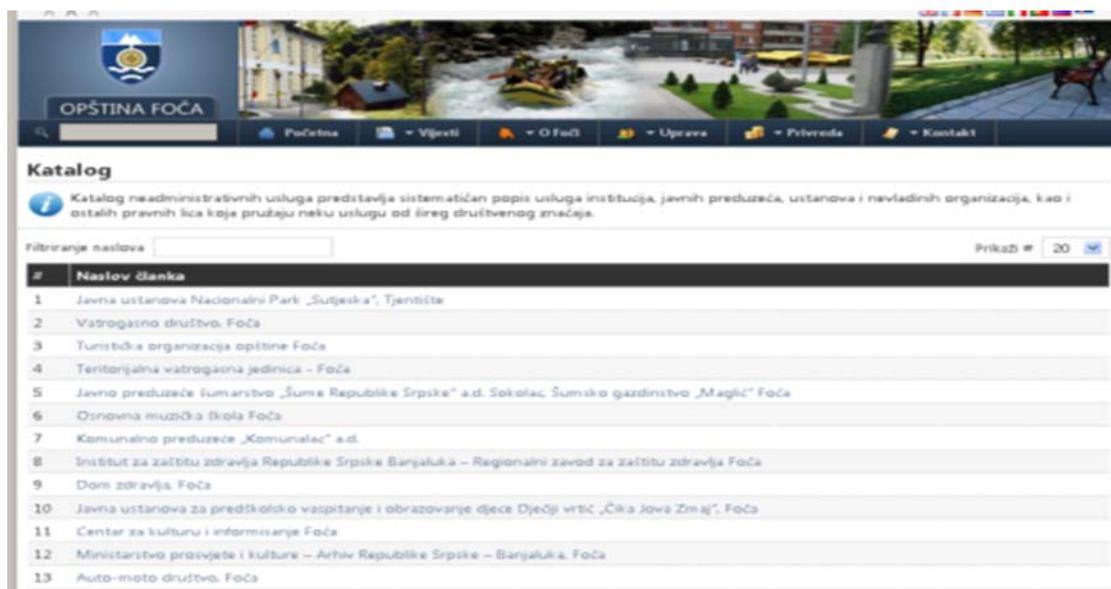


Figure No. 7 – Catalogue of communal/non-administrative services, Foča Municipality

## **Sub-Component B: Improve administration, budgeting, and financial management (KRA 1.2)**

### **Activity B.1: Maximize functionality and use of Integrated Accounting and Budgeting Software (IABS)**

This activity completed in last reporting period.

### **Activity B.2: Prepare select municipalities for introduction of treasury operations**

After one year of intensive work to introduce treasury operations in 10 pilot municipalities, GAP2 and the Federation Association of Cities and Municipalities organized four workshops to share the experiences of these municipalities with all 79 municipalities that are members of the association. The municipalities of Cazin, Žepče, and Tuzla presented their experiences in introducing treasury operations in their administrations and described the administration of their budget users.

Together with Gračanica, these three municipalities introduced treasury operations from January 1, 2012. In developing and operating a treasury system, the municipalities developed a detailed action plan and worked intensively with municipal budget users. The individual municipal experiences, in particular discussions of some of the obstacles to successful implementation of treasury operations, were very useful for all workshop participants. Those obstacles include:

- The current Law on Treasury in the FBiH regulates the process on establishing treasury operations for higher levels of government but not for the local level;
- The law does not adequately define budget users, leading to questions of who/what entities can be a budget user and who/what entities are required to be a budget user. This can create more opponents to the treasury operations process at the local level;
- There is lack of clarity regarding the treatment of outstanding debts of budget users in a treasury system.



**Figure No. 8** – Žepče workshop on treasury experience exchange

Finally, the participants agreed that introducing treasury operations requires a significant commitment of time, and assistance offered by different programs or institutions in the future is more than welcome. In addition, participants agreed that the GAP2/FBiH municipal association-developed guide with framework documents is very useful and can greatly assist municipalities in this process. Representatives of the association emphasized its willingness to respond to member municipalities' concrete problems, questions, and initiatives related to the treasury system.

### **Activity B.3: Improve budgetary information for municipalities**

### **Activity B.4: Transfer ownership of municipal revenue profile production and maintenance**

Activities B.3 and B.4 were completed in earlier reporting periods.

### **Activity B.5: Support advanced program budgeting and public expenditure management**

GAP2 successfully completed its work to introduce program budgeting in 14 municipalities (Gradiška, Mrkonjić Grad, Velika Kladuša, Srbac, Gradačac, Lopare, Žepče, Sapna, Ilijaš, Goražde, Jablanica, Nevesinje, Konjic, and Trebinje). This intensive activity lasted three years, and in 2012,

culminated in the organization of more than 80 workshops for 14 municipal working groups and 3 large best-practice exchange events organized in Sarajevo and Banja Luka.

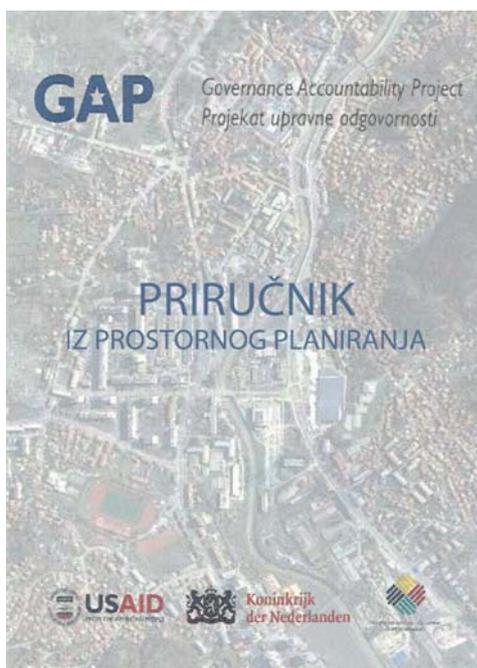
Both GAP2 and the municipal working groups committed themselves to the capacity building training, on-site assistance, creation and preparation of program documents, and development of program budgets for two to three different sectors of municipal administration. This outstanding effort resulted in the development of a critical mass of 11 advanced GAP2 partner municipalities that are pioneers in BiH when it comes to the introduction of program budgeting in their local administrations.



**Figure No. 9** – Đurđica Šolak presents Mrkonjić Grad experiences with program budgeting at a GAP2 conference in Banja Luka

### **Sub-Component C: Introduce modern planning principles to municipal development (KRA 1.3)**

#### **Activity C.1: Improve urban planning in select pilot municipalities**



**Figure No. 10** – Spatial Planning Manual

From August-September, all 10 urbanism pilot municipalities (Novi Travnik, Breza, Bugojno, Livno, Čapljina, Teslić, Mrkonjić Grad, Bihać, Gračanica, and Živinice) received hardware equipment and GIS software from GAP2. Urbanism staff from Novi Travnik, Teslić, Mrkonjić Grad, and Bihać completed AutoCADMAP3D2013 software GIS training in September, while staff from Živinice, Breza, Livno, and Čapljina completed MAP info software training.

GAP2 also completed a spatial/urban planning manual which shall be made available to all BiH municipalities. It provides guidelines for and practical examples of spatial and urban planning to assist municipal departments in correctly applying existing laws and supplementing regulations in this field. The GAP2 regional conferences in Sarajevo and Banja Luka held in September included presentations on the introduction of modern planning principles at the municipal level, as well as on the issues currently being raised in this field of activity, followed by instructions on future steps.

Representatives of the municipalities of Ilidža, Čapljina, Bihać, and Cazin used the conferences to present their successes achieved through GAP2's urbanism activities.

#### **Activity C.2: Support implementation of youth strategies in select pilot municipalities**

During the reporting period, GAP2 organized a final round of workshops on youth advocacy in the municipalities of Bihać, Čelić, Gradiška, Kostajnica, Mrkonjić Grad, Srbac, Teslić, Gračanica, Gradačac, Kladanj, Ljubinje, Žepče, Vareš, Ilijaš, Trebinje, Jablanica, Bugojno, Nevesinje, Foča, and Fojnica. Municipal youth advocacy plans were adopted by all 20 partner municipalities in September, and will be implemented over the next 4-16 months.



**Figure No. 11** – Youth advocacy workshop, Čelić Municipality, July 2012

In addition, municipal youth action plans are being successfully implemented in all 20 selected municipalities, and the municipal working groups have identified at least two items from the action plans that will be implemented.

Some municipalities are in the process of establishing youth councils, and some municipalities are actively working on new youth strategies, aiming to have them ready for adoption by their municipal administrations by the end of 2012. To support the significant milestones achieved by these municipalities in developing and implementing these plans, GAP2 conducted workshops on project cycle management in all 20 municipalities in July.

Highlights of achievements under this activity during the reporting period include:

- Čelić and Gradačac completed registration of a youth council in September.
- Fojnica, Teslić, and Bugojno are currently in the process of registering youth councils and expect to be fully registered in October.
- Vareš is in the end stages of registering its third youth NGO, a precursor to initiative registration of a youth council. The youth council is anticipated to be registered in October.
- Nevesinje's youth working group has completed three project proposals that will be submitted for funding from the municipal budget for youth.
- Jablanica finalized its draft youth strategy, with assistance from GAP2. The strategy document is expected to be adopted after the municipal elections in October.

### **Activity C.3: Support implementation of State Law on Gender Equality in select pilot municipalities**

Twenty municipal gender working groups (Mrkonjić Grad, Kostajnica, Teslić, Srbac, Gradiška, Gračanica, Gradačac, Vareš, Jablanica, Nevesinje, Goražde, Bihać, Ljubinje, Trebinje, Fojnica, Foča, Kladanj, Gradačac, Bugojno, and Ilijaš) were trained in project cycle management and gender advocacy. In addition, members of the working groups worked intensively on implementation of the adopted municipal gender action plans.

The majority (15 of 20) of the selected municipalities conducted surveys in their municipalities with the aim of collecting and analyzing statistical data on gender within their public institutions, schools, social welfare centers, local administrations, local hospitals, and among their local NGO sector. Half of these municipalities conducted the surveys in coordination with their respective youth working groups, demonstrating the constructive level of cooperation between the municipal administrations and youth working groups.



**Figure No. 12** – Gender advocacy workshop in Kladanj, July 2012

In addition, the Nevesinje and Vareš gender working groups organized several roundtables to discuss issues that concern the female population, including the previously adopted municipal gender action plans. The Bugojno gender working group – one of the most proactive working groups – continued its activities aimed at promoting the rights of women at the municipal and cantonal levels.



**Figure No. 13** – Izolda Osmanagić presents GRB experiences from Bihać municipality one of GAP2's regional conferences, September 2012

The Bugojno gender working group – one of the most proactive working groups – continued its activities aimed at promoting the rights of women at the municipal and cantonal levels.

In April-September 2012, GAP2 successfully completed its assistance in the area of gender responsive budgeting (GRB) to 11 municipalities, of which four municipalities were also participants in the UN Women Sub-regional Office for Central & South Eastern Europe “Promoting Gender Responsive Policies in South East Europe” project (2011-2013) with support from the Austrian Development Agency.

As a result of the assistance provided by GAP2 and UN Women, these 11 municipalities (Fojnica, Foča, Gradačac, Vareš, Kostajnica, Nevesinje, Bihać, Teslić, Ljubinje, Vogošća, and Bugojno) adopted municipal GRB action plans, performed GRB socio-economic analyses, and prepared/adopted mayoral statements on the introduction of GRB budgeting in the period 2013-2016 starting with two sectors/programs in the 2013 budget. The latter is an example of the strong political will that GAP2 has managed to attain in a considerably short period of time working intensively and leveraging resources to the best of its ability.



**Figure No. 14** – Anamaria Golemac Powell, GAP2 GRB consultant, presents at the regional conference in Sarajevo

#### **Sub-Component D: Increase capacity of municipalities to administer capital improvement projects (KRA 1.4)**

During the reporting period, six capital improvement planning (CIP) projects were completed in five municipalities (Vitez, Vareš, Ljubinje, Čapljina, and Kladanj). Eight CIP projects remain outstanding in GAP2's final reporting period. GAP2 sought and obtained a modification of the Sida Side Fund contract to extend the completion date on all outstanding projects until the end of October 2012.



**Figure No. 15** – Vitez Municipal Building before and after

The third and final project in Kneževo was completed, and the municipality is expected to make payments by the end of October, enabling closeout of this project.

Kupres municipality has initiated the procurement procedure for its approved project through two distinct procurements. One procurement concerns the reconstruction of the city central park, and the second procurement concerns the reconstruction of the street lights and installation of the LED lights. The decision on the procurement of the LED lights was appealed by one of the bidders, thus delaying implementation of the entire project. To move forward, the JMC approved a request from GAP2 to split the project into two, as this will allow the municipality to withdraw at least part of the approved funds for the central park reconstruction project. New co-financing agreements were signed and implementation of the project was initiated and is expected to be completed and closed-out by the end of October. At the end of the reporting period, there was no decision on the appeal process regarding the street light and LED lights procurement.

