



Governance Accountability Project
Projekat upravne odgovornosti



GOVERNANCE ACCOUNTABILITY PROJECT, PHASE II (GAP2)

YEAR 5 ANNUAL REPORT

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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

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

The GAP2 team is pleased to present its Year 5 annual report covering the period January 1-December 31, 2012. The project achieved most of its Year 5 work plan objectives on schedule, despite the challenges presented by the country's volatile political climate.

In anticipation of the end of the project on December 10, 2012, Year 5 of the GAP2 project comprised the completion of many project activities, in particular an intensive focus on completing activities introduced to GAP2 as a result of the February 2011 contract modification. In addition, the project prepared for closeout in the final quarter of 2012, with a view to ensuring the sustainability of GAP2's achievements.

In Year 5 of the project, the *Local Interventions* team completed a significant number of activities, including the completion of MAP assistance to Cohorts 3 and 4 partner municipalities, significant assistance in the activities introduced under the February 2011 contract modification, including improving municipal capacity to manage municipal service delivery, introducing new budgeting and financial management tools and practices which will help municipalities better cope with fiscal constraints, improving urban planning practices and equipping urbanism departments with modern hardware and software, and equipping municipalities to focus on the needs of and encouraging local communities to advocate for gender equality and youth policy.

Over the course of Year 5, the Local Interventions team organized a total of 334 conferences, workshops, and training sessions, attended by more than 3,000 participants (47.5 percent of which were female). In addition, in Q3 2012, GAP2 organized a series of final events to recognize the achievements of partner municipalities and their mayors as well as disseminate key information to local government employees across Bosnia.

Additionally, GAP2 completed 18 *Capital Improvement Planning* projects in 2012, bringing the total number of CIP projects to 131 over four and a half years.

The *Policy Interventions* team worked diligently and within an ever-changing, politically-shifting environment to accomplish GAP2's work plan objectives. While not all of GAP2's objectives under this component were met, we believe the project made great strides in achieving several key objectives and laid the foundations for future progress in improving the environment in which local governments operate in Bosnia and Herzegovina. For example, in Year 5, GAP2 developed and implemented a comprehensive Exit Strategy aimed at maintaining the momentum of GAP2 initiatives and products, with hand-over of many of GAP2's practices and products occurring in both 2011 and 2012. The project also produced a policy paper: "Urban planning in BiH: A contemporary analysis of the challenges and path to progress." The recommendations contained within this policy paper provide legislators, governments, and international donors with an overarching plan for simplifying urban planning and permitting in a way which will stimulate economic development.

Unfortunately, the closure of GAP2 means that the project cannot maintain its vigilant support of partner municipalities, the municipal associations, and key stakeholders in the entity and national level governments to pursue the final steps to adopting and implementing some key pieces of legislation or policy. Nevertheless, GAP2 prepared these self-same stakeholders to maintain the momentum and be cognizant of the next steps that should be taken to effect implementation once changes are adopted.

Highlights of GAP2 activities are presented below, and details about all activities can be found in the Project Implementation Schedule (Annex A). All GAP2 trainings and workshops delivered during this reporting period are listed in Annex B, while MAP project status is presented in Annex C, CIP projects are listed in Annex D, and the final financial report is contained in Annex E.

ABOUT THE PROJECT

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

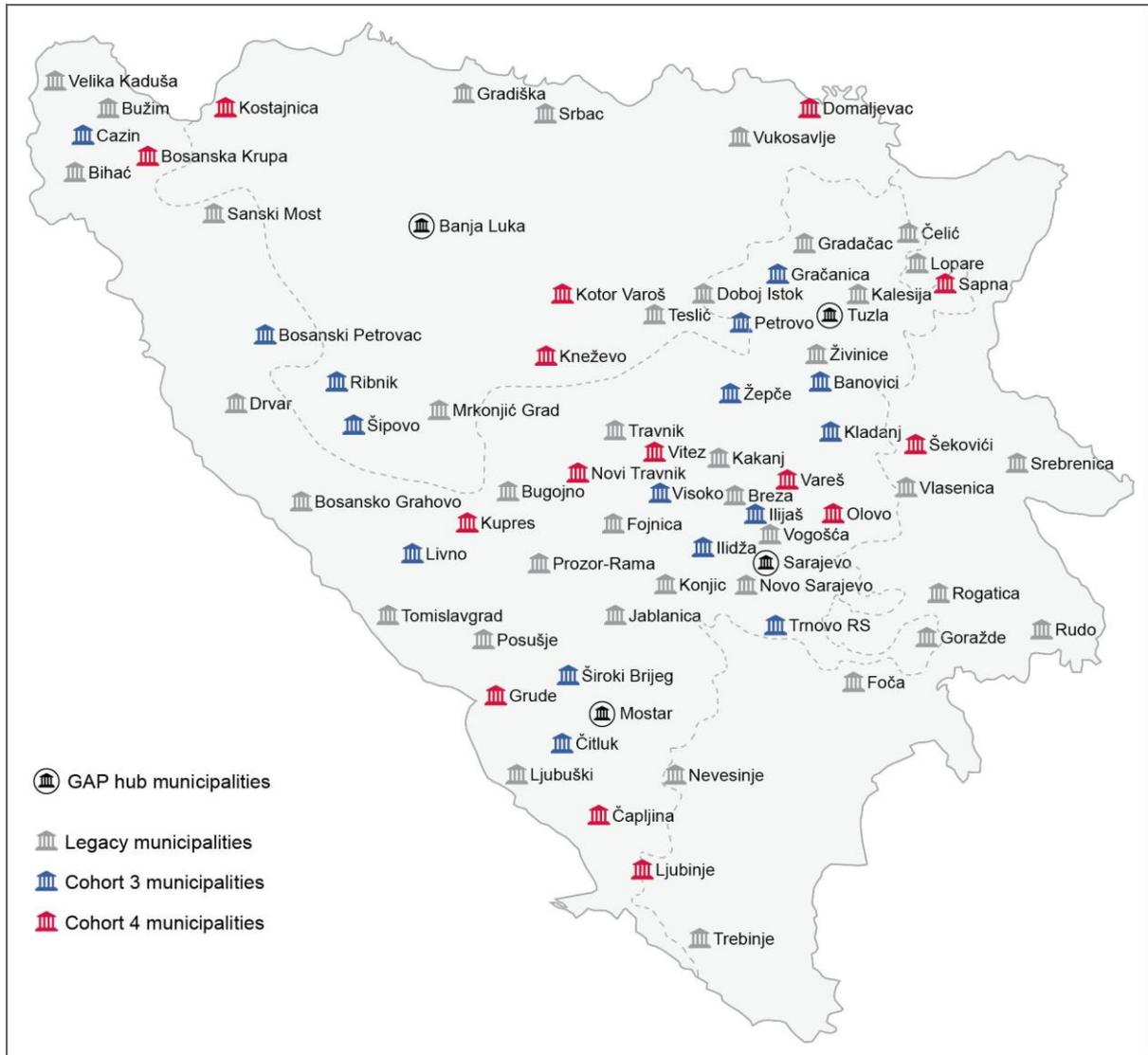


Figure No. 1 – GAP2 Partner Municipalities

GAP2 RESULTS FRAMEWORK

GAP PROJECT OBJECTIVES

1. Improve the ability of municipalities to better serve their clients
2. Support a policy and fiscal framework conducive to democratic governance

Component 1: Local Interventions

KRA 1.1: Improve service delivery in legacy and new municipalities

KRA 1.2: Improve administration, budgeting, and financial management in legacy and new municipalities

KRA 1.3: Introduce modern planning principles to municipal development

KRA 1.4: Increase the capacity of municipalities to administer capital improvement projects

Component 1: Policy Interventions

KRA 2.1: Strengthen inter-governmental communication and the capacity of municipalities to collectively advocate

KRA 2.2: Improve inter-municipal communication

KRA 2.3: Conduct policy initiatives to operationalize the Local Self-Governance Development Strategy

KRA 2.4: Support policy reform for introduction of municipal treasury operations

KRA: Key Results Area

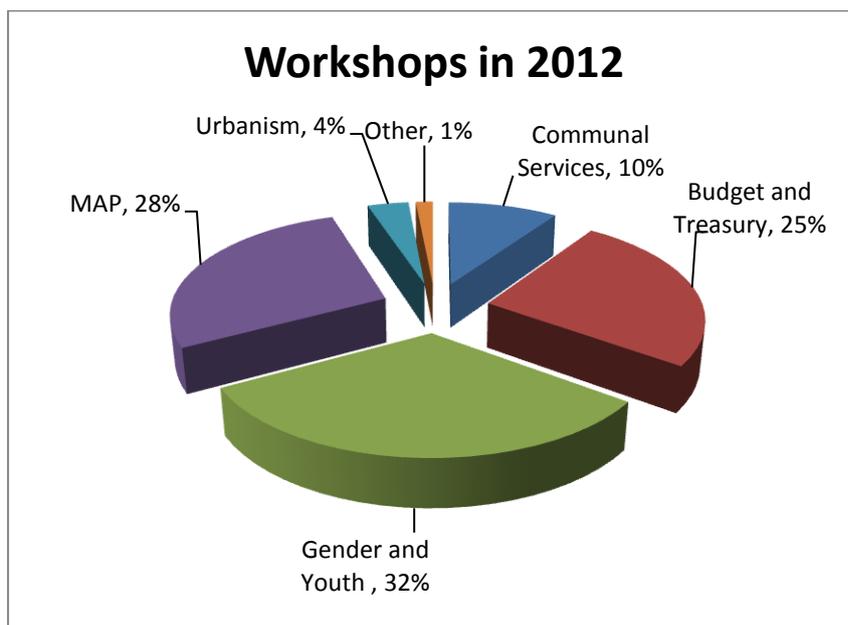
LOCAL INTERVENTIONS

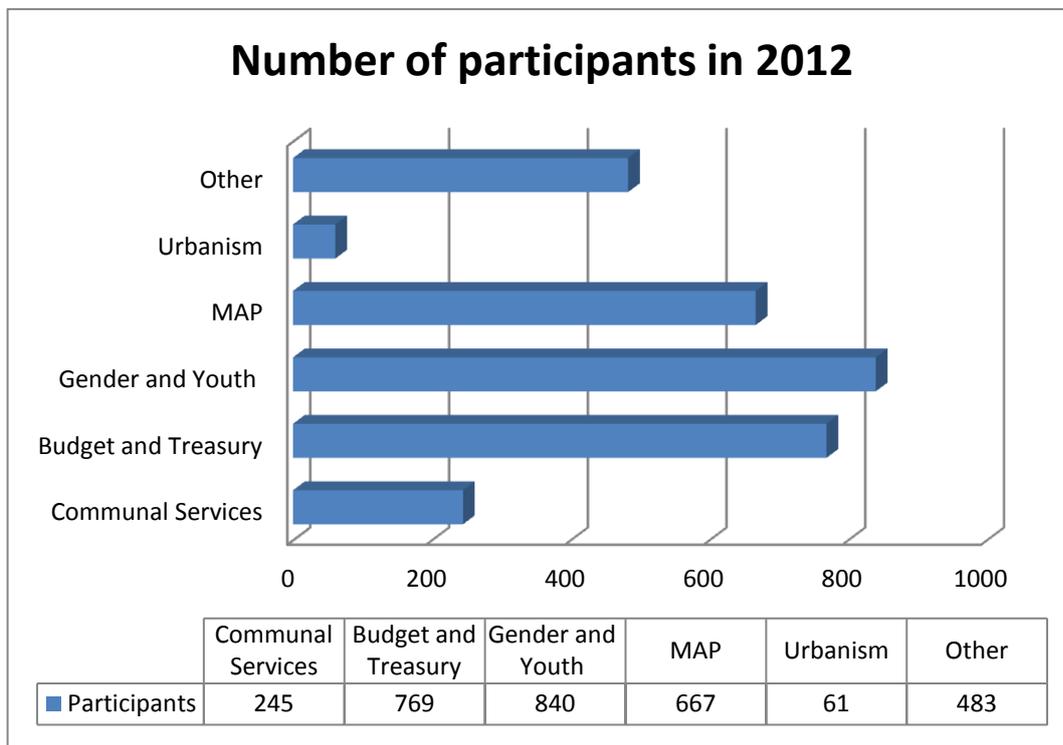
In Year 5 of the project, the Local Interventions team completed a significant number of activities, including:

- Completing MAP assistance in Cohorts 3 and 4 partner municipalities;
- Conducting performance audits of Citizens' Service Centers (CSCs) in all 31 Cohorts 3 and 4 partner municipalities in mid-2012;
- Working with selected partner municipalities on introducing citizen-centric governance to municipal service delivery;
- Introducing and incorporating treasury systems and tools in to municipal financial management activities in selected partner municipalities;
- Introducing program budgeting and gender-sensitive budgeting into municipal financial budget processes in selected partner municipalities;
- Improving urban planning in selected partner municipalities through the provision of technical and material assistance;
- Encouraging and equipping youth to participate in the development and implementation of municipal youth policies in selected partner municipalities;
- Increase municipal capacity to implement the State Law on Gender; and
- Completing CIP activities in the approved Year 5 work plan.

Highlights of these activities are presented below, and details about all activities can be found in the Project Implementation Schedule (Annex B). All GAP2 trainings and workshops delivered during this reporting period are listed in Annex C, while MAP project status is presented in Annex D, and CIP projects are listed in Annex E.

Over the course of Year 5, the Local Interventions team organized a total of 334 conferences, workshops, and training sessions, attended by more than 3,000 participants (47.5 percent of which were female).





In addition, in Q3 2012, GAP2 organized a series of final events 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:

"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*

- 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 the 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.

Municipal Action Plan (MAP) Process

In 72 partner municipalities, GAP2 implemented 317 targeted, demand-driven, MAP projects in a variety of areas over the course of five years (86 in 2012 alone), including process re-engineering and customer service, local economic development, management streamlining, preparation and implementation of LEAP, capital budgeting and project development, utility management, urbanism and zoning, cadastral improvements, and other related project activities. GAP2's municipalities

identified priority areas of assistance from GAP2's menu of services to continue to develop more efficient and accountable systems of governance.

Completion of MAP assistance to Cohorts 3 and 4 municipalities. In 2012, the following 86 MAP projects were successfully completed in Cohorts 3 and 4 municipalities:

- Introduction to the Instrument for Pre-Accession Assistance (IPA) in Petrovo;
- Applied Public Procurement in Kupres and Trnovo (RS);
- Project Cycle Management in Sapna;
- Updating Local Development Strategies in Visoko;
- Building Capacity for Vital Records Sharing in Livno;
- Increasing IT Management Capacity in Ilijaš and Ljubinje;
- Document Scanning and Imaging, Development of Electronic Library in Domaljevac, Žepče, Kladanj, and Sapna;
- Electronic Urban Permitting in Ilidza;
- E-mail Connection between Municipal Employees and Citizens in Livno and Ilijaš;
- Improving Permitting for Legalization of Illegal Settlements in Čitluk;
- Public Utilities Services Improvement in Novi Travnik;
- Introduction to the Instrument for Pre-Accession Assistance (IPA) in Olovo, Grude, and Ljubinje;
- Mid-term Budgeting in Bosanski Petrovac, Bosanska Krupa, Šipovo, and Kneževo;
- Development Partnerships for Increasing the EU Funds Absorption Capacity in Ilijaš;
- Location Marketing - developing a plan for attracting investments in Novi Travnik, Olovo, Vareš, Kotor Varoš, and Vitez;
- International Standards in Project Proposal Development in Novi Travnik, Vareš, and Vitez;
- Networking Satellite Offices with CSC in Visoko, Gračanica, Kotor Varoš, and Bosanska Krupa;
- Center for Education in Petrovo, Široki Brijeg, and Čapljina;
- Establishment of multimedia centre in Kladanj;
- Advanced zoning and planning methodology in Kupres and Čitluk;
- Establishing and equipping municipal unit for managing development in Kostajnica;
- Increasing IT management capacity in Bosanski Petrovac, Vitez, Vareš, Široki Brijeg, Grude Šipovo, Bosanska Krupa, Kotor Varoš, Kostajnica, Gračanica, Domaljevac, and Kneževo;
- Document scanning and imaging, development of electronic library in Šekovići, Novi Travnik, Olovo, Vareš, Vitez, Kneževo, Kostajnica, and Kotor Varoš;
- Improving permitting for legalization of illegal settlements in Bosanska Krupa;
- Software licensing program in Bosanska Krupa, Kupres, and Sapna;
- Electronic urban permitting – complexity level 2 in Šipovo and Petrovo;

- Improving the work of the Department of Real Estate, Geodetic and Cadastre Affairs in Cazin;
- Project Cycle Management in Ljubinje;
- E-mail communication between municipal employees and citizens in Žepče;
- Public Utility Service Improvement in Novi Travnik;
- Preparation and Implementation of Local Environmental Action Plan (LEAP) in Olovo and Čapljina;
- Location Marketing – development of a plan for attracting investments in Grude and Šekovići;
- Establishing and equipping a municipal unit for managing development in Kotor Varoš and Kneževo;
- Improvement of permitting for legalization of illegal settlements in Vitez and Kneževo;
- Electronic urban permitting – complexity level 2 in Kostajnica;
- Electronic urban permitting – complexity level 3 in Vares and Olovo;
- E-mail communication between municipal employees and citizens in Šekovići.