The two Vareš projects – laying asphalt on three local roads – are moving forward, as an appeal



**Figure No. 16** – Vareš Bridge before and after

against the procurement decisions has been dropped. Vareš has signed construction agreements with the selected bidders, and it is expected that the works would be finished by the end of November 2012. In order to enable the municipality to withdraw the approved funds, it has been decided to proceed with the payments as the contractors deliver invoices and the municipality pays its share, instead of waiting for the projects to be completed, since it is expected that the projects will be completed after GAP2's closure.

There have been no changes to the status of the three Šekovići projects; the municipal budget still has not been adopted by the municipal assembly, and as a result, the municipality cannot pay its required cost share. However, the municipality has expressed great interest in any option to have the approved funds reserved for the municipality even after GAP2 closes in December. GAP2 will visit the municipality after the elections to investigate various options and will subsequently discuss with the JMC.

As previously reported, GAP2 retained an environmental expert to conduct an assessment of selected CIP projects. GAP2 expert Dženita Lončarević Gliha performed site visits and conducted meetings to nine environmental high-risk CIP projects during the reporting period and produced a report that will be submitted to the JMC in October. The expert's findings and recommendations have been shared with the relevant municipal administrations and representatives of the firms contracted to implement the projects. The report will contain the findings as well as recommendations on any steps that may be available to mitigate a current situation or avoid potential environmental issues in the future. The report will additionally document the specific measures and activities the municipalities should undertake to address the report's findings.

## POLICY INTERVENTIONS

Throughout the reporting period, the GAP2 policy interventions team continued to work toward completion of tasks identified in the Year 5 work plan. The major activities that were undertaken during this period include adoption of the FBiH Code on Inter-Governmental Relations by the FBiH Government and municipal association, as well as progress toward signing of the RS Code/Agreement. GAP2 also continued advocating for key legislation in the FBiH, including the Law on Electronic Documents, Law on Concessions, Law on Forests, and Law on Employees in Local Self-Government (LSG). The policy team and relevant working groups continued to analyze and identify potential solutions for revised revenue allocation models in the FBiH and RS. The policy team was also heavily involved in the organization of and participation in the regional and final GAP2 conferences that were held in mid to late September.

### **Subcomponent A: Strengthen inter-governmental communication and the capacity of municipalities to collectively advocate (KRA 2.1)**

#### **Activity A.1: Support adoption and implementation of Code on Inter-Governmental Relations**

*RS Code/Agreement on Intergovernmental Relations.* As noted in previous quarterly reports, signing of the RS Code/Agreement on Intergovernmental Relations has been held up by the need for the RS Government to countersign the prerequisite MOU. GAP2 is happy to report that the MOU was fully executed at the Fourth Congress of local self-governance which was held in Banja Luka on August 30, 2012. GAP2 subsequently submitted the Code/Agreement to the presidency of the association for placement in adoption procedure and sent a letter stressing the urgency of having the adoption of the Code on the agenda of the next association presidency meeting. The association responded positively and has confirmed that the Code will be on next presidency session agenda, to be held immediately following the October 7 local elections.

*FBiH Code on Intergovernmental Relations.* During the reporting period, the working group for the Code on Inter-Governmental Relations in the FBiH completed the final text of the Code, making it ready for signature by the municipal association and FBiH Government.

On August 7, GAP2's COP met with Mr. Vlado Alilović, president of the FBiH municipal association to discuss the procedure in which the Code of Intergovernmental Relations would be adopted by the association and the date of adoption. Given the limited time remaining for GAP2, the upcoming local elections in October, and the ongoing political turmoil in the FBiH, GAP2 pressed for expediency in adoption of the Code by the association presidency. To that end, GAP2 suggested that the president utilize emergency procedure to adopt the text of the Code, ideally by the end of August. Mr. Alilović supported the idea and gave assurances that the presidency would accept the code and nominate the signee on behalf the FBiH association. On August 17, the association presidency reviewed the Code, adopted it, and authorized its president, Mr. Alilović, to sign it.

In late August, GAP2 policy team members focused their efforts on getting the FBiH Government to adopt the Code. Beginning on August 22, the team initiated a series of meetings with the FBiH Ministry of Justice, which has been in charge of the issue on behalf of the FBiH Government, with the goal of seeing the Code adopted by the FBiH Government in September. As a result of these efforts, during an FBiH Government session on September 27, the FBiH Minister of Justice, Mr. Zoran Mikulić, presented the Code and asked for its adoption. After the presentation, the FBiH Government adopted the Code of Intergovernmental Relations as proposed.

Therefore, GAP2 is proud to report that the Code has now been adopted by both the FBiH Government and the municipal association. An official ceremonial signing of the Code will be organized as soon as possible. After being signed by the parties, the Code of Intergovernmental Relations in FBiH becomes effective and binding, marking a major achievement for GAP2.

### **Activity A.2: Foster sustainability of GAP2 activities through development and implementation of an exit strategy**

Based on feedback provided by the JMC, GAP2 submitted a revised version of the exit strategy on August 2. Concentrated implementation of the strategy started in late August and has intensified further through September. Preparatory meetings with both entity level Associations of Cities and Municipalities were held in August, where agreement on transfer of activities and products were reached. To date, the transfer to the FBiH association is almost complete, with M&E training and tools remaining to be transferred. The RS association has appointed contact persons who will participate in the actual transfer of GAP2 activities, tools, and materials, which is to start in mid September.

### **Activity A.3: Cooperate with Sida-funded CDMA project to improve municipal associations' ability to advocate for reform**

The CDMA project has also been actively involved in the implementation of the strategy. The two projects have held a number of meetings to familiarize CDMA staff with GAP2 activities and tools that are to be transferred and to help CDMA strategize and design its future support to the associations in this area. CDMA has pledged its support in working closely with the associations to bolster their ability to continue to carry on various key aspects of GAP2's work, further enhancing the sustainability of GAP2's activities.

### **Activity A.4: Foster opportunities for mayors to discuss common municipal interests**

There are no updates to report for this activity this quarter.

## **Subcomponent B: Improve inter-municipal communication (KRA 2.2)**

### **Activity B.1: Support adoption and implementation of Law on Vital Records and Law on Electronic Documents**

As was reported last quarter, both houses of the FBiH Parliament adopted the draft Law on Electronic Documents, and following standard parliamentary procedure, the legislation was subject to a public hearing. With the public hearing procedure completed, the law has been forwarded to the FBiH Government for adoption. The GAP2 policy team has been in constant contact with the FBiH Government and was notified that this piece of legislation will be put on the agenda for next government session. More information on GAP2's August 8 meeting with Mr. Fehim Škaljić, Chairman of the House of Representatives, to discuss the Law on Electronic Documents is included in Section C.1, below.

Once the legal framework for electronic document processing is in place (with adoption of the Law on Electronic Documents), GAP2 will, together with relevant partners (primarily FBiH Ministry of Interior and FBiH municipal association) finalize the user-friendly brochure that is already in development. The brochure will help municipalities and other relevant institutions and organizations to better understand the legal and administrative process behind electronic document processing. The brochure will contain the two relevant laws (Law on Vital Records and Law on Electronic Documents), commentary on the legislation, as well as a model for internal procedures and rulebooks. It will be distributed by the FBiH Ministry of Interior and FBiH municipal association.

## **Subcomponent C: Conduct policy initiatives to operationalize the Local Self-Governance Development Strategy (KRA 2.3)**

### **Activity C.1: Support implementation of the Law on Principles of Local Self-Governance**

As noted in previous reports, the GAP2 policy team has been continuously pushing for adoption of legislation developed together with relevant partners (FBiH municipal association, ministries, etc.), including the FBiH Law on Forests, Law on Concessions, Law on Employees of LSG, Law on Cadastre, and Law on Real Rights. Given ongoing turmoil in the FBiH Government, in this reporting period there has been no significant movement of GAP2 laws in parliamentary procedure. This political situation has practically paralyzed adoption of new legislation in both houses of the FBiH Parliament.

However, the policy team used the absence of Parliamentary sessions to meet with chairmen of both houses of the FBiH Parliament, to explore the possibility of having GAP2-sponsored laws on the agendas of both houses as soon as possible.

On August 8, the policy team met with Mr. Fehim Škaljić, Chairman of the House of Representatives, to discuss the urgency of having the Law on Electronic Documents on the agenda soon after the FBiH Government places it into parliamentary procedure. The importance of this law and time constraints for its implementation were outlined in discussion. Mr. Škaljić promised that GAP2 would receive the information about upcoming the schedule of sessions and stated that the FBiH Parliament is pretty ambitious with the schedule as they feel a real need to move high priority legislation quickly. GAP2 was promised that the law will be a priority once it arrives from the Government.

On August 29, the policy team met with Mr. Radoje Vidović, Chairman of the House of Nations, to discuss the importance of having the Law on Concessions on the agenda. Mr. Vidović promised his support for this law, on condition that the text of the law is harmonized among all political parties prior to the session taking place. He claimed that small changes to the Law were needed, and none of them were related to the issue of authorities of municipalities. Distribution of authorities between the Federation and cantons need to be slightly changed when it comes to concessions related to electric power. As soon as changes are made, the law will be put on the Agenda for adoption. It remained unclear how the harmonization process need to be started and by whom. The policy team is currently exploring this issue in order to have the harmonization process initiated and completed as soon as possible.

### **Activity C.2: Address key policy issues that impede modern urban planning**

As was described in the last quarterly report, GAP2 short-term consultants developed a urbanism policy paper that provided seven key recommendations for overcoming obstacles for modern urban planning and improvement of the system in BiH. The recommendations range from improvement of laws and bylaws, introduction of professional licensing, redefining of urban planning and zoning standards, to introduction of a more relevant legal system. These recommendations provide BiH legislators, governments, and international donors with an overarching plan for simplifying urban planning and permitting in a way which will stimulate economic development. The paper was highlighted during GAP2's final conferences in Sarajevo and Banja Luka in late September, prompting active discussions among panelists and municipal participants.

At a meeting held on September 25, GAP2 experts presented the policy paper to the Commission of Spatial Planning, Urbanism and Environmental Protection of the FBiH Association of Cities and Municipalities. At the meeting, they also discussed implementation issues, including GAP2 activities in this field over the course of the project. Following the meeting, the commission concluded the following:

- They are committed to taking advantage of GAP2's achievements and tools such as the urbanism manual (in development) and the policy paper, and presenting them to mayors;
- It is necessary to continue with education of GAP2 municipalities in this area;
- It is necessary to expand these activities to other municipalities;
- There is a need to initiate the updating of legislation in the field of spatial planning, with a focus on simplifying procedures and resolving the issue of zoning;
- Reform efforts must connect all municipalities horizontally, and also vertically with higher levels of government, to improve the quality exchange of information in this area;
- The commission should include the local level through the municipal association in working groups that will work on legislation for spatial planning.

Representatives of the association will continue with the reform activities in spatial planning initiated by GAP2.

GAP2 will conduct a similar meeting with the RS municipal association following the October 7 local elections.

### **Activity C.3: Address key policy issues that impede efficient municipal management of communal service provision**

Following the policy analysis conducted in late 2011, there have been no additional policy issues to address related to municipal management of communal service provision.

### **Activity C.4: Support drafting of RS Law on Financing of Local Governments**

The last quarterly report described the outcomes of the first and second meetings of the working group appointed by the RS municipal association to assess local government financing and propose changes to existing legislation as needed. The third meeting of the working group was held on August 27. GAP2's RS-based fiscal and policy advisor presented an "analysis on fiscal equalization in RS with recommendations" that had been produced for the project. The working group members discussed the analysis and the second version of the modified draft legislation that had been developed, and they concluded they would submit their comments by September 15. The deadline passed, comments were collected, and GAP2 together with the municipal association will now produce the final version of the law.

### **Activity C.5: Support drafting of FBiH Law on Financing**

Policy team members have made a concerted effort over the last quarter to support the organization of and prepare for the next meeting of the FBiH working group appointed to address issues with the current revenue allocation within the FBiH. In particular, the FBiH-based fiscal policy advisor spent more than 5 days at the FBiH Ministry of Finance preparing a range of documentation for the meeting, including:

- An analysis of the comments and suggestions received from working group members and preparation of a document for Ministry staff that gives an overview of the comments with opinions provided on each of them;
- A presentation to be delivered by the Assistant Minister in the working group meeting. The presentation outlines the proposals given for draft amendments to the existing legislation that the MOF sent out last quarter for comments, as well as the main comments received from working group members since the last meeting;
- A compilation of spreadsheet data on spending on wages and its share in total expenditures by function for the period 2006 – 2011, per canton; and

- A compilation of spreadsheet data on special purpose funds expenditures and their share in overall spending for the period 2006 – 2011, per canton.