Since the launch of MAP assistance, total of 65 projects have been completed in Cohort 3 municipalities, and total of 78 projects in Cohort 4.

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

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

As part of GAP2's ongoing review of its local interventions and provision of material assistance to partner municipalities, CSC performance audits were conducted in all 31 Cohort 3 and 4 municipalities from June-August 2012. The results demonstrate consistently good quality performance and customer orientation. Employing the practices introduced to them through GAP2 technical assistance, CSC staff have achieved the following successes since the first GAP2 CSC opened in November 2008:

- More than 2 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 basis, 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

In Year 5, GAP2 worked with selected partner municipalities to improve municipal management of communal services. Efforts focused on those services that fall within the municipality's scope and authority, but which are not solely administrative in nature. GAP2 helped to introduce the concept of "citizen-centric governance" in selected partner municipalities, utilizing existing municipal capacities, for instance through the Citizens' Service Centers, to educate, disseminate, and collect information on

line services and to improve municipal capacity to oversee communal services. GAP2's assistance focused on:

- better access to information about communal services in each municipality;
- increased citizens' satisfaction with communal services provision;
- better coordination and municipal oversight over communal services provider performance;
- increased access to statistical data;
- increased professional approach when preparing plans and projects targeting material support to communal services providers.

To evaluate the impact of these initiatives, GAP2 conducted a baseline and follow-up citizen satisfaction survey in all partner municipalities based on a set of performance indicators related to quality of service providers identified prior to implementation.

As a result of GAP2's assistance:

- At least nine municipalities significantly improved municipal oversight, management, and accessibility of select communal services and increased citizens' awareness and satisfaction as measured by the citizen satisfaction polls.
- Nine municipalities produced municipal action plans for improvement of municipal management of communal services. GAP2 assisted partner municipalities to complete at least 45 activities stemming from these plans.
- Municipal teams for communal services development and municipal oversight of communal services were formally established and are operating in nine municipalities, with the municipalities now better prepared and organized to systematically and strategically plan for and implement further improvements of communal services.
- Communal Services Standards developed for and presented to nine municipalities (Nevesinje, Travnik, Sipovo, Prozor-Rama, Mrkonjic Grad, Livno, Bosanska Krupa, Foca, and Cazin).
- Eight municipalities launched the service "Less Than 48-Hours" as an important step towards responsiveness and customer orientation.
- Livno Municipality improved internal communication with the mayor issuing formal Instructions on Internal Communication and the municipal council adopted a Municipal Communication Strategy.

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 was completed prior to this reporting period.

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

Selected GAP2 partner municipalities made great strides in introducing treasury systems and tools to the municipal financial management systems in 2012. The project provided assistance in developing framework documentation and guidelines which was endorsed by the FBiH Ministry of Finance (MoF) and by helping partner municipalities create and adopt specific documents necessary for the

introduction of treasury system operations at the local government level, such as preparation of the implementing rules and regulations of municipality in accordance with the Federation Law on Treasury Decisions (establishing of general ledger, treasury single account, the establishment of the register of budget users, circulation of documents, protection of information systems, instructions). In addition, GAP2 worked with partner municipalities to introduce new ways of planning the municipal budget, such as instituting operational planning on the level of budget users and budget items. As a result of intensive training and technical assistance over the course of 2012:

- Municipal treasury tools have been integrated into the financial management software developed under GAP2 and introduced as a demo version to 20 municipalities. Of these 20, 11 partner municipalities have transferred to treasury operations, and are using IABS treasury applications.
- Ten municipalities achieved formal-administrative, procedural, technological, and organizational preconditions for the introduction of the treasury system.
- With GAP2's assistance, 10 selected municipalities prepared draft documents for fully introducing the treasury system of municipal financial and budget management.
- Four selected municipalities established a treasury system for all budget users, and three municipalities did it partially, i.e., involving only internal budget users.

Activity B.3: Improve budgetary information for municipalities

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

Both activities B.3 and B.4 were completed prior to this reporting period.

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

In Year 5, selected municipalities were trained on the principles and importance of long-term budget planning and its connection to municipal capital improvement planning and strategic documents. Participants were also introduced to the concepts of program budgeting at the local level and familiarized with the terminology and definitions of program budgeting theory. Municipal revenue profiles have been used as a basis for the analysis for municipal revenue trends in the past and prediction of possible revenue collections in the future. The municipalities have established formal working groups that work on mid-term budget planning issues should the need arise in the future.

Program budgeting and gender responsive budgeting. In Year 5, GAP2 put significant efforts into enabling the partner municipalities to make the transition from traditional line-item budgeting to a more efficient, participatory, and transparent program budgeting process. GAP2 provided selected municipalities with hands-on training in improvements to the budget process using programmatic information and basic performance measurement and reporting. As a result, the selected municipalities have developed complex program documents, and corresponding program budgets, for at least two and in seven municipalities in three municipal sectors. Funds for these sectors derive from the 2012 and 2013 budgets, and were allocated following a transparent, pre-defined, and results-based procedure. Thus the selected partner-municipalities introduced the principles of program budgeting principles and demonstrated their commitment to continue work on full implementation of program budgeting principles and public expenditure planning and control in years to come.

For an additional 11 partner municipalities that chose to focus on gender-sensitive budgeting, GAP2 developed a methodology to introduce gender-sensitive budgeting to local communities and delivered a series of training sessions to members of the 11 established working groups to introduce this concept at municipal level. These municipal working groups developed socio-economic analysis of their municipalities, developed municipal action plans for introduction of gender responsive

budgeting. Mayors of participating municipalities officially expressed their commitment to the principles of CEDAW (the Committee on Elimination of Discrimination Against Women) and other international practices, as well as adopted official statements committing themselves to complete but gradual transition towards the gender-sensitive budgeting in the years to come.

In addition to this, key municipal staff was trained and are committed to continue their efforts in this budgeting approach. In all, 25 municipalities developed program budgets or gender-sensitive budgets for at least two services/programs that they offer to their citizens by the end of GAP2 in way that the performance indicators are now linked to program objectives and inclusion of program information is required for budget submissions in selected programs/sectors (usually in grant-based expenditures such as sports and culture).

Accomplishments in Year 5 include:

- All 14 program budgeting municipalities developed program budgets for the at least two selected sectors/programs. The municipalities have incorporated the newly developed program budgets for select services and departments into their overarching budget proposals for 2013.
- Working groups for program budgeting were formed based on the mayor's decision. As a critical basis for this reform in the municipalities, they consist of key municipal staff from the general administration and budget and finance departments as well as budget user and/or grant user representatives.
- Six municipalities developed their skills in medium-term budget development including revenue forecasting and program budgeting.
- Eleven municipalities formed gender-sensitive budgeting working groups. The groups received extensive training in gender responsive budgeting and prepared gender responsive analysis of their municipal budgets. The groups also selected at least two sectors of municipal administration to work on introducing gender responsive budgeting and prepared/adopted mayor's decisions on gradual introduction of gender responsive budgeting at municipal level in the period 2012-2015.

Expenditure management and managing under revenue constraints. The economic crisis struck the municipalities in the early stages of the GAP2 and steered GAP2's approach to tackling expenditure management, and promoted the topic of "managing under budget constraints" as a focal area of assistance within GAP2. In 2012, GAP2 continued to assist municipalities in responding to the economic problems through targeted training in budgeting in times of fiscal stress, assistance in identification and collection of own-source revenues, and help with the management of municipal property.

GAP2 addressed partner municipality concerns with increasing assistance in

- know-how in producing graphical presentation of municipal budgets and budget expenditure reports
- more in-depth capacity building of the educated expenditure and result based planning and
- control and monitoring and evaluation of project implementation
- in principles of modern project/activity management and control

GAP2's approach is rooted in practical trainings in public expenditure management including principles of modern project monitoring and evaluation as well as modern principles of capital project management and control. GAP2 organized a series of conferences in 2012 on expenditure management for the selected 14 municipalities, and as result all interested municipalities received an analysis of their current expenditure management techniques with suggestions for further improvements. Exposure to modern techniques and new ideas from these workshops and conferences

enabled participants to more efficiently manage capital projects, and improve public expenditure management techniques.

Accomplishments:

- At least 10 municipalities produced a graphical overview of their respective expenditure sides of the Budget Plan for 2011 and 2012 and even more is expected to do so with their budget plans for 2013. Each municipality provided their councillors and citizens with additional information that will increase their understanding of the budget and has potential to provoke well-founded questions and suggestions. With GAP2's assistance, the municipalities were able to incorporate a graphical presentation of their budgets.
- The capacities of relevant municipal staff of 14 municipalities participating in program budgeting efforts were enhanced in the area of modern project management, monitoring and evaluating project implementation, modern expenditure management techniques and full usage and advanced application of the accounting and budgeting software for expenditure management.

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

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

GAP2 worked with 10 selected partner municipalities to improve their capacity for modern urban planning. GAP2 assistance under this sub-component was both technical and material in nature. Reform enabling assistance consisted of software, hardware, and trainings. As an illustration of the support and the achieved ownership by the municipalities as a result of GAP2-assisted reforms, the municipal cost-share in this investment for the 10 municipalities is estimated at 250,000 KM, or 32 percent of the total investment.

GAP2 training has helped to raise the municipalities' organizational and professional capacity in urban planning management through reorganizing; and thus, making the work of urban planning departments more efficient and effective. As part of this process, the municipalities prepared in-depth analysis of the current state of their spatial planning documentation; identified their needs, priorities, future steps, and timelines; and assigned specific responsibilities to their urban planning staff. In addition, GAP2 advisors helped the municipalities prepare "programski zadatak" (the project specifications for development of a plan that are necessary for a tender procedure) for a selected land development plan, applying principles of contemporary planning methods. This activity improved the municipalities' skills in preparing, monitoring, and implementing planning documentation, a critical function leading to overall municipal progress and development.

In Q3 2012, all 10 municipalities 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

GAP2 worked throughout 2012 with 20 selected partner municipalities to review and refine existing youth strategies and consequently, assist in the creation of a concrete action plan for their implementation. By increasing the capacity of youth representatives of youth and municipalities in youth activism, GAP2 worked towards maximizing participation of the municipalities' youth. GAP2 assisted the municipalities in establishing working groups and/or advisory boards tasked with developing municipal youth policy action plans and to act as a magnet to attract wider groups of young populations. Through GAP2 organized workshops for working group members on youth policy, advocacy, lobbying, activism, budgeting, active job search, project cycle management, and youth participation, GAP2 fostered partnerships between local government and its youth and identified sustainable mechanisms to increase civic participation of youth in public and political life.

As a result of GAP2's efforts, the selected municipalities have demonstrated substantial improvements in addressing implementation of youth-related policies, namely each has a vocal, functioning youth working group and/or advisory board, adopted an action plan, advocacy plan, and implemented at least two action plan items (i.e., activities, mechanisms, projects, products) demonstrating ability to undertake concrete implementation of the youth strategy.

Accomplishments:

- In 20 municipalities, an official decision on the establishment of youth working groups was passed and the groups formed to review/refine the existing youth engagement strategies and develop action plans.
- By establishment of formal cooperation with GAP2, the municipal youth officers now have a mechanism to implement the Law on Youth (FBIH) and Law on Youth Organizing (RS).
- All participating municipalities defined, developed, and adopted detailed Youth Action Plans for implementation of revised or existing Youth Strategies and Policies. Implementation of these action plans is envisioned over the next 4-16 months, i.e., by the end of 2013.
- Municipal youth working groups increased their knowledge and skills in several areas, such as definition of implementation plans, main responsibilities of the municipality according to the Law on Youth in FBIH and/or Law on Youth Organizing in RS, youth budgeting, communication with the government, youth participation in the local decision-making process, introduction to youth policy definition, and action plan development.
- Youth groups' capacities increased in project cycle management, log frame methodology development, youth lobbying and advocacy, strategic planning for youth organizations, youth policy at the local level, and Introduction of Instruments for Pre-Accession Assistance (IPA).
- The capacity of youth officers to develop, update, and revise existing and/or new youth policies were sufficiently increased through trainings provided by GAP2 in strategic planning, youth action plan development, and fundraising.

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

GAP2 worked with the municipal assembly/council gender commissions in 20 selected partner municipalities – through a set of activities, trainings, and actions – to create an atmosphere in which implementing the State Law on Gender Equality at the local level has become a reality.

Following a thorough assessment and mapping of each municipality's progress against the requirements of the law, GAP2 assisted in developing a detailed action plan outlining the steps

necessary to fulfill all requirements of the law at the local level, as well as defining top priorities, concrete targets, and schedules. To mobilize the public in favor of the Law's intention and importance, local gender advocacy plans were adopted and their implementation launched.

Going beyond a focus on the law alone, GAP2 also assisted selected partner municipalities in gender-responsive budgeting and advocacy, helping to raise the capacities of the municipalities and their working groups to implement the action plans. This increased ability was demonstrated by at least two action plan items – such as activities, projects, mechanisms – having been completed during the period of GAP2 assistance in this sub-component.

GAP2's accomplishments in this sub-component include:

- Collaborating with UN Women on delivering training to selected partner municipalities on gender-sensitive budgeting. 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.
- All 20 gender action plans were modified and updated to reflect the needs of individual municipalities.
- In Q3 2012, 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.

Increase capacity of municipalities to administer capital improvement projects (KRA 1.4)

During the final year of the project, the Capital Projects team downsized from five to one.

GAP2 completed 18 CIP projects in 2012. Four outstanding projects in Kupres and Sekovici were not able to be implemented due to reasons beyond GAP2's control. GAP2 kept the JMC informed about these projects, as well as delays to other CIP projects over the course of 2012. Some of these delays were due to the severe winter weather which postponed the launch or completion of several CIP projects.

As the project drew to a close, all CIP project files were reviewed for compliance with Sida and Chemonics policies and procedures. Out of 132 projects, nine were flagged as having potential environmental issues. An environmental expert, Dzenita Loncarevic Gliha, performed an environmental assessment of these nine projects and provided recommendations for mitigation of negative impacts. In addition, the municipalities were given the report and recommendations on mitigating and/or avoiding potential environmental issues in the future, together with a request to explain in writing what measures and activities they plan to undertake in order to mitigate the recognized environmental issues and implement the recommendations made by Ms. Loncarevic Gliha. The municipalities have recognized the risks and are ready to undertake the necessary work to mitigate them, within their competencies and capabilities.

Over the life of the project, GAP2 provided KM 8,544,597 in co-financing for 131 capital projects in all 72 partner municipalities. The results of the CIP component were presented at two regional conferences and at the final conference of GAP2 in September 2012.

Challenges, lessons learned, promising approaches, and suggested steps

In Year 5, the local interventions component achieved the vast majority of its work plan objectives. Despite some of the challenges the project faced in Year 4, GAP2 worked hard to overcome or work around some significant obstacles in order to demonstrate to partner municipalities the value of some level of reform or progress even in spite of a lack of an overall conducive environment.

GAP2's work in the area of urban planning has been a particular success. The training and material assistance provided to selected partner municipalities has resulted in urban planning departments being better able to plan and provide services in urban and spatial planning to help promote local economic development. GAP2's manual on urban planning will serve as a useful guide moving forward to other municipalities. In addition, GAP2's policy paper on urban planning in Bosnia and Herzegovina (detailed further later in this report) has helped to inform the debate on the need for modern urban planning in the country.

One main challenge faced under this component was in the area of capital improvement planning. While the majority of GAP2's CIP projects were completed, Year 5 saw some delays in project implementation and completion and a few projects that failed to be implemented. As a result of these experiences, GAP2 can share the following three lessons learned:

- A thorough understanding of procurement law at every stage of the process goes a long way toward ensuring compliant and timely public procurements and increasing the confidence of local businesses in a reliable local government partner. Currently, municipalities are constrained by the current, overly complex appeals process, which results in decisions being made eight to nine months after the process is initiated. A solution has yet to be identified; this situation reduces the confidence of the private sector in working with governments.
- Capital planning must enable allocation of scarce funds to high-priority and realistically achievable projects. It is important to be prepared for unexpected events (such as severe winter weather) that further constrain the municipal budget. While GAP2's efforts have significantly improved municipalities' capacities for planning and financial management, local governments need to analyze the realism and feasibility of projects. Municipalities must accept the fact that they must balance high-priority projects of great benefit to their communities against scarce financial resources.
- Complying with environmental legislation is critical. As municipalities tear down old infrastructure to build new communities across the country, local governments and local businesses must remember that non-adherence to comprehensive environmental compliance has far-reaching effects. There is a serious lack of awareness about environmental compliance. Donor-funded projects must be mindful of this fact and reinforce the importance of compliance in any project activity that may have environmental impacts. The CDMA project's work with the municipal associations can build the capacity of municipal officials and implement awareness campaigns at the local level. The EU's existing environmental compliance requirements need to be integrated into municipal-level activities.