Unfortunately, the working group is plagued by a range of issues that throw a worrying light on the next working group meeting that is scheduled to be held on October 8. The constant shifting in the political environment (i.e. cantonal government changes in the last six months) has resulted in three group members being replaced. Thus, the working group had considerable turnover in members, resulting in replacement members being appointed and often not being well briefed by their predecessors on the outcomes of past meetings.

That situation leads to a second problem that is potentially more serious. The comments and suggestions received from the group members are quite often just a repeat of their requests made at the very start of the working group. In fact, many of those comments were already debated and refuted through previous working group discussions, and if the members cannot reach an agreement at the meeting to be held in October, it is possible that the working group will conclude without proposed amendments being adopted.

The MOF hopes that an agreement will be reached and wants to have some minimal requirements included (i.e. those discussed in the last quarterly report – that the Posavina Canton receives a small coefficient to boost its revenues and that Sarajevo municipalities start being directly funded from the Single Account funds). The MOF is also going to support the request made by the municipal association to begin directly funding Sarajevo City as well as the suggested sharing of the profit tax with municipalities (the proposal included a 15 percent sharing rate for municipalities).

All obstacles notwithstanding, this cooperative attitude of the MOF, if it holds in the meeting, presents quite an historic shift in their approach to local governments which, before the existence of GAP2, could have been summed up in one line – “let the cantons deal with them”. Over the past years of continuous work and contacts with the ministry, the policy team has managed to change their mindset. They now acknowledge that they are also responsible for local governments, not just the cantons, and that municipal concerns should be resolved at the federal level. GAP2 also fostered a more collaborative partnership between the MOF and FBiH municipal association, which lays the groundwork for future cooperation between the two.

In the case that an agreement is not reached by the working group, the MOF will draft a report for the FBiH Government presenting the issues and problems and letting the Government decide whether to proceed with amendments to existing legislation.

The policy team also cooperated closely with the municipal association during the past quarter, holding a range of meetings to prepare their finance advisor for the next working group meeting. This has been especially important given the negative reaction that is likely to come from the Sarajevo Canton and a couple of other cantons on proposals made by the municipal association. The association held a meeting of its committee that is dealing with public finance issues to discuss the past activities as well as to give suggestions and comments on the drafted legal changes. Although the association managed to include some of its requests in the draft, a number of committee members insisted on including all the requests originally made when the working group was started. The committee is refusing any changes to the criteria of the existing development index, stating that alterations would result in negative consequences for some municipalities, and in the current fiscal crunch, it is not advisable to make any changes that would have negative outcomes for any municipality.

While the association has really done a stellar job in preparing for the meetings, by involving members in making their proposals well justified and analyzed, it is not a good practice to be rigid in its requests. From the MOF’s point of view, the municipal association, is in essence, repeating all the requests from the beginning of discussion, which may have an adverse effect on the credibility of the association as a partner in negotiations.

It should be noted that over the past several years, the association has made tremendous progress in building their capacity to really address the needs of their members in the area of public finance. The association's finance advisor, with support from GAP2 and CDMA, is truly showing excellent skills in pointing out the problems, participating in creating solutions, and lobbying for the interests of local governments.

#### **Subcomponent D: Support policy reform for introduction of municipal treasury operations (KRA 2.4)**

##### **Activity D.1: Support drafting of treasury implementation guidelines**

Throughout July and August 2012, the policy and local interventions teams held a range of meetings with the F BiH municipal association to organize the four workshops on introducing treasury operations at the municipal level that were held in September. For more details on these workshops, please see Section B.2 of this report, under Local Interventions.

## MONITORING AND EVALUATION

As noted in the last quarterly report, GAP2 conducted the seventh annual survey regarding citizens' satisfaction with municipal administrative services delivery in BiH partner municipalities. Although the survey was conducted in June, the results were not available for inclusion in the last report. This year, the survey was conducted in a total of 35 (31 partner and 4 control) municipalities. Nine pollsters (regional pollster approach) approached more than 3,200 citizens and conducted more than 2,700 interviews.

Along with this survey, GAP2 also conducted its first repetition of the survey on citizens' satisfaction with municipal communal services delivery. All municipalities participating in the communal services delivery survey are GAP2 partner municipalities of which 9 receive technical assistance in management of communal services and 3 municipalities which do not. Pollsters interviewed over 900 citizens to identify citizens' satisfaction with municipal communal services delivery and related findings.

The results for the question "what is your level of satisfaction with municipal services?" were obtained as an average percent of satisfaction for several aspects of municipal services. The following aspects were considered:

- facilities,
- quality of services,
- promptness of services,
- politeness of officials,
- knowledge of officials, and
- cost of services.

For the 15 Cohort 3 partner municipalities, there was a 5 point increase in citizens' satisfaction from 85 percent, during the last survey period, to 90 percent during the current survey period ("very satisfied" or "satisfied"). This represents an increase of over 18.5 points compared to the baseline survey. Citizens have again responded positively to the improvements made in these 15 municipalities. Only 8 percent of citizens are not satisfied with municipal services delivery, which represents an 18.4 point decrease from the baseline survey data. The gradual decrease of dissatisfaction during the four-year period can be seen in Figure 17. This category has decreased by more than 4 points since last year's survey.

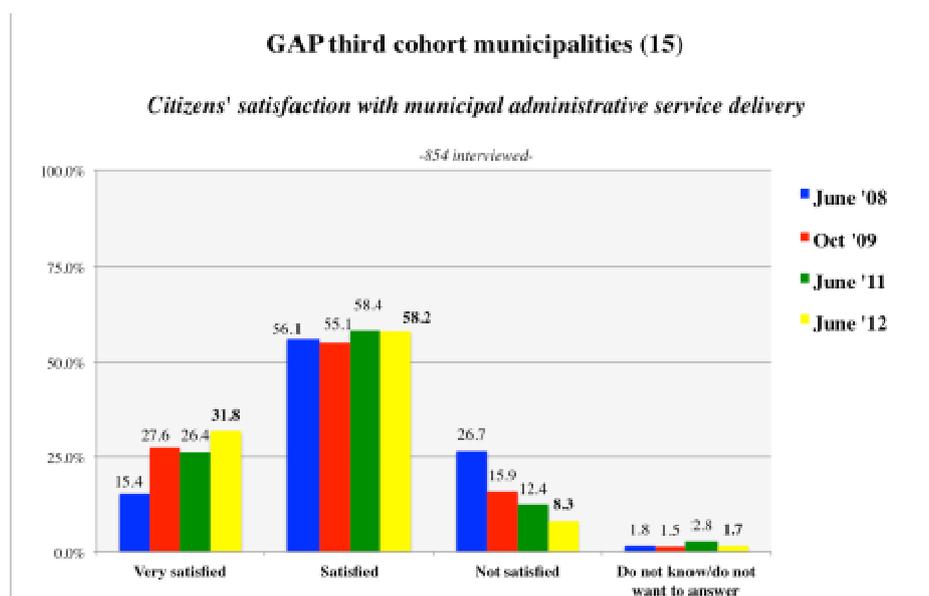


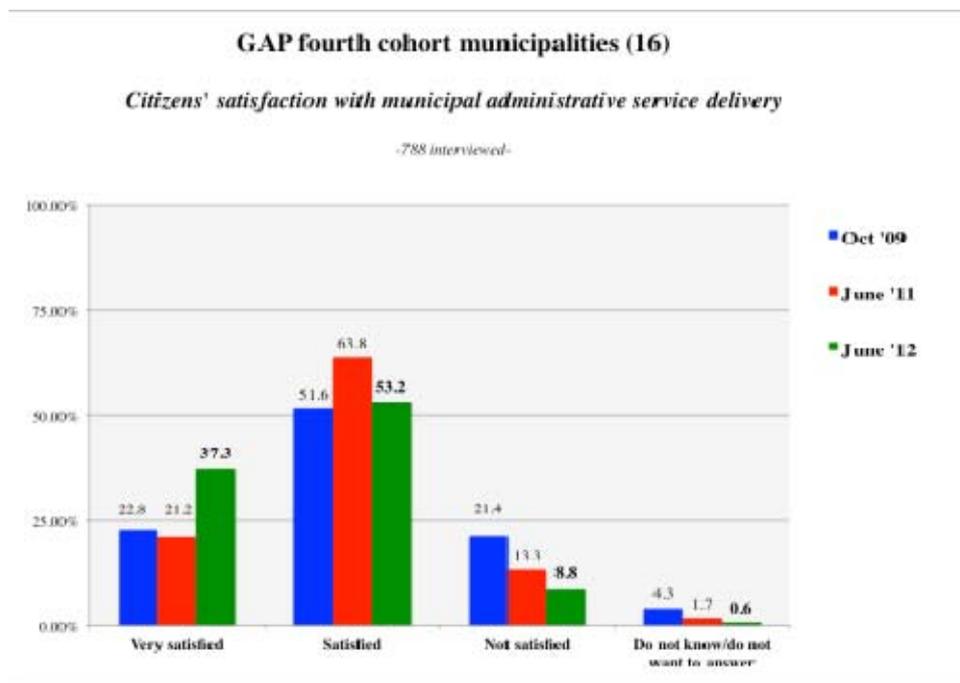
Figure 17

This is the third round of data collection for the 16 partner municipalities from Cohort 4, which gives a broad overview of the progress made. We are pleased to report a more than five point increase of citizens' satisfaction from 85 percent, during the last survey period to 90.5 percent during the current survey period ("very satisfied" or "satisfied").

There has been a significant increase of citizens who are very satisfied with the services, which shows the constant efforts and dedication made by the municipalities and the project team to improve service delivery.

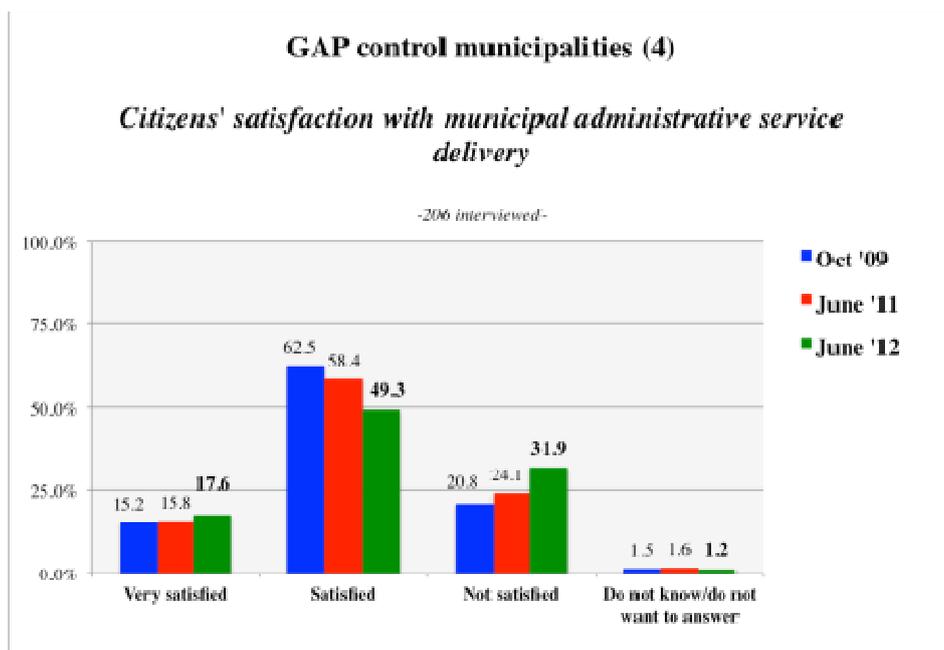
Cohort 4 municipalities were the last ones to join the GAP2 project and have already shown great results and progress similar to cohort 3 municipalities. The level of satisfaction is at 90 percent in both cohorts, which speaks not only to the GAP2 team implementation capabilities, but also to the great deal of dedication from the sixteen partner municipalities.

The steady increase of citizens' satisfaction with the municipal service delivery for cohort 4 can be seen in Figure 18. When comparing the satisfaction rate in cohort 4 municipalities against the baseline survey, the increase of 15 points speaks to the GAP2 project team and partner municipalities' commitment towards making the improvements necessary to raise the quality of services for their constituents.



**Figure 18**

To have a better interpretation and monitoring of findings and trends among partner municipalities, GAP2 is also monitoring data in four control municipalities that receive no assistance from GAP2. While all partner municipalities recorded increases in citizens' satisfaction with administrative municipal services delivery, control municipalities recorded a drop by 7.3 points when compared to the June 2011 survey and over 10 points when compared to the baseline data. These findings are presented in Figure 19.



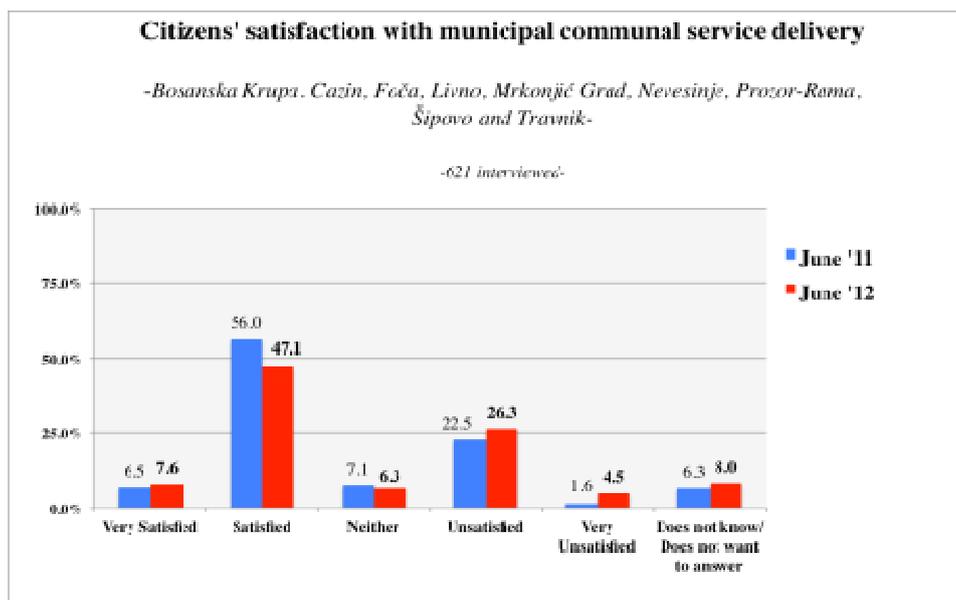
**Figure 19**

The results for the question “what is your level of satisfaction with following municipal communal services?” were obtained as an average percent of satisfaction for each of the several aspects of communal municipal services. The following aspects were considered:

- water supply,
- sewage system/waste water management,
- power supply,
- garbage collection,
- street and town cleaning,
- school students transportation,
- local road maintenance,
- public parks and playgrounds maintenance,
- preschool education,
- public transportation,
- district heating, and
- public street illumination.

The overall trend across the surveyed municipalities is an increase in dissatisfaction. However, the dissatisfaction trend is much lower in the GAP2 municipalities when compared with the control municipalities. Furthermore, when analyzing the data from GAP2 municipalities, the drop in the satisfaction rate is much sharper in the RS municipalities than the FBiH municipalities, where change remains within the margin of error.

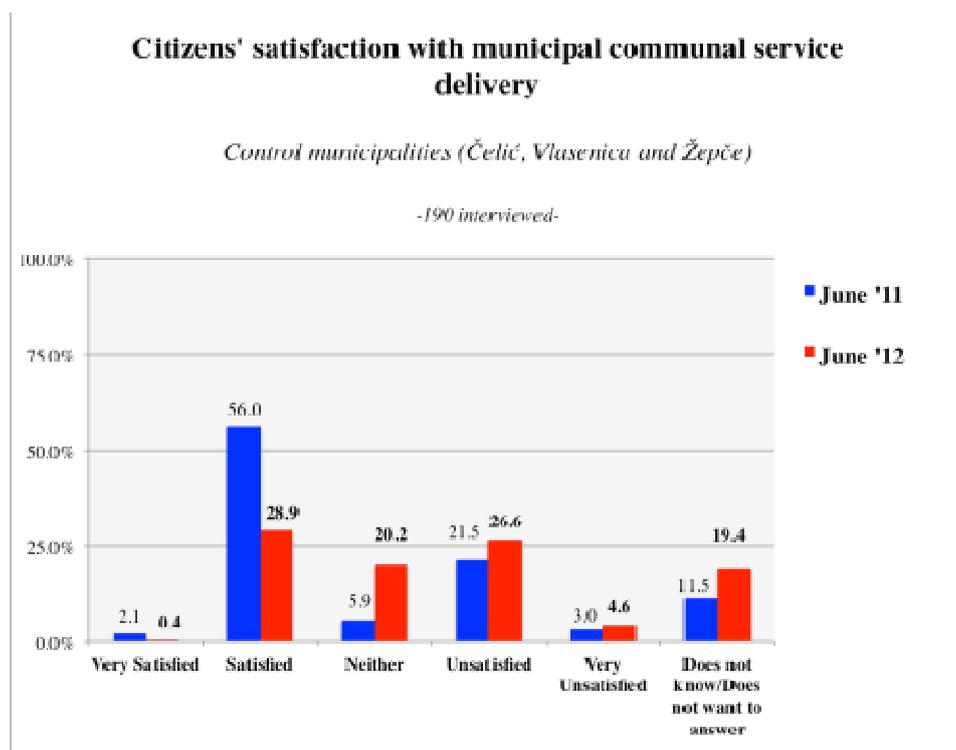
In nine partner municipalities (Bosanska Krupa, Cazin, Foča, Livno, Mrkonjić Grad, Nevesinje, Prozor-Rama, Šipovo, and Travnik), the satisfaction rate, when comparing June 2012 data to the baseline June 2011 data (Figure 21) decreased from 62.5 percent to 54.7 percent (“very satisfied” or “satisfied”). Moreover, the average rate of dissatisfaction has increased by 6 points (“very unsatisfied” and “unsatisfied”).



**Figure 20**

When analyzing data from the control municipalities, we can clearly see a staggering decrease in satisfaction and a high increase in the neutral category. There is an overall increase in dissatisfaction across all municipalities with the municipal communal service delivery, yet the degree in which it has risen is much more significant in the control municipalities, where GAP2 did not provide any technical assistance (TA).

The difference is 7.8 points (from 62.5 percent to 54.7 percent) in the GAP2 municipalities that received TA and a stunning fall of 28.8 points (58.1 percent to 29.3 percent) in the control municipalities (see Figure 21).



**Figure 21**

In conclusion and based upon the thorough analysis by GAP2, such results confirmed the conclusion in “*Analysis of municipal authorities and competencies in the area of communal services provisions*” report from July 2011. It states the following:

“While municipalities will benefit from improving their capacity to manage communal service providers, the core problems with effective and efficient communal service provision lie within the service providers themselves. Many of these problems were inherited from the previous system and multiplied further after the war. Unfortunately, there is currently a lack of political will at all levels of government and within the service providers to seriously tackle PUC reform.

Considering the complexity of the issues related to communal services (historical, cultural, social, economic, technical, political, legal, etc.), extensive multi-disciplinary research is needed to adequately assess the situation and lay the groundwork for a more sound system. No significant improvement in this area can be achieved without treating it as the whole and developing a comprehensive solution.

The final conclusion is that, in its last year and a half, GAP2 can provide technical assistance and training to municipalities to build their capacity in managing PUCs. However, if significant and tangible improvement in communal service provision is desired, a long-term, multi-disciplinary project involving all levels of government and all kinds of service providers should be established in order to identify issues, re-engineer the concept of communal services, and implement solutions.”

Another survey GAP2 conducted in this reporting period is related to the municipal budgets performance indicators. Analysis of the findings shows that all municipal budget revenues decreased since 2008, except non-tax revenues (see Figure 22) due to the effect of the international economical crises.

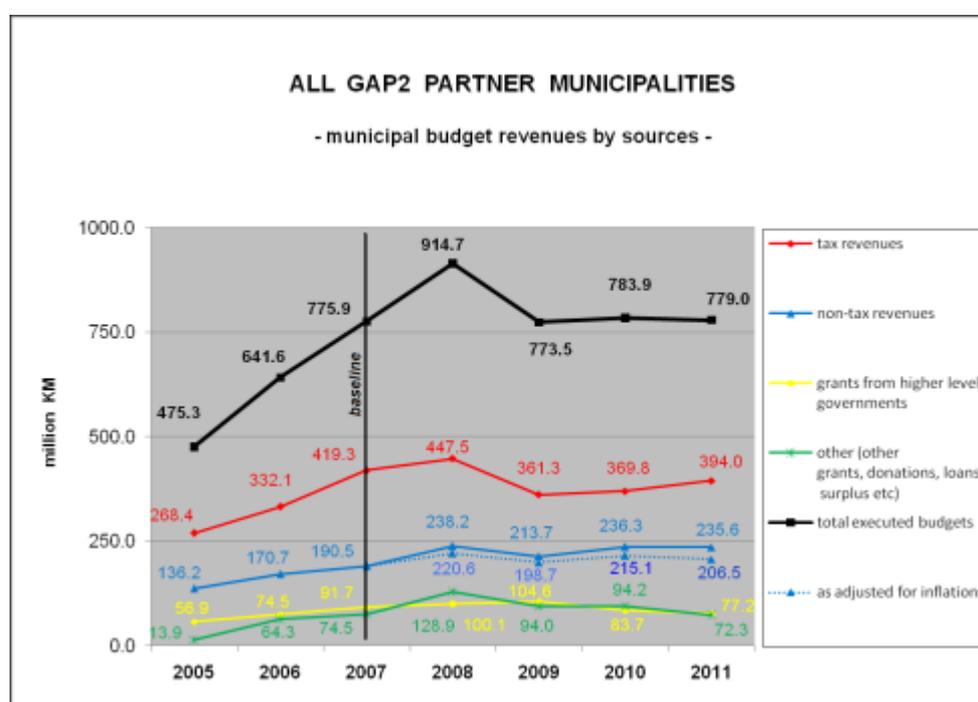


Figure 22

Non-tax revenues are the only source of income that a municipality can directly collect and control and represents a municipality’s own-source revenue generation. However, while total budget revenues

and tax revenues are even with or below the baseline (budget execution for 2007), non-tax revenues are still nominally higher than the baseline by 23.6 percent and, as adjusted for inflation in the last four years, still higher by 8.4 percent (See Figure 23). This fact illustrates that GAP2 municipalities were aware of the situation and took all necessary measures to maximize own-source revenue generation supported by GAP2 advice, guidance, and technical assistance in revenue maximization.

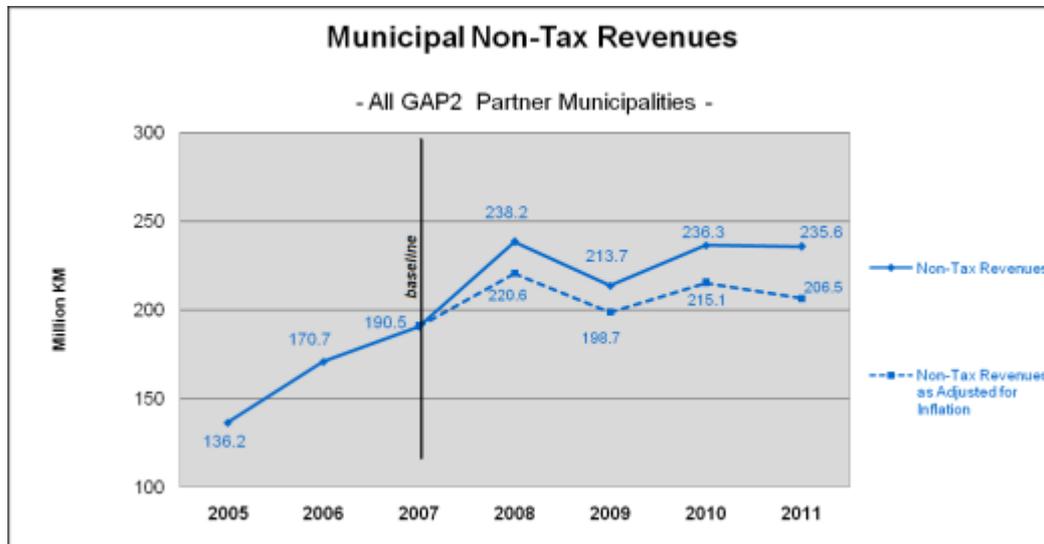


Figure 23

At the same time, the percentage of the non-tax revenues or municipal own-source revenue generation as a share of total municipal revenues has continuously risen since 2006, and even during the global financial crisis, exceeded 30 percent of total municipal revenues. (see Figure 24)

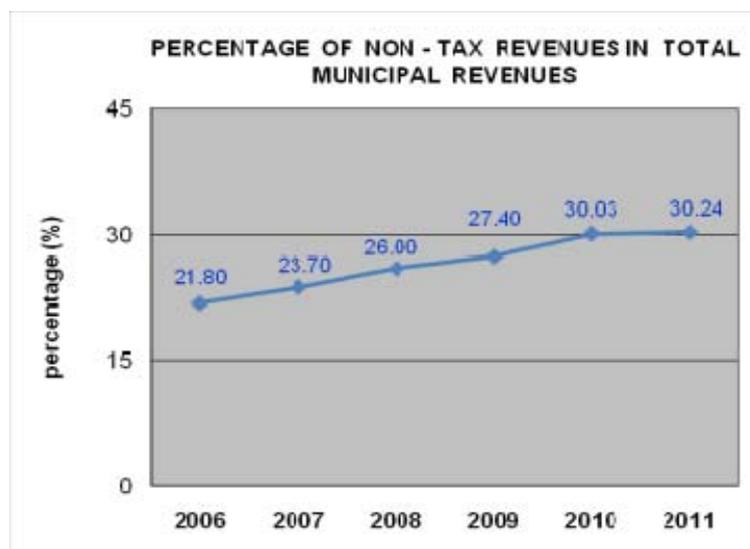


Figure 24

As stated earlier, the effects of the global financial crisis had a significant impact on municipal budget revenues in BiH since 2009. Logically, the same was seen with expenditures, so the first area of cuts was capital investments. After a very promising first year of GAP2, capital investments in all 72 GAP2 partner municipalities in 2011 were nominally below baseline values in 2007. (See Fig. No. 25).