POLICY INTERVENTIONS

In Year 5, the Policy Interventions team worked diligently and within an ever-changing, politically-shifting environment to accomplish GAP2's work plan objectives. While not all of GAP2's objectives under this component were met, we believe the project made great strides in achieving several key objectives and laid the foundations for future progress in improving the environment in which local governments operate in Bosnia and Herzegovina. Accomplishments in 2012 include:

- The RS Association of Cities and Municipalities adopted the Code on Inter-governmental Relations, laying the foundations to lobby the RS Government to sign the code;
- The FBiH Code on Inter-governmental Relations was adopted by both the FBiH municipal association and Government, with the official signing ceremony expected in early 2013;
- GAP2 developed and implemented a comprehensive Exit Strategy aimed at maintaining the momentum of GAP2 initiatives and products, with hand-over of many of GAP2's practices and products occurring in both 2011 and 2012;
- GAP2 assisted the two municipal associations to bring together mayors from both entities to discuss issues of common interest, paving the way for future gatherings which can strengthen the voice of the local level;
- Despite the delay in officially adopting the Law on Electronic Documents, a vital complement to the 2011 adopted Law on Vital Records, GAP2 provided the Government with a user-friendly brochure to help municipalities and other relevant parties to better understand the legal and administrative process behind electronic document processing;
- GAP2 produced a policy paper: "Urban planning in BiH: A contemporary analysis of the challenges and path to progress." The recommendations contained within this policy paper provide legislators, governments, and international donors with an overarching plan for simplifying urban planning and permitting in a way which will stimulate economic development.

Further detail of GAP2's policy-related activities is provided below.

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

In 2012, GAP2 continued to support the drafting and approval of an official Code on Inter-Governmental Relations in each entity. The Code, derived from the Law on LSG, is effectively an agreement between the government of each entity and the respective municipal association that establishes a clear division of responsibilities and competencies regarding necessary legislative and administrative changes.

The following are the highlights for the 2012 period:

RS Code. GAP2 and the RS municipal association produced the final version of the code; however it was not signed immediately after. The municipal association and RS government first needed to sign a Memorandum of Understanding (MoU) that includes an article pertaining to the code's signature. The MoU was signed in 2011 by the municipal association and submitted to the RS government for its signature. During government procedures, the MoF voiced its disagreement with certain text of the MoU and refused to sign its approval, which would have allowed the code to go to the Prime Minister for the signature. Specifically, the MoF asked the municipal association to delete the text referring to

the drafting of a new law on financing of LSG. However, the law on financing was a priority of the association, and thus they were not willing to modify the MoU. What followed were constant advocacy efforts by GAP2 to have all parties involved to agree on the proposed text. Numerous meetings and letters were engaged in order to have the RS Government on “board” with Code.

The Fourth Congress of local self-governance was held in Banja Luka on August 30, 2012. The RS Government and the Association signed an MoU, which was a precondition to send the Code on Intergovernmental Relations in procedure. GAP2 submitted the Code to the Association asking that the Code be presented in adoption procedures by the Presidency of the Association and that this be placed on the agenda for the next meeting. The Association responded positively, and confirmed that the Code will be on next Presidency session agenda, which was to happen following the October 7, 2012 local elections.

The RS Association of Cities and Municipalities adopted the Code of Intergovernmental Relations on the session held on October 25 in Teslic.

This step was necessary for the RS Government to adopt the Code and sign, which will make it effective. At the end of the reporting period, strong lobbying efforts were being made towards the RS Government to finalize this process. Unfortunately, by the end of GAP2, the RS Government had not yet signed the code, considering it a lesser priority considering the financial, political, and economic challenges they are currently facing.

FBiH Code. In 2012, the policy team had several organizational meetings with the Ministry of Justice (MOJ) regarding the adoption and implementation of the FBiH Code on Inter-governmental Relations. Minister of Justice Zoran Mikulić agreed to take the lead in this process. The GAP2 policy team assisted the Ministry of Justice to assemble a working group comprised of representatives from The LSG Committee from the FBiH Parliament (House of Representatives), LSG Board from the FBiH Parliament (House of Peoples), FBiH Association of Cities and Municipalities, Council of Europe Delegation, OSCE, and GAP2. The official working group meetings were held at the FBiH Prime Minister’s office, which for the first time showed dedication to this process from the government side.

Some of the tasks of the working group were:

- The MoJ to led this process, and was responsible for organizing the meetings as well as providing expert support
- GAP2 and the FBiH municipal association were helping the MoJ by providing expertise and technical support to the process;
- The working group is to complete the revision of the Code, gather comments from all the group members, and prepare annexes for discussion;
- The FBiH Government is to send an informative letter to representatives of cantonal governments regarding formation and work of the Code working group.

The working group for the Code on Inter-Governmental Relations in the FBiH, in which GAP2 acted as a member, completed its task and produced the final text of the Code, ready to be signed by Association and FBiH Government. The FBiH Municipal Association, through its Presidency, reviewed the Code and authorized Association President Mr. Vlado Alilovic to sign. Furthermore, at the last FBiH Government session, the Minister of Justice Mr. Zoran Mikulić presented the Code to the FBiH Government and asked for its adoption. In Q3 2012, the Code was adopted by both the FBiH Government and the municipal association. An official signing ceremony for the Code is to be organized in early 2013.

GAP2 will continue, in accordance with its capabilities due to timeframe, to support negotiations for the initial Code annexes, and in the process, will mentor the municipal association so it can lead future negotiations once GAP2 ends.

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

In late 2011 and early 2012, GAP2 performed a comprehensive analysis of its sustainability efforts—past, present, and future. This analysis led to the development of an exit strategy that outlines which local entities will assume the responsibility for which GAP2 activities/products, what responsibilities have been transitioned to-date, what responsibilities will be transitioned in the remaining months, and what potential hurdles/obstacles may impede future transfer of responsibilities. GAP2 submitted the draft exit strategy to the JMC in early April, and the JMC responded with comments and suggestions for improvements in early June. Based on feedback provided by the JMC, GAP2 submitted a revised version of the exit strategy in early August, providing more detail about which activities are being “phased out” versus “phased over”, elaborates on the rationale behind selecting various “recipients” of GAP2 materials, and better explains the role of those recipients once GAP2 ends.

Concentrated implementation of the exit strategy started in late August and intensified through September. In early November, implementation of the exit strategy was completed with an M&E training for the RS municipal association. All other products have been transferred to the F BiH and RS municipal associations per the exit strategy.

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

GAP2 worked closely with the CDMA project to identify areas where CDMA can contribute to or support the sustainability of municipal association activities under GAP2. In 2012, in accordance with the signed MoU, GAP2 and CDMA, in particular CDMA-sponsored legal and financial advisors in both municipal associations, coordinated on a number of activities. In the F BiH, this cooperation was linked to the implementation of the treasury system at the municipal level and the F BiH Law on Financing, where a CDMA-sponsored financial expert actively participated in analyzing and developing solutions that will articulate interests of LSG units. In the RS, a CDMA-sponsored financial expert conducted similar analysis and provided recommendations on the RS Law on Financing LSG. A joint mayoral meeting, described in more detail below, was also organized with the assistance of CDMA-sponsored legal advisors from both municipal associations.

The CDMA project was also actively involved in the implementation of the GAP2 exit strategy. The two projects held a number of meetings to familiarize CDMA staff with GAP2 activities and tools that were transferred and to help CDMA strategize and design its future support to the associations in this area. CDMA 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

In 2012, with support from GAP2, the two entity municipal associations organized a roundtable for mayors from both entities to discuss issues of common interest. The event, held in early June focused on electronic document processing and concessions. A mix of mayors (25) and other experts from municipal administrations appointed by mayors (23), representing a total of 28 municipalities (22 F BiH and 6 RS) attended the roundtable.

All roundtable participants were extremely positive about switching from a paper to digital format and entering a new era of data exchange, but also pointed out a number of practical problems that need to be resolved beforehand. Most notably, they discussed the problem of digitalization of vital records in

municipalities that do not have sufficient IT equipment and human resources. These municipalities need more money, manpower, and know-how to switch to the new system of vital record exchange. During the discussion, it became apparent that GAP2 municipalities were far more advanced compared to the average municipality in BiH, as they already have a functional digital database of vital records and full capability of electronic data exchange created with GAP2 assistance.

After the new Law on Concessions in the FBiH was presented, all participants fully supported it, noting that this is the beginning and that the system governing concessions should continue to be improved in the future. There was general agreement amongst participants that municipalities do not receive the benefits they should from the natural resources within their territories. In the FBiH and RS, local economic development, employment, and the environment are negatively affected by the current situation with use of natural resources. This needs to change so that the municipal level of government has more influence on the process of awarding concessions. Furthermore, the income from concessions should be distributed such that municipalities get more money, but also more money should go for environmental protection which is deemed inadequate.

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

Following the adoption of the Law on Vital Records in December 2011, the policy team continued to advocate for the electronic documents legislation. During the February 2012 parliamentary session, both houses of Parliament adopted the draft Law on Electronic Documents, and following standard parliamentary procedure, the legislation was subject to a public hearing in May. With the public hearing completed, the Government adopted it and the law was forwarded to Parliament in the form of an official proposal for adoption.

The significance of the Law is primarily associated with the creation of equal conditions for electronic forms of documents with the hard copies, and in unfolding legal transactions between individuals and legal entities, between individuals/legal entities and public authorities, and between those bodies themselves. This Law established the legal basis for the possibility of submitting the application electronically, providing government services, and significantly easier and faster communication between the clients and government bodies. As a result of this initiative, that waiting in lines at the counters in municipalities and other institutions will be significantly reduced.

Given that the legal framework for electronic document processing was almost in place, GAP2 developed a user-friendly brochure that will help municipalities and other relevant parties 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. The necessary bylaws for both pieces of legislation have been drafted and will also be included in the brochure. This brochure should facilitate the implementation of the legislation, and make electronic document processing a reality in Bosnia in the near future. Although much of the brochure has been developed, it cannot be finalized and distributed until the Law on Electronic Documents has been officially adopted. The minister of justice has committed to using GAP2's draft brochure which will form part of the overall communications, information dissemination, and training efforts when the law is adopted.

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

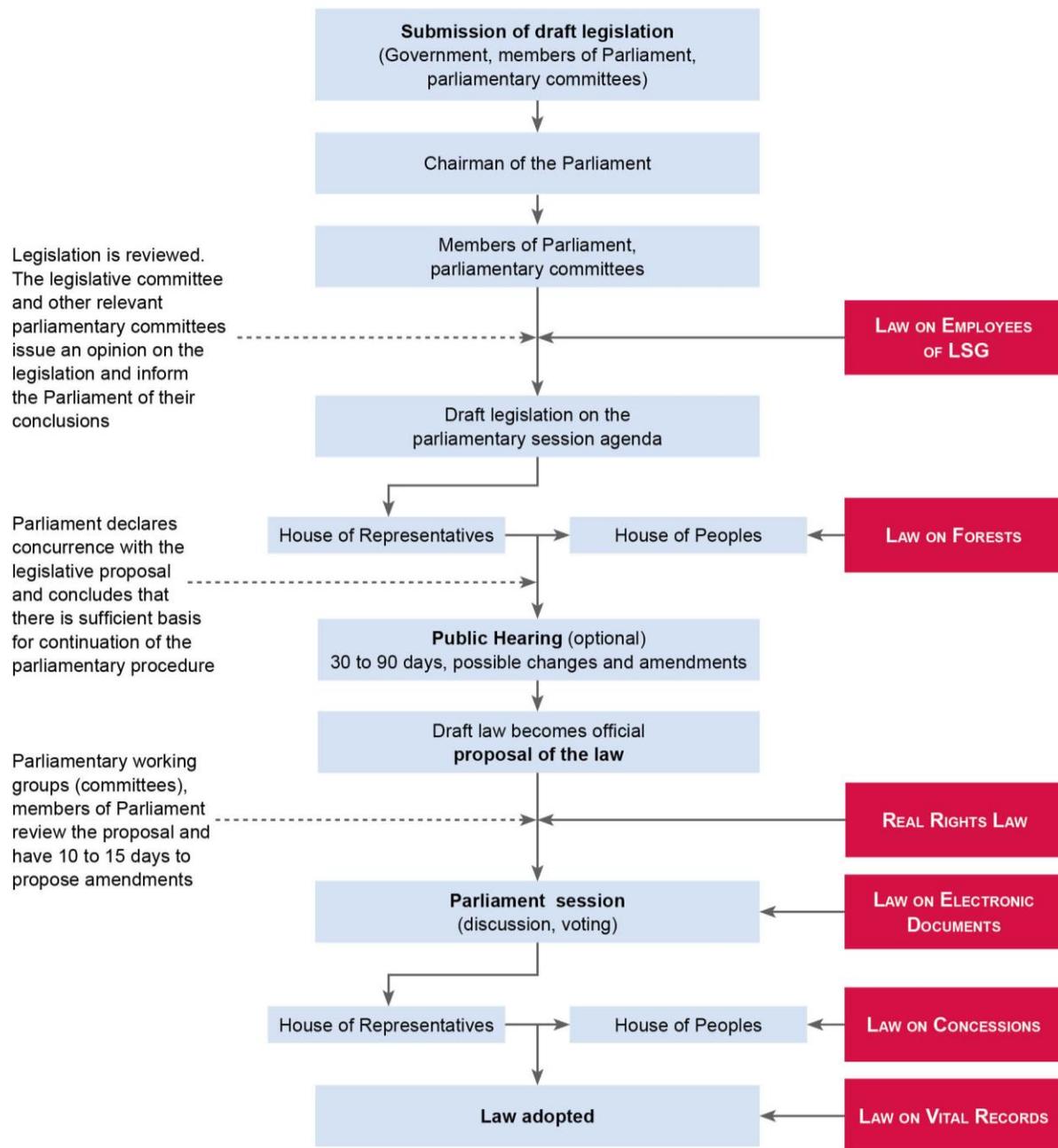
Activity C.1: Support implementation of the Law on Principles of Local Self-Governance

During 2012, the GAP2 policy team pushed for adoption of the legislation needed for implementation of the FBiH Law on Principles of LSG. Member of the GAP2 policy team participated in several meetings with the new ministers to discuss the procedural dynamics for the pending LSG legislation. The ministers acknowledged the importance of the issue and recognized that several legislative issues in which GAP2 has worked as currently high priorities for the FBiH Government, including the Law on Forests and the Law on Employees of LSG. Additionally, they acknowledged the importance of the new Law on Concessions, and the long awaited Law on Real Rights. Throughout the year, there were constant lobbying efforts (meetings with ministries, political party representatives at the Parliament, experts in relevant fields, etc.) by GAP2 policy team members aimed at speeding up the parliamentary procedure process and facilitating the legislations' adoption of the recommended policies. For example, in April 2012, Prime Minister of FBiH Nermin Nikšić, Deputy Prime Minister of FBiH Desnica Radivojević, and FBiH Minister of Justice Zoran Mikulić met with FBiH municipal association President Vlado Alilović and Director Vesna Travljanin as well as GAP2 policy team members. The participants agreed there is a need for stronger coordination between the FBiH Government and local authorities and discussed pending legislation which is of interest for local governments. The government representatives promised to push for the adoption of these laws and to include all the amendments presented by municipalities and the municipal associations. The prime minister even suggested that these kinds of meetings become regular and that local authorities need to be present at the working sessions of FBiH Government and cantonal authorities.

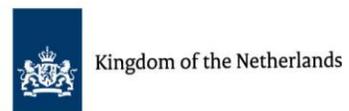
The following legislation is currently in front of the Parliament for adoption:

- The FBiH Law on Employees in LSG
- The FBiH Law on Forests
- The FBiH Law on Concessions
- The FBiH Law on Real Rights
- The FBiH Law Cadastre

GAP2-Supported Laws in Parliamentary Procedure



Note: GAP2 has also worked intensively on the following legislation: *Changes and amendments to the FBiH Law on Revenue Allocation, RS Law on Financing of LSG, and FBiH Law on Cadastre*. All these laws were in the drafting phase as of December 2012.