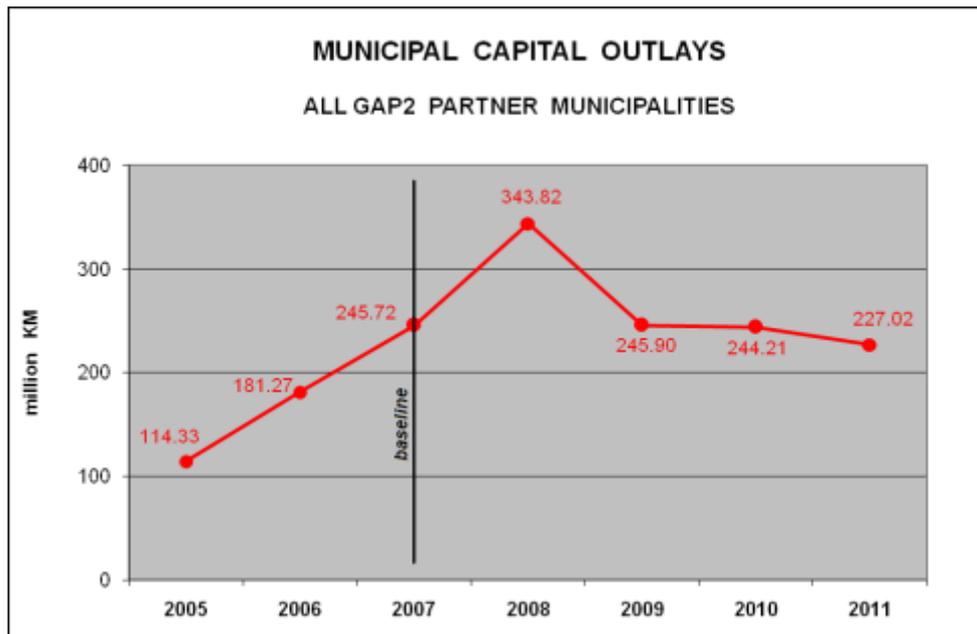


Figure 25

The impact of the current global financial crisis on municipal budgets was significant, although the majority of municipalities took some recovery measures. These efforts were combined with that of entity governments and GAP2 assistance. However, BiH municipalities face a long period of recovery to achieve the results seen in capital investments at pre-crisis levels.

The third survey done in this reporting period is a final quarterly P-BMP and capacity indexes survey. The Municipal Urban Capacity Index was designed to measure improvements related to the activities in spatial and urban planning as specified in the modification of SOW. The final results from this index show that ten selected municipalities significantly increased their capacity in conducting their function of actual urban planning, taking into consideration their organization of department, staff capability and knowledge, as well as equipment including the most modern hardware and software. At the same time, four control municipalities did not make any improvements in this regard in the last year (see Figure 26).



Figure 26

The similar tool designed to follow development in management of the municipal communal services coordination is Municipal Communal Services Management Capacity Index (MCSMCI). This index also shows a significant increase in nine selected municipalities to coordinate better provision of communal services, while control municipalities recorded just minor improvements. (See Figure 27).

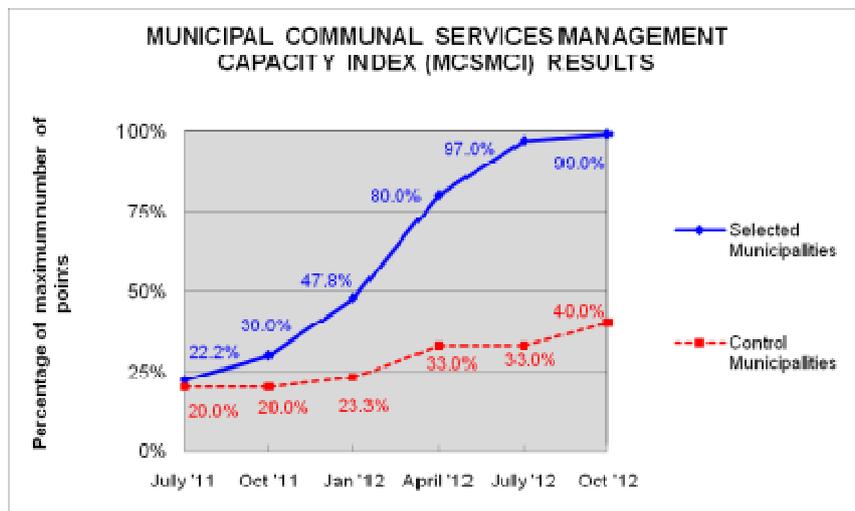


Figure 27

However, as earlier presented in this section of the report, citizens did not recognize improvements made in the last year in provision of communal services, and elaboration was provided within the findings from the attitudinal survey. Another potential explanation for that fact could be that improvements made (including “Service 48 Hours”) need more time to become fully operational and establish their importance and benefit, and to be recognized by citizens. GAP2 is confident that a potential survey (organized by some other party in the future) could show encouraging results in next year in selected municipalities that received this kind of technical assistance by GAP2.

## PROJECT OPERATIONS

*Human Resources.* In this reporting period, there was one change in staff; Nikica Lubura Reljic, Communications Officer/Interpreter resigned from her position and left the project on July 31, 2012.

The number of GAP2 long-term staff at the end of September is 24 (20 professional staff and 4 support staff). According to the staffing plan, the majority of staff will leave the project on November 30, 2012, while only the essential operations staff will remain through the project's December 10 end date.

Seven new STTA positions have been approved during this quarter: Youth and Advocacy Advisor, Urban Planning Expert, Program Budgeting Specialist, Gender Sensitive Budgeting Specialists, MI Expert/Moderator, and Urban Planning Expert/Moderator. In addition to these newly approved assignments, another three short-term consultants completed their assignments on September 30.

The project anticipates proposing several STTA in the following quarter to assist with close out activities. The operations team worked closely with the technical team to develop a detailed demobilization plan which was submitted to the JMC in August. This plan outlined the proposed STTA for the remainder of the project. Additionally, USAID's Press Officer met with the GAP2 Deputy Chief of Party to discuss the best way of marking the project's ending and ensuring that its results are shared with a wider audience. Based on guidance from USAID's Mission Director and Press Officer, the project plans to hire a short-term Communications Specialist who will prepare a summary of results to be published in major daily and weekly newspapers throughout Bosnia and Herzegovina.

*Procurement.* The procurement team has successfully completed all but one procurement procedure related to urbanism activities within the modified scope of work.

Both hardware and software were purchased and installed for nine municipalities. In addition to software installations, municipal employees were trained in both basic and advanced use of GIS software. For two municipalities, Novi Travnik and Breza, IT administrators went through advanced training on how to maintain and support complex GIS infrastructure in place in these two municipalities.

Outstanding procurement is related to the purchase of GIS software for the municipality of Gračanica. The vendor's offer exceeds the budgeted amount specified in the SOW. The municipality has agreed to finance an additional 8,000 KM to complete this procurement. We expect this procedure will be finished during the month of October.

A total of 98,000 KM was spent on hardware procurement and 137,000 KM on software and training. Specified amounts include municipal cost shares as specified in the SOWs.

With the completion of the Gračanica procurement, GAP2 will have completed all procurements specified in the approved work plan.

Disposition of equipment procured under MAP assistance is approved by the CO. Currently; the only pending disposition to municipalities is related to urbanism procurement.

*Final conferences.* During this quarter, the project's operations staff focused extensively on the organization and logistical support for the GAP2 final regional conferences in Banja Luka and Sarajevo, which took place during September.

## SECTION II – PERFORMANCE CHALLENGES

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*Summer holiday slowdown.* With a number of counterpart representatives unavailable during the busy summer travel season, GAP2 noticed relatively low participation levels in the quarter's training sessions as well as the absence of key working group participants. In particular, these absences resulted in delayed implementation of the adopted gender and youth action plans.

*Delayed capital improvement projects.* Regarding CIP delays in Kupres, it is still unknown how long the Office for Appeals will take to make a decision in the case. If the Office of Appeals reaches a favorable decision by the end of GAP2, the project would recommend that Kupres continues with implementation of the project and receive co-financing after its completion. However, at this point, it is still unknown what mechanism would be used to monitor the remaining work on the project or how the GAP2 co-financing would be disbursed after GAP2 ends.

It is also unclear what will happen for the project in Šekovići after the elections and if/when the budget will be formally adopted, however, we do not anticipate the proposed projects will be initiated or finished by the end of GAP2. We will know more after the elections and following meetings with relevant municipal officials, including both the mayor and the president of the municipal assembly.

Although Vareš municipality ensured GAP2 that the projects would be finished by the end of November, there is still a possibility that the projects will not be finished, and not all payments made. GAP2 is working closely with Vareš to ensure timely completion of the project.

As discussed with donors, the project will prepare recommendations on CIP projects that are not finalized in order to explore options for ensuring initiated projects are successfully completed and GAP2 co-financing remains available.

## SECTION III – REPORTS AND DELIVERABLES

Date	REPORTS AND/OR DELIVERABLES	CITATION
July – Sept 2012	6 CIP projects completed in Čapljina, Vareš, Ljubinje, Kladanj, and Vitez	Work Plan, Annex A, PIS task 89
August 2012	Report on Attitudinal Survey 2012	Work Plan, Annex B
August 2012	Municipal best practices disseminated during conferences, available on handout USB;	Work Plan, Annex A, PIS task 16
September 2012	Final Report on the IABS use finished;	Work Plan, Annex A, PIS # 37
September 2012	Four regional workshops on experience exchanges on treasury operations was held;	Work Plan, Annex A, PIS # 42
September 2012	Municipal best practices disseminated during conferences, available on handout USB;	Work Plan, Annex A, PIS task 16
September 2012	20 Youth Advocacy Plans completed and adopted;	Work Plan, Annex A, PIS task 66, 69
September 2012	19 Gender Advocacy Plans completed and adopted;	Work Plan, PIS task 74 and 77
September 2012	Code of intergovernmental Relations adopted by FBiH Associations of Cities and Municipalities and FBiH Government;	Work Plan, Annex A, PIS task 123
September 2012	Key Results of the Governance Accountability Project, Phase II;	Work Plan, Annex A, PIS task 122
September 2012	Regional Conference held in Sarajevo (September 17-18);	Work Plan, Annex A, PIS task 122
September 2012	Regional Conference held in Banja Luka (September 24-25);	Work Plan, Annex A, PIS task 122
September 2012	Final Conference of Mayors of GAP Partner Municipalities held in Sarajevo (September 28).	Work Plan, Annex A, PIS task 122

Note: All materials are available in the GAP2 offices.

## SECTION IV – MAJOR ACTIVITIES PLANNED FOR NEXT QUARTER

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### LOCAL INTERVENTIONS

No.	Activity
1	Final wrap-up of the activities;
2	Monitoring of the implementation of the gender action plans adopted;
3	Monitoring of the implementation of the youth action plans adopted;
4	Monitoring of the implementation of the gender responsive budgeting action plans adopted;
5	Monitoring of the program budget integration in the 2013 budget proposal;
6	Implementation of the GAP2 exit strategy;
7	All CIP projects where the construction works have been initiated, four of them, to be completed and archived by November 30, 2012;
8	Distribute written CIP environmental reports and meet with municipalities about their obligations to ensure compliance with environmental policies in the future;
9	Prepare the action plan for financing outstanding approved CIP projects after GAP2;
10	Complete paperwork on all CIP files;
11	Complete CIP file review in accordance with demobilization plan.

### POLICY INTERVENTIONS

No.	Activity
1	Organize, together with FBIH municipal association and FBIH Government official ceremonial signing of the Code on Intergovernmental Relations;
2	Continue lobbying efforts in the RS regarding adoption of the Code on Intergovernmental Relations;
3	Continue lobbying efforts in regards to the Law on Electronic Documents, and finalization of the related brochure;
4	Continue to advocate for legislation in parliamentary procedure;
5	Produce final Draft of the Law on Financing Local Governments in the RS;
6	Participate in next working group meeting (October) on the FBIH Law on Revenue Allocation, where final agreement on the text of the law is expected;
7	Present the urbanism policy paper to the relevant committee of the RS Association of Cities and Municipalities;
8	Continue with the implementation of the GAP2 Exit Strategy;
9	Hold final meeting of the GAP2 Advisory Board if decided so by the JMC.