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

The policy and local interventions teams jointly worked on the assessment of problems in modern urban planning. Four short-term local spatial and urban planning experts worked with GAP2 staff to analyze the key policy and practical challenges that limit effective and efficient spatial and urban planning. The result was a report entitled “Urban planning in BiH: A contemporary analysis of the challenges and path to progress”, which was submitted to the JMC on June 25. The report underscores the fact that reforming spatial/urban planning in BiH will be a complex endeavor due to the myriad of institutions involved, the existing legal framework, and other identified problems. The report also contains recommendations on how to improve the current situation and enable modern urban planning in BiH and make it compatible with EU standards. 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 FBiH association will continue with the reform activities in spatial planning initiated by GAP2.

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 RS government has not prioritized the Law on Financing of Local Governments. However, since the legislation is still important to municipalities, GAP2 and the RS municipal association worked throughout 2012 to develop a draft law. The RS association appointed a working group to draft the law. The first draft of the law was produced by GAP2 and presented to the members of the working group at the first meeting where GAP2 led a discussion about the issues with the existing legislation, relevant examples from throughout the region, the process of drafting new legislation, and the pros and cons of keeping the revenue allocation as is versus proposing more radical changes in allocation.

At the end of the meeting, it was agreed that GAP2 would provide a second draft of the law, maintaining the existing allocation model as preferred by the MoF. GAP2's RS fiscal and policy adviser produced an analysis of the current indirect taxes revenue allocation model, effects of horizontal equalization, and effects of the allocation of grants for underdeveloped local governments, and proposed recommendations to ensure transparent and predictable revenue allocation in the future. The second draft and the analysis were presented at the working group meeting and the final text of the draft of the law is completed. As of the end of the reporting period, the RS association has committed itself to lobbying the entity-level government to put the law to parliamentary procedure.

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

The working group that was tasked to analyze public revenues and propose solutions for the Law on Revenue Allocation in FBiH was appointed by the FBiH Government on November 9, 2011, with 22 members representing the FBiH Ministry of Finance, all 10 Cantons, the FBiH Association of Cities and Municipalities, the FBiH Road Directorate, and the FBiH parliamentary commissions that are involved in public finance and local government issues. The chairman of the working group was FBiH Minister of Finance Ante Krajinina.

The first meeting of the working group was held in December 2011, with five further working group meetings conducted in 2012. GAP2 produced two policy papers to support the working group:

- Regulating the Repayment of Government Debt in FBiH: Issues and Possible Solutions; and
- Adjusting the Formula for Allocating Single Account Revenues Between and Among Levels of Government in FBiH: Issues and Recommendations.

Together with the FBiH MoF, GAP2 produced the following documents and analyses that were made for use by the working group:

- Analysis of the collection and allocation of public revenue in the FBiH with a focus on tax revenue
- Simulator of the model for one year to be used for modeling purposes by the group
- Overview of revenue allocation for the past six years presented in the model
- Modeling of the development index criteria with a few proposals and space for working group members to develop their own criteria and proposals
- Analyses of the suggestions made by the members for the working group meetings, as well as modeling those suggestions for cases when members did not submit calculations but suggestions only.
- Preparation of a document for the ministry staff that gives an overview of the comments with opinions provided on each of members comments and suggestions
- Data sets about cantonal budgetary expenditures structure for period 2006-2011, participation of indirect taxes in their overall revenue and number of employees
- Modeling of all FBiH MoF proposals about changes to allocation system
- Initiatives resulting from the meetings that could not be resolved through changes of the revenue allocation legislation
- Draft law amendments for discussion by the members
- For each of the five meetings GAP2 assisted MoF staff in preparation of their presentation
- Compilation of spreadsheet data on spending on wages and its share in total expenditures by function for period 2006-2011 per canton

- Compilation of spreadsheet data on special purpose funds expenditures and their share in overall spending in period 2006-2011 per canton

During this time, the working group was plagued by a range of issues. Due to cantonal government changes in 2012, three of group members had to be replaced. As a result, progress during the meetings slowed due to new members not being well informed and needing to bring them up to speed on current efforts. Further, the working group members could not reach a consensus on any issue through the entirety of meetings. The majority, if not all members, did not want to move from their initial negotiating positions as a result of the economic crisis impacting revenues which meant that any compromise meant loss of revenue for the compromising side. This led to the working group concluding its last meeting on October 15 with no final agreement on the changes to the Revenue Allocation Law.

However, the FBiH MoF decided to submit a Law on Changes and Amendments to the Law on Revenue Allocation that will attempt to make minor modifications – 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 will also support the request made by the municipal association to begin directly funding Sarajevo City and will suggest a higher sharing rate for municipalities from the Personal Income Tax revenue, increasing their share by 6.3 percent.

These actions by the MoF presents a historic shift in their approach to local governments which, before GAP2, could have been summed up in one line – let the cantons deal with them. Through years of continuous work and contacts with the MoF, the GAP2 policy team has managed to change their view to acknowledge that MoF is also responsible for local governments and that their concerns should be resolved at the federal level. This sets a solid framework (or baseline) for future cooperation with the MoF and the FBiH association, which was also established with continuous support from the GAP2 policy team.

With GAP2 support, the MoF has prepared a report with supporting materials for the FBiH Government outlining the activities of the group, and the reasons for a lack of consensus. The MoF also prepared the text of the changes to the Law on Revenue Allocation and the supporting explanation outlining proposed changes and reasoning behind them. In November, these documents were presented to the Government, and the MoF is expected to propose that the amendments to the law be sent to Parliament under urgent procedure so that the changes could take effect in 2013.

GAP2 also continuously supported the FBiH Association of Cities and Municipalities in order to help them assume a significant and active role on the working group. The GAP2 policy team held a range of meetings to prepare their finance advisor for each meeting, and perform analysis and propose solutions to feedback – sometimes negative – from member cantons and municipalities.

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

Activity D.1: Support drafting of treasury implementation guidelines

The policy team supported drafting of treasury implementation guidelines in early 2011. Following up on the activities conducted by the local interventions team in assisting 10 municipalities with the preparations for the treasury introduction process, Policy provided assistance in organization of workshops in September 2012 together with the FBiH association to share the experiences of selected GAP2 municipalities for this process with all other municipalities in FBiH.

Challenges, lessons learned, promising approaches, and suggested steps

In Year 5, GAP2 exerted significant efforts to progress the status of several pieces of legislation and the formulation of policies that will engender a more accountable and effective local government

environment in Bosnia and Herzegovina, political instability hindered the completion of several project objectives under the policy interventions component. Unfortunately, the closure of GAP2 means that the project cannot maintain its vigilant support of partner municipalities, the municipal associations, and key stakeholders in the entity and national level governments to pursue the final steps. In anticipation of the closure of GAP2, project staff produced a status report on FBiH legislation currently in parliamentary procedure. This status report provides a description of where these pieces of legislation currently stand and, if the laws are officially adopted, the next steps that should be taken to effect implementation. In summary:

Law on Principles of LSG:

- *The Law on Employee of LSG.* The law's working group, comprised of representatives from OSCE, the Civil Service Agency, FBiH Ministry of Justice, and FBiH municipal association will continue to channel it through parliamentary procedure, hopefully to adoption. Articles within both pieces of legislation (the Law on Employees in LSG and Law on Civil Service) outline the necessary steps required for implementation. One such requirement within the draft Law on Employees of LSG will be that all FBiH municipalities will have to develop a municipal rulebook governing disciplinary actions in accordance with the legislation.
- *The Law on Concessions.* The majority of the changes and amendments advocated by GAP2 and the FBiH municipal association were included in the revised legislation (now in proposal form), which was subsequently adopted by the House of Representatives on May 22, 2012. The law is expected to be fully adopted (by the House of Peoples) soon. Following the adoption of the legislation, the FBiH Concessions Committee will need to establish a policy on allocation of concessions and also rules on decision making authority in granting concessions, depending on which level of government is most affected by that concession. Once this policy is established, each FBiH municipality will need to develop internal rulebooks and procedures regarding concessions. Local authorities will require education and training on the processes and procedures of concessions allocation.
- *The Law on Forests.* The FBiH municipal association will continue to lobby for its passage. The FBiH Government also supports this legislation due to the fact that the forestry activity needs to be managed in favor of municipalities more than in favor of cantons, which has been recognized by the Federation Government. Due to the complex nature of this issue and the fact that the new Law on Forests establishes a completely new system of managing forests, including the establishment or reorganization of relevant governing bodies, there are a wide range of implementation requirements. The legislation includes at least 10 articles that outline what will need to be done upon adoption of this Law, as well as 20 different bylaws that need to be drafted or verified by the FBiH minister of forestry and agriculture. Additionally, local economic development strategies will need to be adapted to more adequately address forest usage and management. Also, representatives from each FBiH municipality will need to be trained on their new responsibilities and authorities, which will increase substantially with the adoption of the law.
- *The Law on Electronic Documents.* The government adopted the law and forwarded it to Parliament as an official proposal for adoption. It is expected to be on the agenda at the next regular session of the House of Representatives. Currently, only urgent sessions are held due to the political situation in the Federation. As the law will not be fully adopted by the end of GAP2, the FBiH Ministry of Interior and IDDEEA will continue with this process. As mentioned earlier in this report, GAP2 developed a brochure to facilitate implementation of both laws upon final adoption. Specifically, the brochure provides commentary on the two laws and presents a model for internal procedures and rulebooks that will need to be developed. Following the adoption of the legislation, municipalities and all other relevant institutions will need to be trained on the electronic document processing. A certification register within State Ministry of Communication will need to be established. Municipal internal acts according to the law and bylaws (detailed in the GAP2-developed brochure) will

need to be developed and/or harmonized. A process for establishing digital signature for all relevant and interested institutions through IDDEEA will need to be developed.

- *The Law on Cadastre and Law on Real Rights.* In 2012, the FBiH Parliament made a decision to adopt the Law on Cadastre and Law on Real Rights as a package with Amendments to the Law on Land Registry (which was not sponsored by GAP2). As with the proposed Law on Cadastre, the proposed Amendments to the Law on Land Registry were submitted to the House of Representatives in March 2010. The proposed Law on Real Rights was submitted to the House of Representatives in June 2012, and the next step will be to place these three laws on the session agenda for formal adoption. However, it is unclear when this will happen. The FBiH municipal association and entity government will continue to negotiate the legislation's passage. At a recent session, the FBiH Government stated its support of the legislation, so it is unlikely there will be issues with its adoption.

The ongoing effects of the global economic crisis have been very much still felt by partner municipalities. Municipalities are still very much feeling the effects of the global economic crisis. Even more stable municipalities are now being affected by budget constraints resulting from shortfalls in the BiH single account. Several already constrained budgets were further challenged by the severe winter weather in 2012. Nevertheless, GAP2 took advantage of these opportunities to explain how reform efforts can help municipalities better manage and utilize their scarce resources.

On a more positive note, GAP2's work in the area of urban planning has helped to move the debate forward in terms of focusing attention on the need to improve the policy and legislative environment for urban planning in Bosnia and Herzegovina. GAP2's efforts under both the local and policy interventions components have provided partner municipalities with effective tools to improve their capacity to undertake modern urban planning practices at the local level, and has provided key recommendations and a roadmap of sorts for higher levels of government to consider to improve urban planning across the country.

GAP2's exit strategy has also been a vital tool for key counterparts and project beneficiaries to help support the sustainability of project practices and products, including, for example, monitoring and evaluation data and techniques for the municipal associations, and a still nascent but growing database of local consultants who can service the needs of local governments.

MONITORING AND EVALUATION

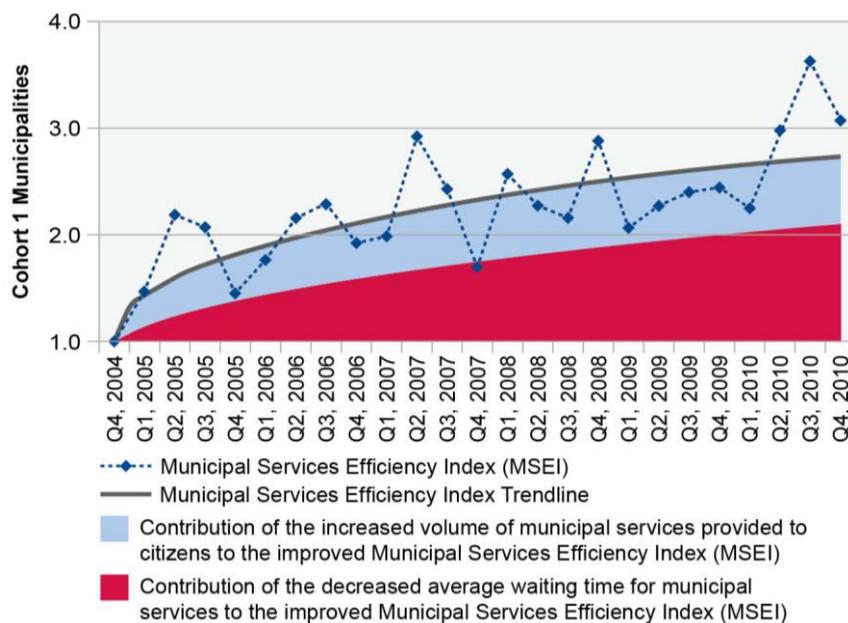
GAP2’s monitoring and evaluation showed a continuation of the progress across all project activities in 2012. As this is the final year of the project, the results are representative of life-of-project results. The data was obtained using a comprehensive monitoring and evaluation system that comprised the Performance-Based Monitoring Plan, Municipal Capacity Index (MCI), and other indices, supported by findings from the annual attitudinal survey. Each expected result/deliverable is summarized below.

A. Component 1: Local Interventions

1. **Goal:** By the end of Year 3 of the project, the 41 legacy municipalities shall demonstrate substantial improvements in areas such as service provision, public utility management, financial management, human resources management, capital planning, and procurement. Targets for each municipality shall be defined individually in municipal action plans agreed between GAP2 and the partner municipalities. Legacy municipalities will register on average a 15 percent composite improvement in MCI scores.

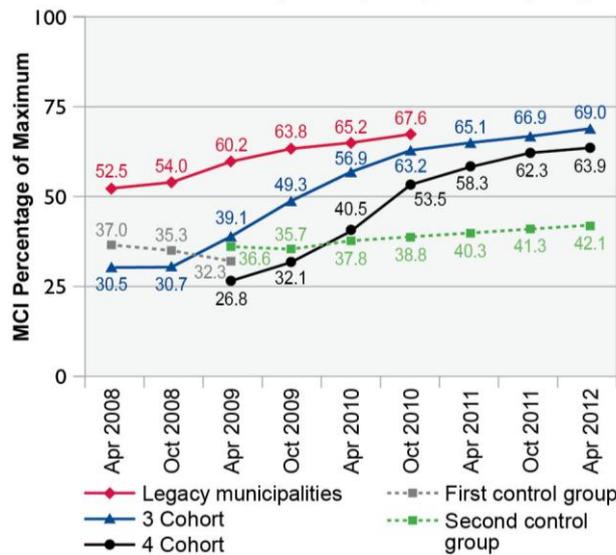
Based on findings from the Performance-Based Monitoring Plan, GAP2 legacy municipalities significantly increased their efficiency in providing municipal services as measured by the Municipal Services Efficiency Index. Cohort 1 municipalities increased their efficiency by 300 percent (Exhibit 1), and Cohort 2 municipalities by 50 percent.

Exhibit 1. Municipal Services Efficiency Index



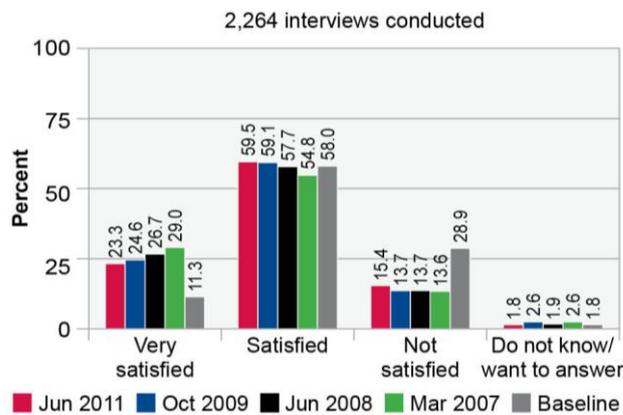
Waiting time for municipal services was reduced to 4 to 5 minutes for services such as vital records issuing (an average of five times compared to the baseline). Further, complaints about municipal issues fell by 26 percent, and the percentage of complaints resolved increased from 26.2 to 57.9 percent, a significant improvement in the accountability of local governance among legacy municipalities. The final MCI survey for legacy municipalities showed an increase in the composite average MCI rating of nearly 30 percent, to 67.6 points (Exhibit 2).

Exhibit 2. GAP2 Municipal Capacity Index



Citizens also recognized improvements in legacy municipalities. Annual attitudinal surveys found an increase of nearly 14 percent in citizens' satisfaction with municipal administrative services delivery, with 82 percent of respondents reporting that they were satisfied or very satisfied (Exhibit 3).

Exhibit 3. Citizens' Satisfaction with Municipal Administrative Services Delivery in GAP2 Legacy Municipalities (41)



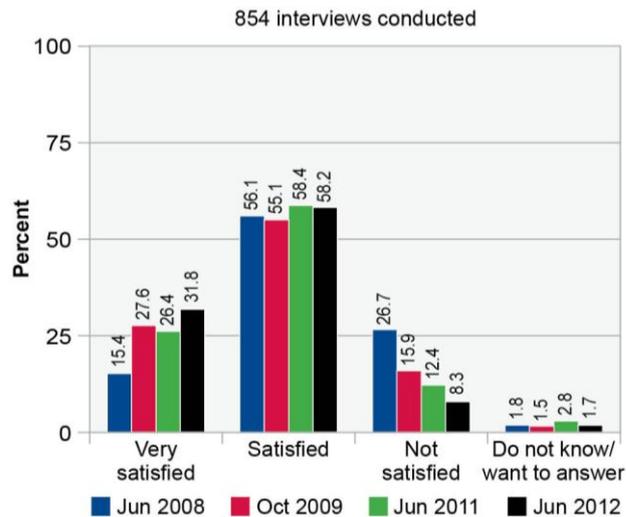
Status: Result/deliverable achieved.

- Goal:** By the end of 30th project month, 15 new municipalities will have achieved core services delivery and financial delivery and financial management performance targets, bringing them to the average level of the GAP2 legacy municipalities in the MCI. New municipalities will demonstrate superior services delivery according to a series of objective measures including reduced waiting times, efficiency improvements, and improved financial management. New municipalities will register on average a 20 percent composite improvement in MCI scores by the end of the 30th project month.

Cohort 3 municipalities increased their efficiency in providing municipal services by 30 percent, as measured by the Municipal Services Efficiency Index. Waiting time for issuing vital records was reduced 18 times compared to the baseline of 151 minutes, to approximately eight minutes. Complaints about municipal issues fell by 39 percent, and the percentage of complaints resolved increased by almost 14 points, which demonstrates significantly improved accountability of local

governance among these municipalities. The most recent MCI survey for the 15 Cohort 3 municipalities showed an increase in the average MCI rating to 69 points — more than legacy municipalities — more than doubling since the baseline survey in April 2008. In addition, citizens recognized the improvements that occurred in these municipalities. The attitudinal surveys showed citizens’ satisfaction with municipal administrative services delivery increased by more than 18 points, with 90 percent of citizens (direct users of municipal services) reporting that they were satisfied or very satisfied — even higher than among legacy municipalities (Exhibit 4).

Exhibit 4. Citizens’ Satisfaction with Municipal Administrative Services Delivery in GAP2 Cohort 3 Municipalities (15)

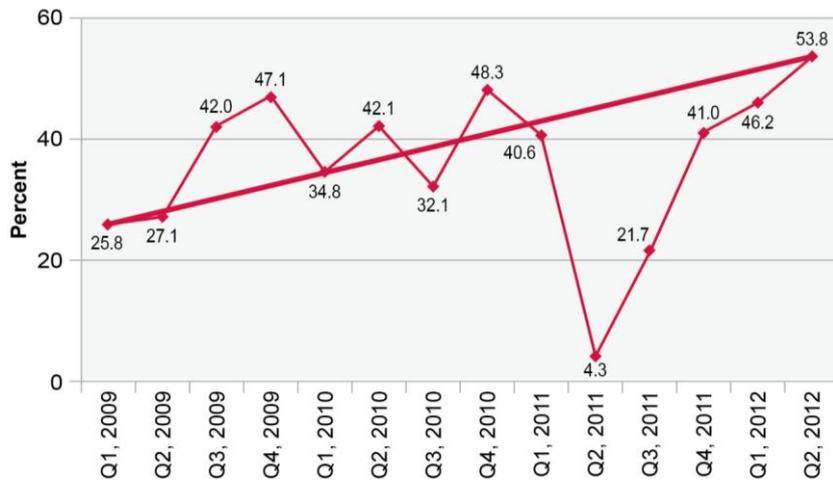


Status: Result/deliverable achieved.

- Goal:** By January 2011, an additional 16 new municipalities will have achieved core service delivery and financial management performance targets, bringing them to the average level of the legacy GAP municipalities in the MCI. New municipalities will demonstrate superior services delivery in a series of objective measures including reduced waiting times, efficiency improvements, and improved financial management. The second group of new municipalities will register on average a 20 percent composite improvement in MCI scores by January 2011.

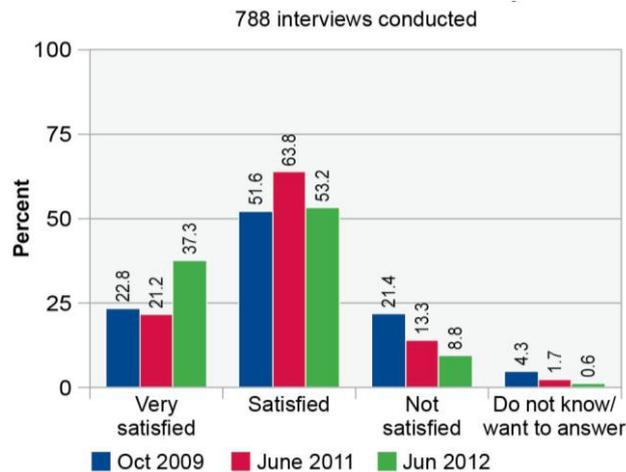
Cohort 4 municipalities increased their efficiency in providing municipal services by 30 percent as measured by the Municipal Services Efficiency Index. Waiting times for issuing vital records was reduced by 15 times compared to the baseline, to seven minutes. The number of complaints about municipal issues declined by 19 percent, while the percentage of complaints resolved increased 28 points, to 53 percent (Exhibit 5).

Exhibit 5. Percentage of Complaints Resolved in Cohort 4 Municipalities



The last MCI survey for the 16 Cohort 4 municipalities showed an increase in the average MCI rating to 63.9 points, more than double the baseline score in April 2009, bringing these municipalities to the level of legacy municipalities. The annual attitudinal survey showed that citizens’ satisfaction with municipal administrative services delivery increased by more than 16 points; 90 percent of citizens (direct users of municipal administrative services) reported that they were satisfied or very satisfied, even more than among legacy municipalities (Exhibit 6).

Exhibit 6. Citizens’ Satisfaction with Municipal Administrative Service Delivery in Cohort 4 Municipalities (16)



Status: Result/deliverable achieved.

In addition, GAP2 opened 31 Citizens’ Services Centers (CSCs) in partner municipalities. Fifty-nine GAP2 partner municipalities are implementing capital improvement plans using CIP methodology, and 54 partner municipalities installed integrated accounting and budgeting software which enabled more efficient and transparent budget planning and implementation.

- Goal:** By the end of the project, GAP2 municipalities will achieve a 25 percent increase in own-source revenue generation, as measured in total own-source revenues as adjusted for inflation.

Non-tax revenues are the only source of income that a municipality can directly collect and control; they represent a municipality's own-source revenue generation.

However, while total budget revenues are in line with the baseline (budget execution for 2007) and tax revenues as a major source of municipal budgets are below the baseline nominally by 6 percent due to the negative effects of the global economical crisis (Exhibit 7), non-tax revenues are still higher than the baseline by almost 24 percent and, as adjusted for inflation in the last four years, still higher by more than 8 percent (Exhibit 8). This illustrates that GAP2 municipalities were aware of the situation and took steps to maximize own-source revenue generation supported by guidance and technical assistance in revenue maximization from GAP2.

Exhibit 7. Municipal Budget Revenues by Sources (All Partner Municipalities)

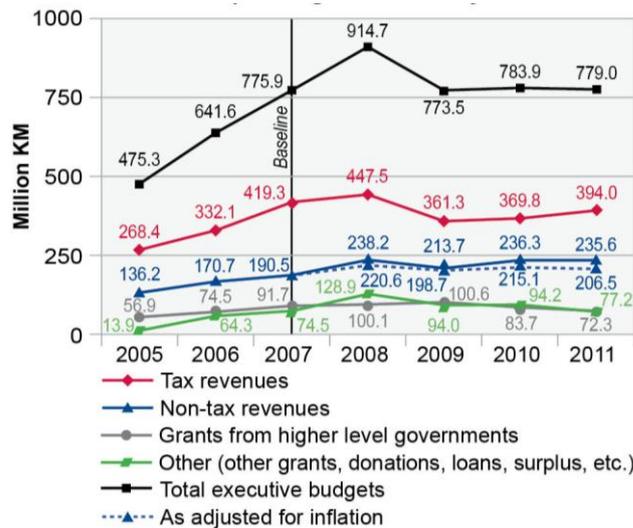
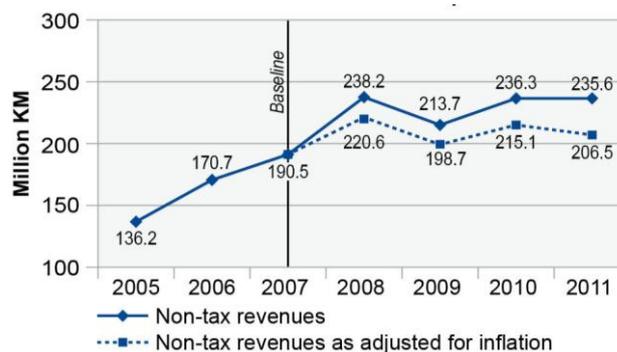
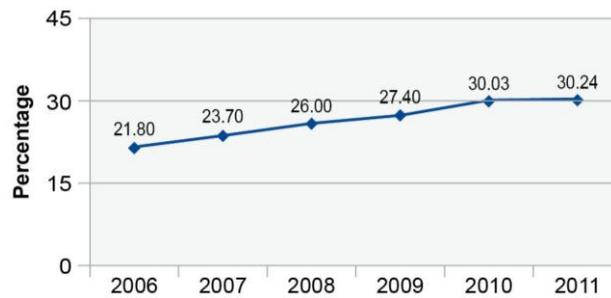


Exhibit 8. Municipal Non-Tax Revenues by Sources in All GAP2 Partner Municipalities)



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 risen continuously since 2006 and, even during the global financial crisis, represented 30 percent of total municipal revenues (Exhibit 9).

Exhibit 9. Percentage of Non-Tax Revenues in Total Municipal Revenues

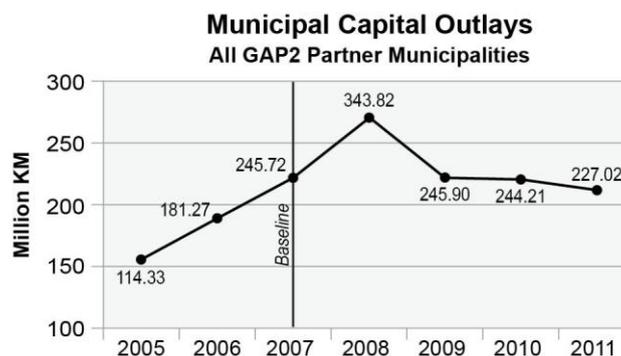


Status: Result/deliverable not achieved.

- Goal:** By the end of Year 4, GAP2 municipalities will raise the ratio of capital outlays to operating expenses by an average of 10 percent. In other words, as a percentage of total expenditures, municipalities will devote at least 10 percent more to capital investments.

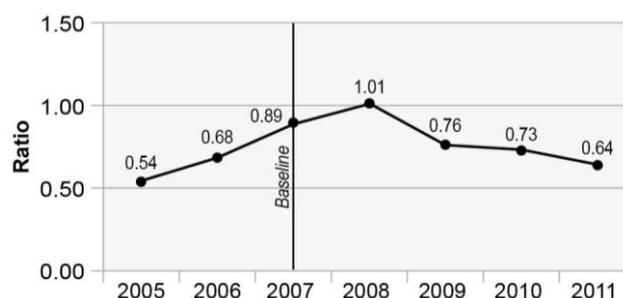
The global financial crisis had a significant impact on municipal budget revenues in Bosnia and Herzegovina in 2009 and 2010. Logically, the same was seen with expenditures, so the first area of cuts was capital investments. After a promising first year of the project, capital investments in all 72 GAP2 partner municipalities in 2011 fell below the baseline in 2007 by 8 percent (Exhibit 10).

Exhibit 10. Municipal Capital Outlays (All Partner Municipalities)



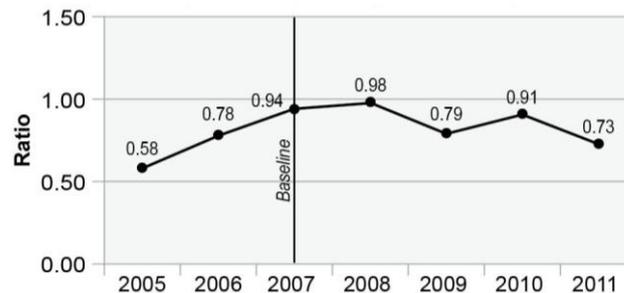
Considering the ratio of capital outlays and operating expenses among the 72 GAP2 partner municipalities, it is apparent that the ratio increased significantly, rising from 0.54 in 2005 to 1.01 in 2008 (Exhibit 11). However, the ratio fell to 0.76 in 2009 and fell further in 2010 to 0.73 and in 2011 to 0.64, below the baseline levels of 2007. This was a result of the financial crisis. This ratio represents the aggregated sum of all municipal capital outlays versus the aggregated sum of all municipal operating expenses.

Exhibit 11. Capital Outlays vs. Operating Expenses in All GAP2 Partner Municipalities



A new analysis was performed based on the average ratio of capital investment and operating expenses (as specified by the GAP2 contract scope of work, local interventions, and expected results/deliverables, item 5). The analysis found that the average ratio of capital investment and operating expenses among all GAP2 municipalities was 0.73, significantly lower than baseline in 2007, due to generally decreased revenues in municipal budgets (Exhibit 12).

Exhibit 12. Average Municipal Ratio of Capital Outlays vs. Operating Expenses



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

Status: Result/deliverable not achieved.

- Goal:** By the end of the five-year project, GAP2 municipalities will demonstrate collective ownership of reforms through their ability to instigate and sustain functional improvements of their own accord.

Municipalities are able to exchange experiences and formulate and instigate initiatives and ideas common to the majority of municipalities through both municipal associations. Active participation in municipal associations is critical to the development of local self-government in BiH. In this regard, MCI findings on active municipal involvement in the work of the municipal associations showed 60 GAP2 partner municipalities actively involved in the work of the municipal associations, versus a finding of 35 in the baseline survey.

Numerous examples illustrate GAP2's progress toward achieving Goal 6. The municipalities of Tuzla, Cazin, Bužim, Livno, and Travnik expanded their application of the integrated accounting and budgeting software to external budget users.

Building on previous GAP2 technical and material assistance, the municipality of Gradiška decided to upgrade its urban planning functions. After the establishment of a CSC with an integrated urban permitting center with GAP2 support, the municipality contracted a major GIS software company to design a thorough GIS project inspired by Banja Luka's advanced urban permitting center. This will lead to improved municipal urban planning and permitting functions and easier access to spatial plans for citizens.

Gradiška recognized the importance of equal representation of men and women in the municipality's social and political life. Motivated by GAP2's gender-equity related assistance, Gradiška co-founded a regional safe house for victims of domestic violence in Banja Luka.

In partnership with GAP2, the city of Banja Luka networked a mini-CSC in the city settlement of Starčevica. Expanding on these efforts and investing additional effort and financial resources, the

city established the same kind of mini-CSC in another the settlement of Borik, further increasing citizens' access to municipal services.

Building on previous GAP2 urbanism assistance, the municipality of Trebinje undertook an internal departmental reorganization, separating the planning and permitting functions. The municipality is developing its own spatial data model, implementing a recommendation generated through the GAP2-assisted process of establishing an urban permitting center and digitizing spatial data.

Having improved citizens' access to information in partnership with GAP2, the city of Mostar decided to further enhance access by upgrading the layout and content of the intranet "info desk" software that GAP2 had introduced to improve internal communication between municipal departments. The system is now accessible to all networked employees and departments, enabling all offices dealing with citizens to serve as "info desks" and provide customers with all required information, guides, request forms, and procedures for all aspects of municipal work. The software enables the city administration to enhance external assistance in a territorial and qualitative manner. Assistance and information required by citizens are more accurate and are available at more locations in the city.

Teslić municipality, in partnership with GAP2, established a fully functional IT system including network, hardware, and document management software, and significantly enhanced municipal employees' IT skills. Once staff were adept at using IT tools in day-to-day activities, the municipality sought additional features for the system and started creating additional databases, enabling the municipality to exercise more thorough and efficient oversight over interdisciplinary issues including business registration, agriculture, urbanism, social care, and communal fees. The new approach significantly increased internal communication and data exchange so departmental data and statistics, quite often dated and inaccurate in the past, have been updated and made available for cross-cutting analyses and decision-making.