## MONITORING AND EVALUATION

No.	Activity
1	Produce GAP2 monitoring and evaluation final report;
2	Implement the transfer of M&E resources to both municipal associations in accordance with the GAP2 exit strategy.

## PROJECT OPERATIONS

No.	Activity
1	Implement demobilization plan in accordance with detailed list of activities that will lead to successful closure of project;
2	Seek relevant JMC and RCO approvals (dispositions, STTA);
3	Complete procurement process for urbanism, including final review of files for compliance;
4	Prepare and publish a summary of GAP2 results in major daily and weekly newspapers.

**ANNEX A**

**PROJECT IMPLEMENTATION STATUS**

**PROJECT IMPLEMENTATION STATUS - LOCAL INTERVENTIONS**

 NOT YET STARTED

 ON SCHEDULE

 POSSIBLE ISSUE

 DELAY OR ISSUE

 COMPLETED

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 1. Local Interventions</b>																	
<b>Develop and implement municipal action plans (MAPs) in legacy and new municipalities</b>																	
1	Provide MAP technical assistance, implementation, and training for Cohort 3 municipalities	100%	●	xxxxx	xxxxx	xxxxx											
2	Complete procurement of second tranche of hardware, including equipment delivery, installation, training, implementation, and monitoring	100%	●	xxxxx	xxxxx												
3	Complete procurement of software (including GIS software), including delivery, installation, and 3 levels of training (basic, advanced, and system administration)	100%	●	xxxxx	xxxxx												
4	Conclude Cohort 3 MAP projects and public campaigns (opening ceremonies, media coverage, etc.) highlighting MAP results	100%	●	xxxxx	xxxxx	xxxxx											
5	Score and sign M&E forms for Cohort 3 municipalities to evaluate overall project success	100%	●		xxxxx	xxxxx	xxxxx										
6	Conclude administrative close-out of MAP projects for Cohort 3 municipalities	100%	●				xxxxx	xxxxx	xxxxx								
7	Implement Cohort 4 MAPs, including technical and material assistance preparation, procurement, and delivery	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx									
8	Complete procurement of hardware, including equipment delivery, installation, training, implementation, and monitoring	100%	●	xxxxx	xxxxx	xxxxx	xxxxx										
9	Complete procurement of software (including GIS software), including software delivery, installation, and 3 levels of training (basic, advanced, and system administration)	100%	●		xxxxx	xxxxx	xxxxx										
10	Conduct performance audits and acceptance tests for relevant MAP projects	100%	●		xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
11	Conclude Cohort 4 MAP projects and public campaigns (opening ceremonies, media coverage, etc.) highlighting MAP results	100%	●				xxxxx	xxxxx	xxxxx								
12	Score and sign M&E forms for Cohort 4 municipalities to evaluate overall project success	100%	●					xxxxx	xxxxx	xxxxx							
13	Conclude administrative close-out of MAP projects for Cohort 4 municipalities	90%	●							xxxxx	xxxxx	xxxxx					Due to the volume of activities surrounding conferences and full engagement of all GAP2 staff, GAP2 will finalize this task in October 2012.
14	Deliver presentations to municipal management, including a refresher course to ensure handover of materials and MAP process to beneficiaries	100%	●	xxxxx													

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC		
<b>Component 1. Local Interventions</b>																
<b>Sub-Component A: Improve service delivery in legacy and new municipalities (KRA 1.1)</b>																
<b>Activity A.1: Enhance performance of municipal citizens' services centers (CSCs) and urban permitting centers (UPCs)</b>																
15	Conduct CSC / UPC performance audits with follow-up consultancy to ensure sustainability of quality of citizen services	100%	●								XXXXX	XXXXX				
16	Use Municipal Fair, association-led events, and the Government initiatives to promote the achievements, lessons learned and the importance of continuous improvements of the CSC/UPC	100%	●	XXXXX												
17	Hold regional coordination meetings for CSC/UPC managers and IT Administrators to exchange best practices	100%	●								XXXXX	XXXXX				
18	Research and identify selected BH universities/faculties (e.g., of public administration, economics, political science), other training institutions associated with training of civil service and the municipal associations for handover of GAP2's expertise, lessons learned, and materials.	100%	●		XXXXX	XXXXX										
19	Hold meetings and organize presentations with the entities selected for handover, in order to advocate and propose amendments to the curriculum by including GAP2's knowledge, principles, and lessons learned.	100%	●			XXXXX	XXXXX									
20	In collaboration with CDMA, promote benchmarking of efficiency of the municipal services (i.e.. based on Docunova reports) as a performance monitoring tool of the Associations of Cities and Municipalities or relevant ministries	100%	●								XXXXX	XXXXX				
<b>Activity A.2: Improve municipal management of communal services in select municipalities</b>																
21	Create permanent municipal teams for development and municipal oversight of the communal services provision	100%	●	XXXX	XXXX											
22	Assist municipalities to prepare for and implement internal projects aimed at improving municipal oversight of communal services provision.	100%	●	XXXX	XXXX	XXXX										
23	Internal projects to improve municipal oversight of communal services provision are implemented and operational (milestone).	100%	●			XXXX										
24	Conduct research, define, and introduce (including presenting to municipal management, training, and launch) optimum service standards for communal services, as a basis for better municipal oversight of communal services.	100%	●	XXXXX	XXXXX	XXXXX	XXXXX									
25	Work with municipalities to implement the Action plans for Communal Services Improvement (based on selections from Catalogue, indicated in italics below)	100%	●	XXXX												
26	Conduct meetings with communal services representatives, municipal management on public education/information campaign „Public Attitudes toward Higher Efficiency Communal Services and use of the Resources“; launch this campaign in seven participating municipalities (milestone)	100%	●	XXXXX	XXXXX	XXXXX										
27	Conduct workshops on <i>Municipal Public Opinion Research on communal services</i> satisfaction in two participating municipalities	100%	●			XXXXX	XXXXX									
28	Assist in preparation and audit the meetings of the MZs on "Citizens Participation - Public Communities and Partnership for improving provision of the Communal Services" in selected municipalities; introduce mechanisms into municipal management that ensure collecting local initiatives, review of priorities and presentation of local initiatives regarding communal services become standard and routine practice	100%	●			XXXXX	XXXXX	XXXXX	XXXXX							
29	<i>Public opinion research</i> conducted and results published in local media available in two participating municipalities (milestone)	100%	●					XXXXX	XXXXX							
30	Launch of the "Service 48 Hours" in participating municipalities	100%	●	XXXX	XXXX											
31	Produce the first (in the series of regular reports) of the communal services performance-based monitoring reports regarding the "Service 48 Hours" in each participating municipality (milestone)	100%	●			XXXX	XXXX	XXXX								
32	Monitor, review and assist in update of the <i>Municipal Catalogue of Services</i>	100%	●							XXXXX	XXXXX	XXXXX				
33	Collect and promote achievements and best practices	100%	●	XXXXX												
34	Conduct customer satisfaction survey to measure impact	100%	●					XXXXX	XXXXX							
35	Analyze and address any outstanding issues determined by the survey findings; Corrective actions (if any) taken to address the outstanding issues proposed to the municipalities, agreed upon and conducted	100%	●							XXXX	XXXX					

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 1. Local Interventions</b>																	
<b>Sub-Component B: Improve administration, budgeting, and financial management in legacy and new municipalities (KRA 1.2)</b>																	
<b>Activity B.1: Maximize functionality and use of Integrated Accounting and Budgeting Software (IABS)</b>																	
36	Monitor IABS use, maintenance, and implementation; Prepare a Final Report with the conclusions regarding the IABS use, lessons-learned and recommendations	100%	●	xxxxx													
<b>Activity B.2: Prepare select municipalities for introduction of treasury operations</b>																	
37	Adjust the framework documentation to the needs of the selected partner municipalities - finish internal documentation within timelines prescribed in the SOWs ( <i>milestone</i> )	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
38	Conduct on site training on creation specific instructions to internal and external budget users	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
39	Provide assistance creating the rules on budget execution (operational planning) to the municipalities which move to treasury operations	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
40	Conduct study tour of selected municipalities for finance staff; these meetings will allow participating municipalities to exchange experience	100%	●				xxxxx	xxxxx	xxxxx								
41	Provide tailor-made training sessions to assist establishment of unified General Ledger and functioning of the single treasury account to the municipalities which have moved to treasury operation and have adopted 2012 budgets based on treasury principles	100%	●	xxxxx													
42	Organize at least two regional workshops with best practice exchange, in cooperation with the Association. Representatives of the 10 pilot municipalities will share their experiences with other non-pilot Association members. Assist the Association in assuming the role of promoter and advisor of treasury introduction in the municipalities	100%	●							xxxxx	xxxxx	xxxxx					
43	Monitor and assist in the implementation of internal decisions and instructions regarding treasury	100%	●	xxxxx													
<b>Activity B.3: Improve budgetary information for municipalities</b> <span style="float: right;">ACTIVITY COMPLETED</span>																	
<b>Activity B.4: Transfer ownership of municipal revenue profile production and maintenance</b> <span style="float: right;">ACTIVITY COMPLETED</span>																	
<b>Activity B.5: Support advanced program budgeting and public expenditure management</b>																	
44	Continue liaising with the municipal associations on exchange of experiences and promotion of the program budgeting from GAP program budgeting municipalities to other municipalities	100%	●	xxxxx													
45	Continue providing support to the 14 selected program budgeting municipalities in the first year of the program budget preparation and/or implementation. (on-site visits and guidance during life of project)	100%	●	xxxxx													
46	Promote (through presentation to the relevant staff, councilors and wider public) program budgeting in the areas other than those already selected, and encourage the municipalities to make transition towards the program budgets in other aspects too	100%	●				xxxxx	xxxxx	xxxxx	xxxxx	xxxxx						
47	In case of interest, organize workshops on program budgeting for the representatives of relevant focus groups in selected municipalities (in order to expand program budgeting processes to other areas)	100%	●					xxxxx	xxxxx	xxxxx	xxxxx						
48	Municipalities demonstrate capability to prepare municipal budgets on program budgeting principles in two selected areas and at least one additional program area ( <i>milestone</i> )	100%	●									xxxxx					
49	Continue training of 14 program budgeting municipalities in principles and techniques of advanced municipal expenditure management; as a result, at least one practice showing better expenditure management adopted per partner municipality	100%	●	xxxxx													
50	Organize, with Associations and/or other appropriate bodies, two regional best practice exchange events to promote program budgeting concept, as a methodology of improved public expenditure management, with transfer of lessons-learned, information/training materials to wider audience (all partner municipalities).	100%	●					xxxxx	xxxxx	xxxxx							

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 1. Local Interventions</b>																	
<b>Sub-Component C: Introduce modern planning principles to municipal development (KRA 1.3)</b>																	
<b>Activity C.1: Improve urban planning in select pilot municipalities</b>																	
51	Conduct in-depth assessment of the existing spatial planning documentation and needs analysis for revision and/or creation of spatial planning documentation, and development of action plan for updating existing and creating new spatial planning documentation	100%	●	xxxxx	xxxxx	xxxxx											
52	Provide professional development training for urban planning offices' professional staff on how to assess and implement the existing spatial planning documentation, through workshops and on-the-job trainings	100%	●	xxxxx													
53	Conduct expert analysis and provide recommendations for amending organization and systematization of municipal urban planning offices, aiming at strengthening organizational and human capacities for preparation and management of the planning processes, and implementation of the plans	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
54	Conduct needs assessment and provide material support to urban planning offices' through procurement of necessary hardware, software and training	100%	●					xxxxx	xxxxx								
55	Complete procurement for selected material assistance (prepare tender documents based on experts analyses and technical specifications, select vendor; and ensure delivery, installation, and use)	100%	●						xxxxx	xxxxx							
56	Provide technical support for increasing urban planning offices' IT capacity from the aspect of human resources (municipality optionally either appointed a separate IT Administrator for GIS or amended scope of work of the existing IT Administrator who will dedicate 50% of his/her time to urbanism and GIS)	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
57	Provide technical assistance and creation of the program scope of work ("Programski zadatak") for development of specific planning documents (where the Municipal Assembly's decision exists/is required) (milestone)	100%	●	xxxxx	xxxxx	xxxxx	xxxxx										
58	Provide technical assistance in preparation and creation of "documentation basis" (as specified in the RS Law on Urban Planning), and of "analytical-documentation basis" (as specified in the Federation Law on Urban Planning) for a selected planning document	100%	●				xxxxx	xxxxx	xxxxx								
59	Conduct a final conference to present the list of urban planning improvement recommendations and share the most successful practices among municipalities	100%	●								xxxxx	xxxxx					
60	Make recommendations for amending the curriculum of the existing courses and introducing the new courses at the departments for architecture and design engineering	100%	●					xxxxx									
61	Oversee production of a publication on principles of modern urban planning (based on GAP2's expertise and experience) which will serve as a resource book for students	100%	●							xxxxx	xxxxx	xxxxx					
62	Organize scholarly round-table(s) at the relevant academic institution to discuss modern principles of urban planning (based on GAP2's experience and expertise).	100%	●									xxxxx					
<p>These items have been modified according to the JMC approval. The Final Result for these task is the Spatial Planning Manual produced by GAP2 that was presented and discussed at the Regional Conferences in Sarajevo and Banja Luka and GAP2 Final Conference (mayors' event) in Sarajevo on September 28, 2012.</p>																	