Another example is municipalities' adoption, on their own initiative, of legislation required for electronic transfer of vital records. The importance of these laws — the FBiH Law on Vital Records and FBiH Law on Electronic Documents — is very high since their impact on municipalities also directly affects citizens. Recognizing the importance of the laws, municipalities provided valuable experience from the field (their place of work) in the form of official amendments to the legislation and attended public hearings on the legislation.

As a result, changes and amendments were incorporated in the final draft laws, and the legislation was sent for adoption to the FBiH Parliament. As expected, larger municipalities, such as Mostar, Sarajevo municipalities, and Tuzla, were more vocal due to the larger demands and more extensive infrastructure, but smaller municipalities also provided valuable input. Once the laws are completely adopted, municipalities will be heavily involved in implementation, resulting in an effective system for transferring vital documents electronically. This will benefit and decrease the burden on their citizens.

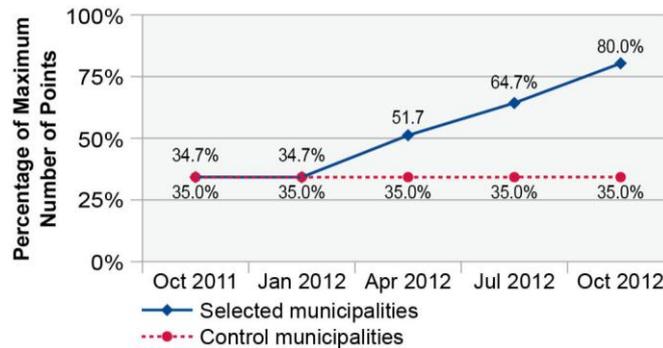
Status: Result/deliverable achieved.

7. **Goal:** By the end of the five-year project, urban planning departments in selected partner municipalities that meet the criteria that GAP2 developed for this effort will demonstrate improvements in their functioning.

Activities to improve the functioning of selected urban planning departments were carefully planned and implemented. To follow progress in implementation of this deliverable, GAP2 created the Municipal Urban Capacity Index (MUCI) with three indicators measuring the modern organization of departments, staff knowledge and expertise, and IT support capacity in urban planning departments. GAP2 established a MUCI scoring system for selected and control

municipalities. The average baseline rating for selected municipalities in October 2011 was 34.7 percent of the maximum number of points compared with 35 percent for control municipalities. In October 2012, the MUCI showed that selected municipalities recorded a significant improvement to 80 percent of the maximum number of points, while control municipalities remained at the same level as during the baseline survey (Exhibit 13).

Exhibit 13. Municipal Urban Capacity Index Results



Status: Result/deliverable achieved.

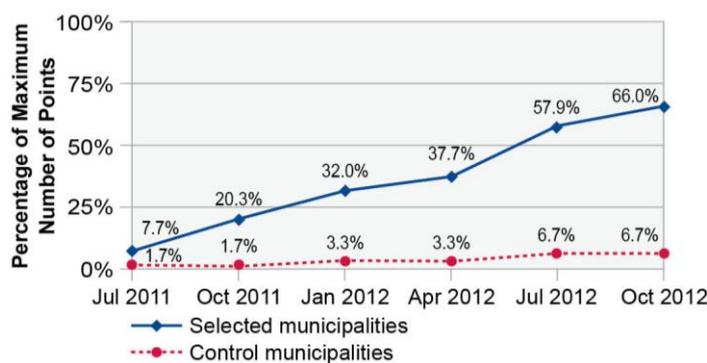
- 8. **Goal:** By the end of the five-year project, selected GAP2 municipalities will demonstrate substantial improvements in implementing the State Law on Gender Equality. Targets for each municipality shall be defined individually in municipal action plans.

Technical assistance to support implementation of the State Law on Gender Equality began in summer 2011. GAP2 created the Municipal Gender Capacity Index (MGCI) to measure progress toward implementation of the Law on Gender Equality and/or National Gender Action Plan and to demonstrate an increase in municipal capacity to manage implementation of the Municipal Gender Action Plans and understanding of the concept of gender-responsive budgeting.

Baseline values were established in the second quarter of 2011 for 20 participating municipalities and four control municipalities. The results were collected and disseminated every three months to monitor progress as a result of GAP2 assistance (or lack thereof among non-partner, control municipalities).

Since inception, a substantial increase in MGCI scores occurred among participating municipalities to 66 percent of the maximum number of points, as a result of intensive technical assistance provided by GAP2; control municipalities recorded only a modest increase (Exhibit 14). However, although significant achievements were made, opportunities exist for further improvement among participating municipalities.

Exhibit 14. Municipal Gender Capacity Index Results



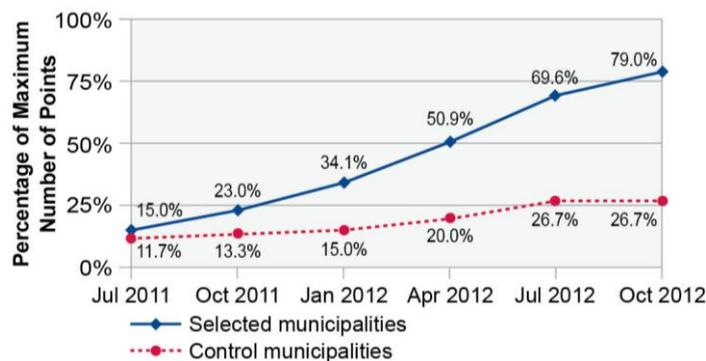
Status: Result/deliverable achieved.

- Goal:** By the end of the five-year project, selected GAP2 municipalities will demonstrate substantial improvements in addressing implementation of policies that are youth-related. Targets for each municipality shall be defined individually in municipal action plans.

Similar to the previous result/deliverable, GAP2 created the Municipal Youth Capacity Index (MYCI) to measure progress for the result/expected deliverable. The MYCI also considers three indicators related to development of a municipal youth strategy or policy, youth participation in youth policy development and implementation, and active youth participation in some form of youth leadership and management skills training toward better understanding of project cycle management and fundraising.

Baseline values were established in the second quarter of 2011 for 20 participating municipalities and four control municipalities. The results were recorded and shared every three months to monitor progress. Since inception, a substantial increase of MYCI was recorded among participating municipalities, to almost 80 percent of the maximum number of points, as a result of intensive technical assistance from January to October 2012. Control municipalities did not demonstrate a similar increase (Exhibit 15).

Exhibit 15. Municipal Youth Capacity Index Results



Status: Result/deliverable achieved.

B. Component 2: Policy Interventions

- Goal:** By the end of Year 3, legislative frameworks shall be in place and implemented in both entities to allow for electronic document processing.
- Goal:** By the end of Year 3, a legal framework shall be in place and will be implemented in both entities to make it possible for the transfer of relevant vital records from one municipality to another in order to lessen administrative burdens on citizens and businesses.

These two activities were conducted in parallel, as the Law on Vital Records (which envisions the existence of electronic vital records) could not be fully implemented without the Law on Electronic Documents. GAP2 had the same approach and involved the same partners (IDDEEA and the FBiH ministries of Justice and Interior) for both pieces of legislation.

Status: Results/deliverables partially achieved.

- Goal:** By the end of the project, mayors will be an important part of the policy making process. Municipalities will be able to effectively advocate collectively for necessary legislative and administrative changes.

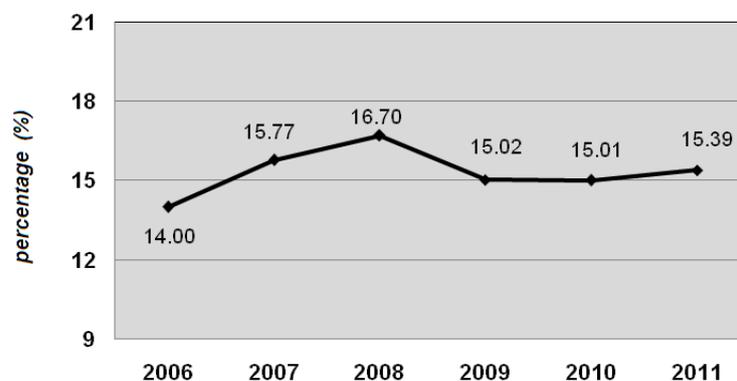
Status: Results/deliverables partially achieved.

- Goal:** By the end of the project, the percentage of total public sector revenue (excluding health and pension funds) accruing to the municipal sector will increase by at least from approximately 8 percent to approximately 10 percent).

The latest survey showed total public revenues accruing to the municipal sector in BiH, excluding grants from other levels of government, social funds, financing, and capital gains was 15.39 percent in 2011. Data sources were the annual budget execution reports from both entities' ministries of finance and the Central Bank (data for BiH level, RS entity, and Brčko district).

Exhibit 16 depicts the percentage of total public sector revenue accruing to the municipal sector since the collection of baseline information (municipal budget execution reports for 2006). There is an obvious similarity to the ratios of capital outlays/operating expenses (Exhibits 11 and 12). However, it is significantly higher than the initial assumption in the GAP2 scope of work of an 8 percent baseline and 1.39 points higher than the real baseline established in 2006.

Exhibit 16. Percentage of Total Public Revenues Accruing to the Municipal Sector



Status: Results/deliverables partially achieved.

- Goal:** By the end of the project, the policy frameworks in both entities shall be improved and implemented to allow for increased local autonomy in decision-making and clearer distinction of responsibilities, particularly in the FBiH.

This deliverable was intended to achieve the development and passage of a number of laws and regulations to enable greater autonomy of municipal administrations. The GAP2 Policy Interventions team worked with project counterparts, stakeholders, and beneficiaries on the following laws and their implementing regulations:

- Law on Forests
- Law on Employees of Local Self-Government
- Law on Concessions
- Law on Real Rights
- FBiH Law on Revenue Allocation
- RS Law on Financing

Status: Results/deliverables partially achieved.

- Goal:** By the end of the project, the municipal associations will be strengthened to effectively advocate on behalf of local governments, disseminate practical information, and provide services of value to members.

GAP2 signed a memorandum of understanding with the CDMA project on May 11, 2011. The Policy Interventions team worked closely with CDMA to develop the text of the memorandum to maintain support for the FBiH and RS municipal associations while avoiding overlapping activities. The joint efforts of GAP2 and CDMA increased the organizations' capacity and ability to meet the demands of partner municipalities.

Through both associations, municipalities are able to exchange experiences and to formulate and instigate initiatives and ideas common to the majority of municipalities. Active municipal participation in municipal associations is crucial for the development of local self-government in BiH. MCI findings on active municipal involvement in the work of the municipal associations showed that 60 GAP2 partner municipalities were actively involved in the work of the municipal associations versus 35 along the baseline survey.

Status: Results/deliverables partially achieved.

PROJECT OPERATIONS

Project staffing

Over the course of 2012, GAP2 reduced its long-term staff in anticipation of project closeout in December 2012. Several long-term local professional positions were phased out over the course of the year, while a few other project staff resigned from the project as new employment opportunities arose. At the end of November, all staff positions were concluded except for key positions required for the production of final project deliverables and project closeout of administrative and financial operations. These key positions comprised the project chief of party, deputy chief of party, project accountant and her assistant, and the IT systems manager. Subhija Ponjavic, GAP2 spatial planning and urbanism coordinator remained on sick leave as she continued to recover from the injuries she sustained in a car accident in September 2011.

As GAP2 focused on several significant technical activities in 2012, the project retained short-term technical assistance to support project activities in the following areas:

- Program and gender sensitive budgeting
- Communal services standards
- Public procurements
- Mid-term budgeting and expenditure management
- Urban planning
- E-documents processing
- Environmental assessments
- Youth and advocacy

Procurements

In 2012, GAP2 completed the planned procurements for MAP activities for Cohorts 3 and 4. In addition, the second half of 2012 saw all urbanism procurements (GPS and urban software) conducted. Disposition of GAP2 equipment procured under MAP and urbanism assistance was approved by the CO via separate requests submitted in February, August, and November.

Additionally, the project conducted a physical inventory check of all items procured under the project's core assistance packages. All items were accounted for and were being properly used for activities as agreed under relevant scopes of work.

GAP2 also disposed of project property throughout 2012 in anticipation of project closeout. CO approval was obtained to transfer property to several local recipients in March to the Youth Council on Gorazde, in June to the Association of Agricultural Organizations of Jablanica municipality, and in October to the two municipal associations and GAP2 partner municipalities, several other donor-funded projects and local organizations.

Communications Activities

In 2012, GAP2 continued to elicit feedback from partner municipalities in a variety of ways to gauge the level and type of "peer mentoring" between GAP2 partner and other municipalities. GAP2 continued to produce and publish project success stories on the GAP2 website. 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 hired a short-term communications

specialist who prepared a summary of results that were published in major daily and weekly newspapers throughout Bosnia and Herzegovina in November.

In Q3 2012, GAP2 organized three project closeout events, two regional conferences in Sarajevo and Banja Luka, as well as a final gathering of GAP2 partner municipality mayors and donor representatives from the Joint Management Committee.

Operations and Logistics

In 2012, GAP2’s operations staff focused on ensuring a professional and smooth project closeout, including timely property disposition, staff reductions in compliance with local labor law, and administrative and financial closeout by November-December, including shipment of over 100 boxes of files to Chemonics’ home office. The project submitted its demobilization plan to the JMC in August, with slight revisions made in October. The demobilization plan was approved by the CO in December 2012.

Project Deliverables

In 2012, GAP2 produced the following project deliverables:

Deliverable	Date
GAP2 Completion Report	January 9, 2013
2011 GAP2 Annual Report	January 13, 2012
Quarterly Report No. 17 (January-March 2012)	April 16, 2012
Quarterly Report No. 18 (April-June 2012)	July 13, 2012
Quarterly Report No. 19 (July-September 2012)	October 15, 2012
Exit Strategy	August 2, 2012
Demobilization Plan	October 11, 2012`
“Urban planning in BiH: A contemporary analysis of the challenges and path to progress”	June 25, 2012
Report on Attitudinal Survey 2012	August 2012
Semi-Annual Regular P-BMP and MCI Survey Report	June 2012

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			
Component 1. Local Interventions																	
Develop and implement municipal action plans (MAPs) in legacy and new municipalities																	
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 volume of activities surrounding conferences and full engagement of all GAP staff, GAP2 will finalize the task in October
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		
Component 1. Local Interventions																
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)																
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				
Activity A.2: Improve municipal management of communal services in select municipalities																
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			
Component 1. Local Interventions																	
Sub-Component B: Improve administration, budgeting, and financial management in legacy and new municipalities (KRA 1.2)																	
Activity B.1: Maximize functionality and use of Integrated Accounting and Budgeting Software (IABS)																	
36	Monitor IABS use, maintenance, and implementation; Prepare a Final Report with the conclusions regarding the IABS use, lessons-learnt and recommendations	100%	●	xxxxx													
Activity B.2: Prepare select municipalities for introduction of treasury operations																	
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													
Activity B.3: Improve budgetary information for municipalities ACTIVITY COMPLETED																	
Activity B.4: Transfer ownership of municipal revenue profile production and maintenance ACTIVITY COMPLETED																	
Activity B.5: Support advanced program budgeting and public expenditure management																	
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-learnt, 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			
Component 1. Local Interventions																	
Sub-Component C: Introduce modern planning principles to municipal development (KRA 1.3)																	
Activity C.1: Improve urban planning in select pilot municipalities																	
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									These items have been modified according to the JMC approval. The Final Result for these task is Spatial Planning Manual produced by GAP that was presented and discussed at the Regional Conferences in Sarajevo and Banja Luka and GAP2 Final Conference in sarajevo on September 28, 2012.
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						

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			
Component 1. Local Interventions																	
Activity C.2: Support implementation of youth strategies in select pilot municipalities																	
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					
Activity C.3: Support implementation of state Law on Gender Equality in select pilot municipalities																	
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 FBH and RS), share best examples with other GAP municipalities through entity Gender Centers (of FBH 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	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			
Component 2: Policy Interventions																	
Sub-component 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																	
FBiH																	
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	100%	●					xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				This activity was completed through the implementation of the exit strategy.
RS																	
93	Lobby with RS Association for signing of the Agreement (Code) by the RS Government and RS Association	95%	●	xxxxx	xxxxx	xxxxx	xxxxx										The RS government refused to meet with the GAP representatives to discuss the Code adoption. The RS Association adopted the Code on October 26, 2012. Activities # 94 and #95 have become pointless under the present circumstances.
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				
Activity A.2: Foster sustainability of GAP2 activities through development and implementation of an exit strategy																	
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	100%	●				xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				T
98	Hold closeout conference for GAP2	100%	●									xxxxx					
Activity A.3: Cooperate with Sida-funded CDMA project to improve municipal associations' ability to advocate for reform																	
99	Implement defined activities, and meet regularly with CDMA to report on progress, challenges, and achievements	100%	●	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx				This process is completed with the participation of CDMA in implementation of the GAP 2 exit strategy.
Activity A.4: Foster opportunities for mayors to discuss common municipal interests																	
100	Should mayors be open to discussions/meetings, assist organization of event as appropriate (e.g.. annual meetings, conferences, and/or roundtables)	100%	●					xxxxx									
Sub-Component B: Improve inter-municipal communication (KRA 2.2)																	
Activity B.1: Support implementation of Law on Vital Records and Law on Electronic Documents																	
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	99%	●	xxxx	xxxx												Vital record sharing WG was formed in June 2012, GAP IT Specialis Muris Celjo is the member. WG continues its work. GAP2 representative also continues participation in it. Contents of Brochure are ready, however, finalization and distribution awaits adoption of the FBiH Law on Electronic Document. The FBiH Ministry of Justice sent the letter to GAP 2 (signed by the Minister Mikulic) that this ministry will continue GAP 2 efforts in developing guidelines, managing the awareness campaign and publishing the brochure that contains GAP 2 input.
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	90%	●	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	40%	●						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			
Component 2: Policy Interventions																	
Sub-Component C: Conduct policy initiatives to operationalize the Local Self-Governance Development Strategy (KRA 2.3)																	
Activity C.1: Support implementation of the FBiH Law on Principles of Local Self-Governance																	
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 maximum of its efforts in regards of mentioned legislation, however. The process is considered to be ongoing until the final adoption of the laws. Advisory Board meeting scheduled for October is cancelled by the JMC as unnecessary.									
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 GAP Advisory Board to discuss the process of implementation of the Law on PLSG	100%	●					xxxxx					xxxxx				
Activity C.2: Address key policy issues that impede modern urban planning																	
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	100%	●			xxxxx	xxxxx										Presented to the relevant committee of FBiH and RS Association.
113	Support LI team, providing policy input and addressing issues as they arise	100%	●	xxxxx													
Activity C.3: Address key policy issues that impede efficient municipal management of communal service provision																	
ACTIVITY COMPLETED																	
Activity C.4: Support drafting of RS Law on Financing of Local Governments																	
114	Support the working group 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								
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				
Activity C.5: Support drafting of FBiH Law on Financing of Local Governments																	
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	100%	●							xxxxx	xxxxx	xxxxx					
Sub-Component D: Support policy reform for introduction of municipal treasury operations (KRA 2.4)																	
Activity D.1: Support drafting of treasury implementation guidelines																	
ACTIVITY COMPLETED IN 2011																	

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		
Project Close-Out																
Activity A.1: Project demobilization																
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			
Activity A.3: Disposition of property procured as part of materail assistance packages																
123	Create and implement a timeline for inventory check-up, disposition approval and final disposition to municipalities	100%	●	xxxxx												
Activity A.4: Reporting																
124	Annual Report for Year 4	100%	●	xxxxx												
125	Create a Final 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	Final Report	0%	○									xxxxx		xxxxx		

ANNEX B

TRAINING LIST

ANNEX B. TRAINING LIST

No.	Topic and Venue	Date	Total Participants	Males	Females
YEAR 5 (2012)					
Quarter 17					
750	Updating municipal development strategy, Visoko	Jan. 12	14	9	5
751	2nd workshop on LEAP development — survey definition, SWOT, and vision development, Čapljina	Jan. 16	4	3	1
752	Updating municipal development strategy, Visoko	Jan. 20	17	8	9
753	Development of youth action plan and youth activism, Ljubinje	Jan. 23	4	2	2
754	Development of youth action plan and youth activism, Trebinje	Jan. 24	4	4	0
755	Development of youth action plan and youth activism, Bugojno	Jan. 25	14	3	11
756	Development of youth action plan and youth activism, Foča	Jan. 26	3	2	1
757	Updating municipal development strategy, Visoko	Jan. 26	16	8	8
758	Development of location marketing plan, Čapljina	Jan. 24-25	4	1	3
759	Development of location marketing plan, Grude	Jan. 26	7	4	3
760	Development of local environmental action plan	Jan. 27	4	1	3
761	Development of youth action plan and youth activism, Jablanica	Jan. 27	9	5	4
762	Development of youth action plan and youth activism, Fojnica	Jan. 28	7	4	3
763	Workshop on project cycle management and finalization of the youth action plan, Mrkonjić Grad	Jan. 31	9	2	7
764	Workshop on project cycle management and finalization of the youth action plan, Bihać	Feb. 1	27	9	16
765	Project cycle management, Sapna	Feb. 1-2	9	4	5
766	3rd workshop for municipal teams for communal services development, Nevesinje	Feb. 1	9	7	2
767	Development of Youth action plan and youth activism, Nevesinje	Feb. 1	8	5	3
768	3rd workshop for municipal teams for communal services development, Prozor Rama	Feb. 2	9	7	2
769	Workshop on project cycle management and finalization of the youth action plan, Kostajnica	Feb. 12	6	1	5
770	Project cycle management, Sapna	Feb. 15-16	10	4	6
771	3rd workshop for municipal POR, Cazin	Feb. 16	7	4	3
772	Presentation of communal services standards	Feb. 16	7	4	3
773	3rd workshop for municipal teams for communal services development, Bosanska Krupa	Feb. 17	6	2	4
774	Merging communal infrastructure, Bosanska Krupa	Feb. 17	6	2	4
775	3rd workshop for municipal POR, Travnik	Feb. 21	14	6	8
776	Presentation of communal services standards, Travnik	Feb. 21	14	6	8
777	Finalization of the youth action plan, Ilijaš	Feb. 21	6	2	4
778	Finalization of the youth action plan, Vareš	Feb. 21	7	7	0
779	Finalization of the youth action plan, Fojnica	Feb. 22	4	2	2
780	Workshop on project cycle management and finalization of the youth action plan, Gračanica	Feb. 21	22	6	16
781	Workshop on project cycle management and finalization of the youth action plan, Čelić	Feb. 22	5	1	4

No.	Topic and Venue	Date	Total Participants	Males	Females
782	3rd workshop for municipal Instrument for Pre-Accession teams for communal services development, Livno	Feb. 22	8	3	5
783	Merging communal infrastructure, Livno	Feb. 22	8	3	5
784	Workshop on project cycle management and finalization of the youth action plan, Gradačac	Feb. 23	9	6	3
785	3rd Workshop for municipal teams for communal services development, Mrkonjić Grad	Feb. 23	15	6	9
786	Presentation of communal services standards, Mrkonjić Grad	Feb. 23	15	6	9
787	3rd Workshop for municipal teams for communal services development, Šipovo	Feb. 24	6	2	4
788	Merging communal infrastructure, Šipovo	Feb. 24	6	2	4
789	3rd Workshop for municipal teams for communal services development, Foča	Feb. 27	9	5	4
790	Workshop on project cycle management and finalization of the youth action plan, Teslić	Feb. 27	26	6	20
791	Regionalization of Communal Services, Foča	Feb. 27	9	5	4
792	Presentation of communal services standards, Nevesinje	Feb. 28	6	6	0
793	Development partnership for increasing EU funds absorption capacity, Visoko	Feb. 28	6	1	5
794	Workshop on project cycle management and finalization of the youth action plan, Iljaš/Vareš	Feb. 28	18	8	10
795	Presentation of communal services standards, Prozor Rama	Feb. 29	7	7	0
796	Presentation of communal services standards, Srbac	March 2	8	5	3
797	Workshop on project cycle management and finalization of the youth action plan, Gradiška	March 5	30	16	14
798	Workshop on project cycle management and finalization of the youth action plan, Kostajnica	March 6	15	5	10
799	Presentation of communal services standards, Kladanj	March 7	5	3	2
800	MAP Petrovo	March 7	7	5	2
801	Presentation of communal services standards, Bosanska Krupa	March 8	5	1	4
802	Location marketing workshop, Novi Travnik	March 13	8	7	1
803	Location marketing workshop, Vitez	March 13	9	4	5
804	Presentation of communal services standards, Žepče	March 13	25	10	15
805	3rd workshop on development of location marketing plan — problem definition and completion of socio-economic analysis, Grude	March 14	6	3	3
806	2nd workshop on development of location marketing plan — SWOT analysis and development of SME survey, Čapljina	March 15	4	1	3
807	Location marketing workshop, Olovo	March 14	7	5	2
808	Location marketing workshop, Vareš	March 14	8	7	1
809	Presentation of communal services standards, Foča	March 15	6	6	0
810	Presentation of communal services standards, Livno	March 19	6	1	5
811	C2, Foča	March 19	4	2	2
812	Presentation of communal services standards, Šipovo	March 20	6	2	4
813	Training in public procurement, Sarajevo	March 20	5	3	2
814	C2, Jablanica	March 20	8	7	1
815	C2, Bugojno	March 21	5	1	4

No.	Topic and Venue	Date	Total Participants	Males	Females
816	Presentation on defining communal services pricing system (tariff system), Cazin	March 22	6	5	1
817	Location marketing workshop 2, Kotor Vraoš	March 21	11	6	5
818	C2, Nevesinje	March 22	9	5	4
819	C2, Ljubinje	March 22	3	2	1
820	C2, Trebinje	March 23	3	3	0
821	Location marketing workshop 2I, Kotor Varoš	March 29	8	3	5
822	Training in public procurement, Trnovo	March 30	7	2	5
823	C2, Trebinje	March 30	4	4	0
824	Development partnership for increasing the EU funds absorption capacity, Ilijaš	March 30	7	4	3
825	Program budgeting implementation and monitoring techniques, Konjic	March 19	7	4	3
826	Program budgeting introduction for wider public (all municipal departments, municipal counselors, budget users, etc), Jablanica	March 19	5	3	2
827	Program budgeting implementation and monitoring techniques, Jablanica	March 20	5	3	2
828	Program budgeting introduction for wider public (all municipal departments, municipal counselors, budget users, etc), Jablanica	March 20	13	10	3
829	Program budgeting implementation and monitoring techniques, Trebinje	March 21	7	7	0
830	Program budgeting introduction for wider public (all municipal departments, municipal counselors, budget users, etc), Trebinje	March 21	4	3	1
831	Program budgeting implementation and monitoring techniques, Goražde	March 23	16	9	7
832	Program budgeting introduction for wider public (all municipal departments, municipal counselors, budget users, etc) Goražde	March 23	5	1	4
833	Program budgeting implementation and monitoring techniques, Ilijaš	March 22	6	4	2
834	Program budgeting introduction for wider public (all municipal departments, municipal counselors, budget users, etc), Ilijaš	March 22	19	14	5
835	Introduction to program budgeting, nevesinje	March 27	6	4	2
836	Introduction to program budgeting, Gradačac	March 28	9	6	3
837	Introduction to program budgeting, Sapna	March 29	4	3	1
838	Location marketing workshop, Kotor Varoš	March 29	8	3	5
839	Project cycle management, Trebinje	March 30	4	4	0
Quarter 18					
840	Location marketing workshop 2, Novi Travnik	April 3	8	6	2
841	Location marketing workshop 2, Vitez	April 3	7	3	4
842	Location marketing workshop 2, Olovo	April 4	6	4	2
843	Location marketing workshop 2, Vareš	April 4	8	6	2
844	Meeting/workshop on treasury with budget users, Travnik	April 11	17	6	11
845	Meeting/workshop on treasury with budget users, Livno	April 12	10	3	7
846	C3, Ilijaš	April 13	5	1	4
847	C3, Vareš	April 13	5	2	3
848	C3, Fojnica	April 16	4	2	2
849	C3, Jablanica	April 16	6	1	5

No.	Topic and Venue	Date	Total Participants	Males	Females
850	C3, Bugojno	April 17	6	0	6
851	C2, Nevesinje	April 18	11	6	5
852	C2, Trebinje and Ljubinje	April 20	10	3	7
853	C3, Fojnica	April 23	7	3	4
854	C3, Foča	April 24	5	1	4
855	C3, Nevesinje	April 25	12	6	6
856	Program budgeting introduction on the local level — Part I, Mrkonjić Grad	April 2	3	0	3
857	Program Budgeting Introduction on the Local Level — Part 2, Mrkonjić Grad	April 2	9	2	7
858	Program budgeting introduction on the local level — Part I, Srbac	April 3	5	3	2
859	Program budgeting introduction on the local level — Part 2, Srbac	April 3	13	7	6
860	Program budgeting introduction on the local level — Part I, Gradiška	April 4	5	3	2
861	Program budgeting introduction on the local level — Part 2, Gradiška	April 4	9	7	2
862	Location marketing workshop 2, Novi Travnik	April 3	8	6	2
863	Location marketing workshop 2, Vitez	April 3	7	3	4
864	Location marketing workshop 2, Olovo	April 4	6	4	2
865	Location marketing workshop 2, Vareš	April 4	8	6	2
866	Multiyear financial forecast — Workshop 2I, Kneževo	April 5	6	2	4
867	Multiyear Financial Forecast — Workshop 2I, Bosanka Krupa	April 6	9	1	8
868	Implementation of youth action plan development, Foča	April 10	3	2	1
869	Meeting/workshop on treasury with budget users, Travnik	April 11	17	6	11
870	Meeting/workshop on treasury with budget users, Livno	April 12	10	3	7
871	Program budgeting — workshop 1, Velika Kladuša	April 13	15	10	5
872	Implementation of gender action plan, Ilijaš	April 13	6	2	4
873	Implementation of gender action plan, Vareš	April 13	4	2	2
874	Location marketing workshop 3, Novi Travnik	April 16	10	6	4
875	Implementation of gender action plan, Jablanica	April 16	4	1	3
876	Implementation of gender action plan, Fojnica	April 16	4	0	4
877	Location marketing workshop 3, Vareš	April 17	9	7	2
878	Location marketing workshop 3, Vitez	April 17	8	4	4
879	Implementation of gender action plan, Bugojno	April 17	5	0	5
880	Location marketing workshop 3, Olovo	April 18	8	6	2
881	PCM logframe , Nevesinje	April 18	12	5	7
882	A2 POR training session 4, Travnik	April 19	10	4	6
883	A2 POR training session 4, Cazin	April 20	8	5	3
884	PCM logframe, Trebinje	April 20	7	5	2
885	Gender responsive budgeting, Fojnica	April 23	7	3	4
886	Gender responsive budgeting, Foča	April 24	4	1	3
887	Implementation of youth action plan development, Foča	April 24	4	2	2
888	Gender responsive budgeting, Nevesinje	April 25	12	5	7

No.	Topic and Venue	Date	Total Participants	Males	Females
889	Municipal treasure introduction presentation, Bosanska Krupa	April 26	15	3	12
890	Location marketing workshop IV, Kotro Varoš	April 26	8	5	3
891	Multiyear financial forecast — Workshop 3, Šipovo	April 27	6	1	5
892	Gender responsive budgeting — Workshop 1, Bihać	April 27	14	3	11
893	Gender responsive budgeting — Workshop 1, Teslić	May 3	11	5	6
894	Gender responsive budgeting — Workshop 1, Gradačac	May 3	7	3	4
895	Gender responsive budgeting — Workshop 1, Kostajnica	May 4	11	4	7
896	Gender responsive budgeting — Workshop 1, Vareš	May 4	6	2	4
897	Implementation of gender action plan, Ilijaš	May 4	6	2	4
898	Multiyear financial forecast — Workshop 3, Bosanski Petrovac	May 7	7	2	5
899	Development partnership for increasing the EU funds absorption capacity, Ilijaš	May 7	5	3	2
900	Program budgeting workshop 3, Konjic	May 7	7	3	4
901	Program budgeting workshop 3, Trebinje	May 8	8	5	3
902	Team for communal services development session 4, Nevesinje	May 8	4	4	0
903	Project proposals per international standards, Novi Travnik	May 8	9	6	3
904	Project proposals per international standards, Vitez	May 8	7	4	3
905	Program budgeting workshop 3, Jablanica	May 8	7	3	4
906	Implementation of gender action plan, Jablanica	May 8	6	2	4
907	Implementation of gender action plan, Ilijaš	May 8	7	1	6
908	Team for communal services development session 4, Prozor Rama	May 9	4	4	0
909	Implementation of gender action plan, Vareš	May 9	6	2	4
910	Gender responsive budgeting, Bugojno	May 9	22	8	14
911	Implementation of youth action plan, Bugojno	May 9	5	2	3
912	Team for communal services development session 4, Foča	May 10	6	3	3
913	Program budgeting workshop 3, Goražde	May 10	12	5	7
914	Program budgeting workshop 3, Ilijaš	May 10	5	4	1
915	Gender responsive budgeting — Workshop 1, Ljubinje	May 10	6	3	3
916	Implementation of youth action plan, Ljubinje	May 10	4	2	2
917	Gender responsive budgeting, Vogošća	May 11	8	3	5
918	Program budgeting workshop 3, Srbac	May 15	10	6	4
919	Team for communal services development session 4, Mrkonjić Grad	May 15	7	3	4
920	Project proposals per international standards, Novi Travnik	May 15	9	7	2
921	Project proposals per international standards, Vitez	May 15	5	2	3
922	Program budgeting workshop 3, Gradiška	May 16	8	4	4
923	Team for communal services development session 4, Šipovo	May 16	4	1	3
924	Team for communal services Development session 4, Livno	May 17	7	2	5
925	Project proposals per international standards, Vareš	May 17			
926	Program budgeting workshop 3, Lopare	May 17	9	5	4
927	PCM logframe, Jablanica	May 17	14	6	8