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 1. Local Interventions</b>																	
<b>Activity C.2: Support implementation of youth strategies in select pilot municipalities</b>																	
63	Finalize development of youth action plans for implementing reviewed or existing strategies	100%	●	xxxxx	xxxxx	xxxxx											
64	Finalize development of youth advocacy plans	100%	●				xxxxx	xxxxx	xxxxx								
65	Continue implementation of a series of workshops for working group members on youth action plan development, strategic planning, youth participation in local decision-making process, project cycle management, and implementation of the youth strategies	100%	●	xxxxx	xxxxx	xxxxx	xxxxx										
66	Assist and closely monitor implementation of the youth action plans and youth advocacy plans once they have been adopted	100%	●		xxxxx												
67	Define mechanisms for intensifying youth civic participation in the community	100%	●		xxxxx	xxxxx	xxxxx										
68	Promote better partnerships between youth and their local government through advising and sharing best practices, in line with the action plans (e.g. establishment of the Youth Councils, regular round tables with youth and their representatives, forming of the youth advisory boards, youth inter-municipality network (on line). Detailed mechanisms to be defined in the municipal youth advocacy plans.	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
69	Each municipality which has adopted youth action plans and youth advocacy plan will define and implement at least two action plan items (activities, mechanism, products) (milestone)	100%	●							xxxxx	xxxxx	xxxxx					
70	Hand over training materials regarding youth training program, youth action plan, and youth advocacy plan to Youth associations in the municipalities and selected relevant youth NGOs	100%	●					xxxxx	xxxxx	xxxxx	xxxxx	xxxxx					
71	Organize final Conference on Youth and Local Governance (share materials, lessons learned, knowledge gained, provide certificates to youth for participation in the training sessions)	100%	●									xxxxx					
<b>Activity C.3: Support implementation of state Law on Gender Equality in select pilot municipalities</b>																	
72	Continue training of gender working groups in implementation of the action plans, including operationalization, updating, advocacy, implementation, monitoring and evaluation.	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx								
73	Develop gender advocacy plan (to complement implementation of the local gender action plans)	100%	●				xxxxx	xxxxx	xxxxx								
74	Closely monitor implementation of the action plan and evaluate implementation of the advocacy plans once they have been adopted	100%	●	xxxxx													
75	Transfer the mechanism for development of gender action plan and training packages to other GAP municipalities through entity Gender Centers (of FBIH and RS), share best examples with other GAP municipalities through entity Gender Centers (of FBIH and RS)	90%	●							xxxxx	xxxxx	xxxxx					The formal hand-over will be conducted in October 2012.
76	Introduce practice of regular reporting on implementation of action plans to the Mayor and Municipal Council/Assembly Commission.	100%	●							xxxxx	xxxxx	xxxxx					
77	Each municipality that has adopted a local gender action plan and advocacy plan (to mobilize public in favor of the law) will define and implement at least two action plan items (activities, mechanism, products) (milestone)	100%	●							xxxxx	xxxxx	xxxxx					
78	Hold second round of gender budgeting training to the target-municipalities added in the Q3 2011	100%	●		xxxxx	xxxxx	xxxxx										
79	Define gender-sensitive criteria for budget development, train in preparing gender sensitive budgets in at least two segments/programs.	100%	●				xxxxx	xxxxx	xxxxx	xxxxx	xxxxx						
80	Promote gender-responsive budgeting through provision of adequate reading materials to each partner municipality through municipal associations	100%	●	xxxxx													
81	Handover of gender training program methodology for development of gender advocacy plans, gender budgeting methodology to Entity Gender Centers and selected relevant NGOs	90%	●					xxxxx	xxxxx	xxxxx	xxxxx	xxxxx					The formal hand-over will be conducted in October 2012.
82	Hold final workshops on gender and gender budgeting, leading to the municipalities demonstrating capability to prepare municipal budgets on gender sensitive principles (milestone)	100%	●							xxxxx	xxxxx	xxxxx					



**PROJECT IMPLEMENTATION STATUS - POLICY INTERVENTIONS**

NOT YET STARTED

ON SCHEDULE

POSSIBLE ISSUE

DELAY OR ISSUE

COMPLETED

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 2: Policy Interventions</b>																	
<b>Sub-component A: Strengthen inter-governmental communication and the capacity of municipalities to collectively advocate (KRA 2.1)</b>																	
<b>Activity A.1: Support adoption and implementation of Code on Inter-Governmental Relations</b>																	
<b>FBiH</b>																	
91	Participate in the work of the working groups that will be drafting the final text of the Code	100%		xxxxx	xxxxx	xxxxx	xxxxx										
92	Support association in negotiating terms of the Code's annexes with the Government	40%						xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				
<b>RS</b>																	
93	Lobby with RS Association for signing of the Agreement (Code) by the RS Government and RS Association	90%		xxxxx	xxxxx	xxxxx	xxxxx										The MoU between RS Government and the Association was signed on August 30, and the Association will send the Codex to the LSGM to start the adoption procedure by the RS Government. Federation WG completed the final text of the Code incorporating comments and suggestions. The next step is submission of the final text to the FBiH Government and Presidency of FBiH Association for review. If no further suggestions are placed, the Code will be signed.
94	Work with the Association in developing an action plan for implementation	0%					xxxxxx	xxxxx	xxxxx	xxxxx							
95	Work with the Association on the implementation of the Action plan	0%								xxxxx	xxxxx	xxxxx	xxxxx				
<b>Activity A.2: Foster sustainability of GAP2 activities through development and implementation of an exit strategy</b>																	
96	Review and amend exit strategy as necessary	100%		xxxxx	xxxxx	xxxxx											
97	Implement exit strategy, handing over tools and responsibilities to relevant stakeholders/successors and providing training as needed	65%					xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				The Exit Strategy implementation will be completed by the end of GAP2, in accordance with the deadlines specified in the Exit Strategy which has been approved by the JMC.
98	Hold closeout conference for GAP2	100%										xxxxx					
<b>Activity A.3: Cooperate with Sida-funded CDMA project to improve municipal associations' ability to advocate for reform</b>																	
99	Implement defined activities, and meet regularly with CDMA to report on progress, challenges, and achievements	ongoing		xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				This process continues in accordance with the GAP2 Exit Strategy Implementation Framework approved by the JMC.
<b>Activity A.4: Foster opportunities for mayors to discuss common municipal interests</b>																	
100	Should mayors be open to discussions/meetings, assist organization of event as appropriate (e.g.. annual meetings, conferences, and/or roundtables)	100%						xxxxx									
<b>Sub-Component B: Improve inter-municipal communication (KRA 2.2)</b>																	
<b>Activity B.1: Support implementation of Law on Vital Records and Law on Electronic Documents</b>																	
101	Work with counterparts (ministries, IDEAA, Associations) to revise relevant bylaws in accordance with recent changes to the legislation that occurred in the adoption process	95%		xxxx	xxxx												Vital record sharing WG was formed in June 2012, GAP2 IT Specialis Muris Celjo is a member. WG continues its work. The GAP2 representative also continues to participate in the WG. The contents of the brochure are ready, however, finalization and distribution await adoption of the FBiH Law on Electronic Documents.
102	Organize meetings/consultations with vital records registrars and IT personnel from municipalities, the RS Ministry, and IDEAA to coordinate and develop best final solution	60%		xxxx	xxxx	xxxx											
103	Organize production and distribution to participating institutions of a brochure that will contain bylaws and implementation guidelines for implementing the legislation	90%				xxxx	xxxx										
104	Organize a conference to raise awareness of institutions and wider public of law implementation	0%						xxxxx	xxxxx								
105	Work with partner municipalities to test inter-municipality sharing of vital records	20%							xxxxx								

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Component 2: Policy Interventions</b>																	
<b>Sub-Component C: Conduct policy initiatives to operationalize the Local Self-Governance Development Strategy (KRA 2.3)</b>																	
<b>Activity C.1: Support implementation of the FBiH Law on Principles of Local Self-Governance</b>																	
106	Revise draft legislation (Law on Concessions, Law on Employees, Law on Forests, Law on Cadastre, Law on Real Rights)	99%	●	xxxxx				GAP2 has reached the limit of its efforts in regards to this legislation. However, the process is considered to be ongoing until the final adoption of the laws. GAP2 continues to lobby and advocate for the legislation.									
107	Together with Association, seek input/stance of FBiH Government and Parliament on law texts	99%	●	xxxxx													
108	Advocate/Lobby Government and Parliament for adoption of laws. Organize and actively be involved in meetings with key stakeholders, Parliamentary sessions, roundtables, in order to promote and advocate for new legislation to be adopted.	99%	●	xxxxx													
109	If adopted in a reasonable timeframe, together with Association start the implementation process (raising awareness through conferences, guidelines, bylaws if needed, etc)	0%	●			xxxxx											
110	On a semi-annual basis, organize meetings of the GAP2 Advisory Board to discuss the process of implementation of the Law on PLSG	50%	●					xxxxx					xxxxx				
<b>Activity C.2: Address key policy issues that impede modern urban planning</b>																	
111	Assess key policy issues/obstacles in modern urban planning (e.g. zoning), in conjunction with in-depth assessment performed by LI team	100%	●	xxxxx	xxxxx												
112	Present recommended policy reform priorities, if any, to municipalities so that they may nominate them as priority issues for the municipal associations	95%	●			xxxxx	xxxxx										Presented to the relevant committee of FBiH Association which adopted it. Presentation to the RS Association will take place after October 7, 2012 (the date of local elections)
113	Support LI team, providing policy input and addressing issues as they arise	100%	●	xxxxx													
<b>Activity C.3: Address key policy issues that impede efficient municipal management of communal service provision</b>																	
<b>ACTIVITY COMPLETED</b>																	
<b>Activity C.4: Support drafting of RS Law on Financing of Local Governments</b>																	
114	Support the working group (WG) created by the Association in analyzing the current legal framework	100%	●	xxxx	xxxx	xxxx											
115	Conduct research and prepare all relevant materials deemed necessary by the WG and the association. Present gathered materials for use by the WG	100%	●		xxxx	xxxx	xxxx	xxxxx	xxxxx								Analysis of VAT revenue allocation model and possibility of creating new model or improving the one currently used are done, and should be presented to the Association in July. Second meeting of the WG was held in Banja Luka, on April 23. First Draft of the Law (drafted by GAP2) was presented and WG members discussed the document. Most attention was paid to section of the Law that covers grants issue.
116	Work with the WG on the creation of models for revenue allocation and of a draft law that encompasses all of the developed solutions	80%	●							xxxxx	xxxxx	xxxxx	xxxxx				Second draft of the Law and the VAT revenue allocation paper were distributed to the members of the WG, for review and comments.
<b>Activity C.5: Support drafting of FBiH Law on Financing of Local Governments</b>																	
117	Support the working group, created by the Government, in analyzing the current legal framework	100%	●	xxxxx	xxxxx	xxxxx											
118	Conduct research and prepare all relevant materials deemed necessary by the WG and the association. Present gathered materials for use by the WG	100%	●		xxxx	xxxx	xxxxx	xxxxx	xxxxx								
119	Work with the WG on the creation of models for revenue allocation	85%	●							xxxxx	xxxxx	xxxxx					The last session of the WG is scheduled for October 8, 2012.
<b>Sub-Component D: Support policy reform for introduction of municipal treasury operations (KRA 2.4)</b>																	
<b>Activity D.1: Support drafting of treasury implementation guidelines</b>																	
<b>ACTIVITY COMPLETED IN 2011</b>																	

**PROJECT IMPLEMENTATION SCHEDULE - PROJECT CLOSE-OUT**

NOT YET STARTED     
  ON SCHEDULE     
  POSSIBLE ISSUE     
  DELAY OR ISSUE     
  COMPLETED

Activities and Tasks	Estimated percentage of completion	Status	Year 5 (2012)												NOTES	ACTION TAKEN	
			JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			
<b>Project Close-Out</b>																	
<b>Activity A.1: Project demobilization</b>																	
120	Create a demobilization plan, amend as necessary	100%	●	xxxxx					xxxxx								
121	Implement the plan, focusing on final review of all financial, procurement, CIP, and personnel files, and disposition of property	ongoing	●	xxxxx													
122	Plan and organize project close-out conference	100%	●									xxxxx	xxxxx				
<b>Activity A.3: Disposition of property procured as part of materail assistance packages</b>																	
123	Create and implement a timeline for inventory check-up, disposition approval, and final disposition to municipalities	100%	●	xxxxx													
<b>Activity A.4: Reporting</b>																	
124	Annual Report for Year 4	100%	●	xxxxx													
125	Create a Completion Report format and structure	100%	●	xxxxx	xxxxx	xxxxx											
126	Quarterly Report #17	100%	●						xxxxx								
127	Quarterly Report #18	100%	●					xxxxx									
128	Quarterly Report #19	100%	●								xxxxx						
129	Competition Report	0%	○									xxxxx		xxxxx			

**ANNEX B**

**LIST OF TRAININGS CONDUCTED BY GAP2**

**IN Q3 2012**

LIST OF TRAININGS CONDUCTED BY GAP2 FROM JULY 1 TO SEPTEMBER 30, 2012

#	Title of training				Subject area	Date of training	City of training	Entity	# of participants	M	F	PIS LI activity #	Trainer's name
1	Location Marketing	econ dev			C4 MAP	2-Jul-12	Grude	FBIH	8	5	3	7	T. Mihajlovic, M. Handalic Plahonjic
2	Gender Responsive Budgeting - final workshop	gender	budget		C3	2-Jul-12	Bihać	FBIH	7	2	5	88	Dzenita Hrelja
3	Gender Responsive Budgeting - final workshop	gender	budget		C3	3-Jul-12	Kostajnica	RS	9	3	6	88	Dzenita Hrelja
4	IPA	cap bldg	EU standards		C4 MAP	3-Jul-12	Capljina	FBIH	5	2	3	7	Ahmed Sijercic & Merdza Handalic
5	Location Marketing	econ dev			C4 MAP	3-Jul-12	Capljina	FBIH	5	2	3	7	T. Mihajlovic, M. Handalic Plahonjic, A. Sijercic
6	Youth and Gender Advocacy workshop	gender	youth		C2, C3	4-Jul-12	Kladanj	FBIH	11	5	6	64,66,73	Dragana Grbic Hasibovic, Milan Mrdjica
7	Gender Responsive Budgeting - final workshop	gender	budget		C3	4-Jul-12	Vares	FBIH	4	2	2	88	Dzenita Hrelja
8	Youth and Gender Advocacy workshop	gender	youth		C2, C3	5-Jul-12	Teslić	RS	4	1	3	64,66,74	Dragana Grbic Hasibovic, Aida Musa
9	Project Cycle Management	cap bldg			C4 MAP	5-Jul-12	Domaljevac-Šamac	FBIH	7	4	3	7	Merdza Handalic Plahonjic
10	Gender Responsive Budgeting - final workshop	gender	budget		C3	5-Jul-12	Gradacac	FBIH	5	3	2	88	Dzenita Hrelja
11	Youth and Gender Advocacy workshop	gender	youth		C2, C3	6-Jul-12	Celic	FBIH	8	2	6	64,66,75	Dragana Grbic Hasibovic, Aida Musa
12	Gender Responsive Budgeting - final workshop	gender	budget		C3	6-Jul-12	Nevesinje	RS	6	2	4	88	Dzenita Hrelja
13	IPA	cap bldg	EU standards		C4 MAP	9-Jul-12	Kupres	FBIH	7	3	4	7	Merdza Handalic Plahonjic
14	Youth and Gender Advocacy workshop	gender	youth		C2, C3	9-Jul-12	Gradiska	RS	16	8	8	64,66,73	Dragana Grbic Hasibovic, Aida Musa
15	Youth and Gender Advocacy workshop	gender	youth		C2, C3	10-Jul-12	Srbac	RS	9	4	5	64,66,73	Dragana Grbic Hasibovic, Aida Musa
16	IPA	cap bldg	EU standards		C4 MAP	10-Jul-12	Capljina	FBIH	5	2	3	7	Ahmed Sijercic & Merdza Handalic
17	Location Marketing	econ dev			C4 MAP	10-Jul-12	Capljina	FBIH	5	2	3	7	Merdza Handalic, Tanja Mihajlovic
18	Youth and Gender Advocacy workshop	gender	youth		C2, C3	11-Jul-12	Kostajnica	Fed	7	5	2	64,66,73	Dragana Grbic Hasibovic, Aida Musa
19	Youth and Gender Advocacy workshop	gender	youth		C2, C3	12-Jul-12	Bihać	RS	12	2	10	64,66,73	Dragana Grbic Hasibovic, Aida Musa

LIST OF TRAININGS CONDUCTED BY GAP2 FROM JULY 1 TO SEPTEMBER 30, 2012

#	Title of training				Subject area	Date of training	City of training	Entity	# of participants	M	F	PIS LI activity #	Trainer's name
20	Establishing unit for managing municipal development - workshop on Project proposals per EU standards	cap bldg	EU standards		C4 MAP	12-Jul-12	Kotor Varoš	RS	9	6	3	7	Merdza Handalic Plahonjic
21	Establishing unit for managing municipal development - workshop on Project proposals per EU standards	cap bldg	EU standards		C4 MAP	12-Jul-12	Knezevo	RS	7	1	6	7	Merdza Handalic Plahonjic
22	Youth and Gender Advocacy workshop	gender	youth		C2, C3	12-Jul-12	Vares	FBiH	10	3	7	64,66,73	Admir Vranic
23	Youth and Gender Advocacy workshop	gender	youth		C2, C3	13-Jul-12	Mrkonjic grad	RS	10	3	7	64,66,73	Dragana Grbic Hasibovic, Aida Musa
24	Youth and Gender Advocacy workshop	gender	youth		C2, C3	13-Jul-12	Ilijas	FBiH	9	3	6	64,66,73	Admir Vranic
25	Final Program Budgeting workshop	budget			B5	13-Jul-12	Gradacac	FBiH	3	1	2		Haris Catic
26	Youth and Gender Advocacy workshop	gender	youth		C2, C3	16-Jul-12	Jablanica	FBiH	6	3	3	64,66,73	Admir Vranic
27	Youth and Gender Advocacy workshop	gender	youth		C2, C3	16-Jul-12	Gracanica	FBiH	10	2	8	64,66,73	Dragana Grbic Hasibovic, Aida Musa
28	Youth and Gender Advocacy workshop	gender	youth		C2, C3	17-Jul-12	Gradacac	FBiH	12	6	6	64,66,73	Dragana Grbic Hasibovic, Aida Musa
29	Youth and Gender Advocacy workshop	gender	youth		C2, C3	17-Jul-12	Fojnica	FBiH	2	2	0	64,66,73	Admir Vranic
30	Final Program Budgeting workshop	budget			B5	17-Jul-12	Zepce	FBiH	6	1	5		Haris Catic
31	Youth and Gender Advocacy workshop	gender	youth		C2, C3	18-Jul-12	Foca	RS	3	2	1	64,66,73	Admir Vranic
32	Youth and Gender Advocacy workshop	gender	youth		C2, C3	18-Jul-12	Zepce	FBiH	12	10	2	64,66	Dragana Grbic Hasibovic, Aida Musa
33	Establishing unit for managing municipal development - workshop on Project proposals per EU standards	cap bldg	EU standards		C4 MAP	19-Jul-12	Knezevo	RS	6	1	5	7	Merdza Handalic Plahonjic

**LIST OF TRAININGS CONDUCTED BY GAP2 FROM JULY 1 TO SEPTEMBER 30, 2012**

#	Title of training				Subject area	Date of training	City of training	Entity	# of participants	M	F	PIS LI activity #	Trainer's name
34	Location Marketing	econ dev			C4 MAP	20-Jul-12	Šekovići	RS	6	3	3	7	Merdza Handalic Plahonjic
35	Youth and Gender Advocacy workshop	gender	youth		C2, C3	20-Jul-12	Vogosca	FBIH	7	3	4	64,66,73	Admir Vranic
36	Youth and Gender Advocacy workshop	gender	youth		C2, C3	20-Jul-12	Gorazde	FBIH	3	1	2	64,66,73	Admir Vranic
37	Location Marketing	econ dev			C4 MAP	24-Jul-12	Grude	FBIH	3	2	1	7	T. Mihajlovic, M. Handalic Plahonjic
38	Youth and Gender Advocacy workshop	gender	youth		C2, C3	25-Jul-12	Nevesinje	RS	11	3	8	64,66,73	Admir Vranic
39	Strategic Planning Workshop for Youth and Gender WS's	gender	youth	planning	C2, C3	24-25-Jul-12	Gradiška	RS	13	7	6	64,66,73	Dragana Grbić Hasibović, Milan Mrđa
40	Establishing unit for managing municipal development - workshop on Project proposals per FIJ standarris	cap bldg	EU standards		C4 MAP	26-Jul-12	Kotor Varoš	RS	5	4	1	7	Merdza Handalic Plahonjic
41	Youth and Gender Advocacy workshop	gender	youth		C2, C3	26-Jul-12	Trebinje	RS	8	6	2	64,66,73	Admir Vranic
42	Youth and Gender Advocacy workshop	gender	youth		C2, C3	27-Jul-12	Ljubinje	RS	4	3	1	64,66,73	Admir Vranic
43	Youth and Gender Advocacy workshop	gender	youth		C2, C3	30-Jul-12	Bugojno	FBIH	6	0	6	64,66,73	Dragana Grbić Hasibović
44	PCM Workshop for Youth and Gender WS's	gender	youth	cap bldg	C2, C3	31-Jul-12	Srbac	RS	7	1	6	65	Dragana Grbić Hasibović
45	PCM Workshop for Youth and Gender WS's	gender	youth	cap bldg	C2, C3	1-Aug-12	Bihać	Fed	5	1	4	65	Dragana Grbić Hasibović
46	PCM Workshop for Youth and Gender WS's	gender	youth	cap bldg	C2	3-Aug-12	Celic	FBIH	8	5	3	65	Dragana Grbić Hasibović
47	Final Program Budgeting workshop	budget			B5	6-Aug-12	Mrkonjic grad	RS	9	5	4	48, 49	Haris Catic
48	Final Program Budgeting workshop	budget			B5	7-Aug-12	Velika Kladusa	FBIH	7	5	2	48, 49	Haris Catic
49	Final Program Budgeting workshop	budget			B5	8-Aug-12	Srbac	RS	8	8	0	48, 49	Haris Catic
50	Final Program Budgeting workshop	budget			B5	9-Aug-12	Gradiska	RS	3	1	2	48, 49	Haris Catic
51	Final Program Budgeting workshop	budget			B5	10-Aug-12	Lopare	RS	4	1	3	48, 49	Haris Catic

**LIST OF TRAININGS CONDUCTED BY GAP2 FROM JULY 1 TO SEPTEMBER 30, 2012**

#	Title of training				Subject area	Date of training	City of training	Entity	# of participants	M	F	PIS LI activity #	Trainer's name
52	Final Program Budgeting workshop	budget			B5	13-Aug-12	Konjic	FBIH	5	2	3	48, 49	Haris Catic
53	Final Program Budgeting workshop	budget			B5	14-Aug-12	Jablanica	FBIH	4	1	3	48, 49	Haris Catic
54	Final Program Budgeting workshop	budget			B5	15-Aug-12	Nevesinje	RS	4	3	1	48, 49	Haris Catic
55	Final Program Budgeting workshop	budget			B5	16-Aug-12	Trebinje	RS	8	5	3	48, 49	Haris Catic
56	Final Program Budgeting workshop	budget			B5	17-Aug-12	Gorazde	FBIH	4	0	4	48, 49	Haris Catic
57	Regional workshop on experience exchange	cap bldg			B2	4-Sep-12	Tomislavgrad	FBIH	27	13	14	43	Merdza Handalic Plahonjic
58	Regional workshop on experience exchange	cap bldg			B2	5-Sep-12	Zepce	FBIH	28	14	14	43	Merdza Handalic Plahonjic
59	Final Program Budgeting workshop	budget			B5	10-Sep-12	Lopare	RS	4	1	3	48, 49	Haris Catic
60	Regional workshop on experience exchange	cap bldg			B2	12-Sep-12	Ključ	FBIH	33	13	20	43	Merdza Handalic Plahonjic
61	Regional workshop on experience exchange	cap bldg			B2	13-Sep-12	Kiseljak	FBIH	25	12	13	43	Merdza Handalic Plahonjic

**ANNEX C**  
**FINANCIAL REPORTS**

## **GAP2 OFFICES**

SARAJEVO: ZMAJA OD BOSNE BB, PC ROBOT  
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