No.	Topic and Venue	Date	Total Participants	Males	Females
928	LEAP, Čapljina	May 18	5	4	1
929	Instrument for Pre-Accession — I session, Olovo	May 18	4	3	1
930	Gender responsive budgeting Workshop 3, Foča	May 18	6	3	3
931	Implementation of youth action plan, Foča	May 18	4	2	2
932	Program budgeting workshop 3, Žepče	May 18	6	1	4
933	Multiyear financial forecast — Workshop 4, Kneževo	May 21	7	2	5
934	Location marketing — 1 workshop, Šekovići	May 21	9	6	3
935	Program budgeting workshop 3, Nevesinje	May 21	5	3	2
936	Gender responsive budgeting — Workshop 2, Bugojno	May 21	10	2	8
937	Implementation of youth action plan, Bugojno	May 21	5	2	3
938	Program budgeting workshop 3, Sapna	May 22	4	3	1
939	Multiyear financial forecast — Workshop 4, Bosanska Krupa	May 22	7	0	7
940	Team for communal services Development session 4, Bosanska Krupa	May 22	5	1	4
941	Development partnership for increasing the EU funds absorption capacity, Ilijaš	May 22	9	5	4
942	Gender responsive budgeting — Workshop 2, Nevesinje	May 22	5	3	2
943	Implementation of Youth Action Plan, Nevesinje	May 22	4	3	1
944	Program budgeting workshop 3, Gradačac	May 23	2	1	1
945	Gender responsive budgeting — Workshop 2, Ljubinje	May 23	4	2	2
946	Implementation of youth action plan, Trebinje	May 23	4	4	0
947	Program budgeting workshop 3, Velika Kladuša	May 24	9	2	7
948	Project proposals per international standards, Vareš	May 24	8	5	3
949	Program budgeting workshop 3, Mrkonjić Grad	May 25	17	10	7
950	Instrument for Pre-Accession — 2 session, Olovo	May 25	4	3	1
951	Gender responsive budgeting — Workshop 2, Kostajnica	May 28	8	3	5
952	Expenditure management workshop, Sarajevo	May 28	21	11	10
953	Gender responsive budgeting — Workshop 2, Vareš	May 28	6	4	2
954	PCM logframe, Gradačac	May 28	6	6	0
955	Implementation of gender action plan, Gradačac	May 28	5	0	5
956	Gender responsive budgeting — Workshop 2, Gradačac	May 29	3	1	2
957	Project proposals per international standards, Novi Travnik	May 29	9	7	2
958	Project proposals per international standards, Vitez	May 29	6	2	4
959	Implementation of youth action plan, Fojnica	May 29	4	2	2
960	Instrument for Pre-Accession — I session, Ljubinje	May 29	4	3	1
961	Instrument for Pre-Accession — 2 session, Ljubinje	May 30	4	3	1
962	Gender responsive budgeting — Workshop 2, Teslić	May 30	6	3	2
963	PCM logframe, Bugojno	May 30	20	6	14
964	Instrument for Pre-Accession — 1 session, Kupres	May 30	8	4	4
965	Instrument for Pre-Accession — 2 session, Kupres	May 31	7	3	4
966	Instrument for Pre-Accession — 1 session, Grude	May 31	8	5	3
967	Establishing unit for managing municipal development workshop on human resources management principles, Kneževo	May 31	11	5	6

No.	Topic and Venue	Date	Total Participants	Males	Females
968	Establishing unit for managing municipal development workshop on human resources management principles — Kotor Varoš	June 1	10	5	5
969	Instrument on Pre-Accession — 2 session, Grude	June 1	8	5	3
970	Instrument on Pre-Accession — 3 session. Grude	June 5	8	5	3
971	Project proposals per international standards, Vitez	June 5	6	2	4
972	Project proposals per international standards, Novi Travnik	June 5	7	7	2
973	Instrument for Pre-Accession 4 session, Grude	June 6	8	5	3
974	Implementation of gender action plan, Kladanj	June 6	5	1	4
975	Implementation of youth action plan development, Kladanj	June 6	5	1	4
976	Implementation of gender action plan, goražde	June 7	7	1	6
977	Instrument on Pre-Accession 3 session, Ljubinje	June 7	4	3	1
978	Project proposals per international standards, Vareš	June 7	10	6	4
979	Urbanism training, Bugojno	June 7	4	3	1
980	Instrument on Pre-Accession 4th session, Ljubinje	June 8	4	3	1
981	Instrument on Pre-Accession 3,4th session, Olovo	June 8	4	3	1
982	Implementation of youth action plan development, Vareš	June 8	4	4	0
983	PCM workshop for youth, Teslić	June 8	9	7	2
984	Multiyear financial forecast, Šipovo	June 11	6	0	6
985	Implementation of youth action plan development, Fojnica	June 11	3	2	1
986	LEAP, Čapljina	June 12	7	5	2
987	Development partnership for increasing EU funds absorption capacity, Ilijaš	June 12	8	5	3
988	PCM workshop for youth, Srbac	June 12	4	3	1
989	PCM workshop for youth, Kostajnica	June 13	6	2	4
990	Implementation of youth action plan development, Ilijaš	June 13	4	2	2
991	Urbanism training, Livno	June 13	5	2	3
992	Project proposals per international standards, Vareš	June 14	8	5	3
993	Implementation of youth action plan development, Bugojno	June 14	10	3	7
994	Implementation of youth action plan development, Vareš	June 15	5	5	0
995	Implementation of youth action plan development, Ilijaš	June 18	4	0	4
996	Implementation of youth action plan development, Čelić	June 18	5	1	4
997	Implementation of gender action plan development, Gradačac	June 19	3	2	1
998	Implementation of youth action plan development, Gradačac	June 19	4	3	1
999	Implementation of youth action plan development, Gračanica	June 19	18	1	17
1000	Treasury: Study tour Livno to Cazin	June 19	10	3	7
1001	Implementation of youth action plan development, Mrkonjić Grad	June 22	5	1	4
1002	Implementation of gender action plan development, Mrkonjić Grad	June 22	5		5
1003	Urbanism training session/14 Session, Živinice	Dec. 7, 2011-May 17, 2012	3	1	2

No.	Topic and Venue	Date	Total Participants	Males	Females
1004	Urbanism training session/14 Session, Gračanica	Dec. 9, 2011-May 15, 2012	4	2	2
1005	Urbanism training session/10 Session, Breza	Nov. 17 2011- May 15, 2012	8	2	6
1006	Urbanism training session/10 Session, Novi Travnik	Nov.18, 2011- May 20, 2012	7	2	5
1007	Urbanism training session/5 Session, Čapljina	Dec. 2, 2011- May 31, 2012	3	1	2
1008	Urbanism training session/6 Session, Bugojno	Dec. 9, 2011- May 15, 2012	4	3	1
1009	Urbanism training session/6 Session, Livno	Dec. 9, 2011- May 15, 2012	5	2	3
1010	Urbanism training session/6 Session, Bihać	Nov. 30, 2011- May 15, 2012	7	2	5
1011	Urbanism training session/6 Session, Teslić	Nov. 22, 2011- May 20, 2012	8	2	6
1012	Urbanism training session/6 Session, Mrkonjić Grad	Nov. 22, 2011- May 30, 2012	3	2	1
1013	MAP project implementation: workshop on project cycle management, Ljubinje	June 25-26	4	3	1
1014	LEAP, Čapljina	June 26	7	5	2
1015	Instrument for Pre-Accession and location marketing, Čapljina	June 26	5	2	3
1016	MAP project implementation: workshop on project proposals per international standards & project cycle management, Domaljevac-Šamac	June 25, 26, 27, 28	7	4	3
1017	Location marketing — 2 workshop, Šekovići	June 29	8	5	3
Quarter 19					
1018	Location marketing, Grude	July 2	8	5	3
1019	Gender responsive budgeting — final workshop, Bihać	July 2	7	2	5
1020	Gender responsive budgeting — final workshop, Kostajnica	July 3	9	3	6
1021	Instrument for Pre-Accession, Čapljina	July 3	5	2	3
1022	Location marketing, Čapljina	July 3	5	2	3
1023	Youth and gender advocacy workshop, Kladanj	July 4	11	5	6
1024	Gender responsive budgeting — final workshop, Vareš	July 4	4	2	2
1025	Youth and gender advocacy workshop, Teslić	July 5	4	1	3
1026	Project cycle management, Domaljevac-Šamac	July 5	7	4	3
1027	Gender responsive budgeting — final workshop, Gradačac	July 5	5	3	2
1028	Youth and gender advocacy workshop, Čelić	July 6	8	2	6
1029	Gender responsive budgeting — final workshop, Nevesinje	July 6	6	2	4
1030	Instrument for Pre-Accession, Kupres	July 9	7	3	4
1031	Youth and gender advocacy workshop, Gradiška	July 9	16	8	8
1032	Youth and gender advocacy workshop, Srbac	July 10	9	4	5
1033	Instrument for Pre-Accession, Čapljina	July 10	5	2	3

No.	Topic and Venue	Date	Total Participants	Males	Females
1034	Location marketing, Čapljina	July 10	5	2	3
1035	Youth and gender advocacy workshop, Kostajnica	July 11	7	5	2
1036	Youth and gender advocacy workshop, Bihać	July 12	12	2	10
1037	Establishing unit for managing municipal development workshop on project proposals per EU standards, Kotor Varoš	July 12	9	6	3
1038	Establishing unit for managing municipal development workshop on project proposals per EU standards — Kneževo	July 12	7	1	6
1039	Youth and gender advocacy workshop, Vareš	July 12	10	3	7
1040	Youth and gender advocacy workshop, Mrkonjić Grad	July 13	10	3	7
1041	Youth and gender advocacy workshop, Ilijaš	July 13	9	3	6
1042	Final program budgeting workshop, Gradačac	July 13	3	1	2
1043	Youth and gender advocacy workshop, Jablanica	July 16	6	3	3
1044	Youth and gender advocacy workshop, Gračanica	July 16	10	2	8
1045	Youth and gender advocacy workshop, Gradačac	July 17	12	6	6
1046	Youth and gender advocacy workshop, Fojnica	July 17	2	2	0
1047	Final program budgeting workshop, Žepče	July 17	6	1	5
1048	Youth and gender advocacy workshop, Foča	July 18	3	2	1
1049	Youth and gender advocacy workshop, Žepče	July 18	12	10	2
1050	Establishing unit for managing municipal development workshop on project proposals per EU standards — Kneževo	July 19	6	1	5
1051	Location marketing, Šekovići	July 20	6	3	3
1052	Youth and gender advocacy workshop, Vogošća	July 20	7	3	4
1053	Youth and gender advocacy workshop, Goražde	July 20	3	1	2
1054	Location marketing, Grude	July 24	3	2	1
1055	Youth and gender advocacy workshop, Nevesinje	July 25	11	3	8
1056	Strategic planning workshop for youth and gender workshops, Gradiška	July 24-25	13	7	6
1057	Establishing unit for managing municipal development workshop on project proposals per EU standards — Kotro Varoš	July 26	5	4	1
1058	Youth and gender advocacy workshop, Trebinje	July 26	8	6	2
1059	Youth and gender advocacy workshop, Ljubinje	July 27	4	3	1
1060	Youth and gender advocacy workshop, Bugojno	July 30	6	0	6
1061	PCM workshop for youth and gender workshops, Srbac	July 31	7	1	6
1062	PCM workshop for youth and gender workshops, Bihać	Aug. 1	5	1	4
1063	PCM workshop for youth and gender workshops, Čelić	Aug. 3	8	5	3
1064	Final program budgeting workshop, Mrkonjić Grad	Aug. 6	9	5	4
1065	Final program budgeting workshop, Velika Kladuša	Aug. 7	7	5	2
1066	Final program budgeting workshop, Srbac	Aug. 8	8	8	0
1067	Final program budgeting workshop, Gradiška	Aug. 9	3	1	2
1068	Final program budgeting workshop, Lopare	Aug. 10	4	1	3
1069	Final program budgeting workshop, Konjic	Aug. 13	5	2	3
1070	Final program budgeting workshop, Jablanica	Aug. 14	4	1	3
1071	Final program budgeting workshop, Nevesinje	Aug. 15	4	3	1

No.	Topic and Venue	Date	Total Participants	Males	Females
1072	Final program budgeting workshop, Trebinje	Aug. 16	8	5	3
1073	Final program budgeting workshop, Goražde	Aug. 17	4	0	4
1074	Regional workshop on experience exchange, Tomislavgrad	Sept. 4	27	13	14
1075	Regional workshop on experience exchange, Žepče	Sept. 5	28	14	14
1076	Final program budgeting workshop, Lopare	Sept. 10	4	1	3
1077	Regional workshop on experience exchange, Ključ	Sept. 12	33	13	20
1078	Regional workshop on experience exchange, Kiseljak	Sept. 13	25	12	13
1079	Conference modern and effective local self governance in BH, Sarajevo	Sept. 17	118	37	81
1080	Conference modern and effective local self governance in BH, Sarajevo	Sept. 18	113	43	70
1081	Conference modern and effective local self governance in BH, Sarajevo	Sept. 24	61	26	35
1082	Conference modern and effective local self governance in BH, Sarajevo	Sept. 25	57	30	27
1083	Additional program budgeting workshop, Sarajevo	Sept. 27	16	14	2

ANNEX C

LIST OF MAP PROJECTS

ANNEX C MUNICIPAL ACTION PLAN (MAP) PROJECTS

#	Project Name	Partner Municipalities	Municipalities			
			Legacy	Cohort 3	Cohort 4	Total
1	Introduction to the Instrument for Pre-Accession Assistance (IPA)	Banja Luka, Čelić, Goražde, Jablanica, Kalesija, Novo Sarajevo, Srebrenica, Trebinje, Vlasenica, Bužim, Konjic, Nevesinje, Ilidža, Banovići, Kladanj, Petrovo, Čapljina, Grude, Kupres, Ljubinje, Olovo	12	4	5	21
2	Municipal Creditworthiness Issues and Capacity to Borrow	Rogatica	1	0	0	1
3	Common Assessment Framework (CAF) Methodology	Banja Luka	1	0	0	1
4	Advance Zoning and Planning Methodology	Bosansko Grahovo, Drvar, Ljubuški, Mrkonjić Grad, Vukosavlje, Travnik, Čitluk, Kupres	6	1	1	8
5	Citizen Participation: Strengthening the Role of Local Communities (<i>mjesne zajednice</i>)	Bihać, Teslić	2	0	0	2
6	Applied Public Procurement	Trnovo, Kupres	0	1	1	2
7	Introduction to Public Opinion Research	Novo Sarajevo	1	0		1
8	International Standards in Project Proposal Development	Gradačac, Jablanica, Ljubuški, Mrkonjić Grad, Prozor-Rama, Tuzla, Bužim, Gradiška, Nevesinje, Rudo, Ilijaš, Trnovo, Novi Travnik, Vareš, Vitez, Domaljevac	10	2	4	16
9	Project Cycle Management	Lopare, Gradiška, Vogošća, Ljubinje, Sapna, Domaljevac	3	0	3	6
10	Process Re-engineering	Mrkonjić Grad	1	0	0	1
11	Preparing Communities for Budget Discussions		0	0	0	0
12	Organizing in Communities	Prozor-Rama	1	0	0	1
13	Monitoring and Evaluation of Strategic Development Programs	Jablanica	1	0	0	1
14	Medium-Term Budget Development	Lopare, Bužim, Bosanski Petrovac, Šipovo, Bosanska Krupa, Kneževo	2	2	2	6
15	Human Resources Management Consulting		0	0		0
16	Preparation and Implementation of Local Environmental Action Plans (LEAP)	Goražde, Rogatica, Vlasenica, Foča, Travnik, Široki Brijeg, Čapljina, Olovo, Šekovići	5	1	3	9
17	Improving Internal Communications	Trebinje, Posušje, Bosanski Petrovac	2	1	0	3
18	Promoting Gender Equity in Municipal Governance		0	0	0	0
19	Development Partnership for Increasing EU Funds Absorption Capacity	Visoko, Ilijaš, Kostajnica	0	2	1	3

#	Project Name	Partner Municipalities	Municipalities			
			Legacy	Cohort 3	Cohort 4	Total
20	Establishing Municipal Units for Managing Development	Ljubuški, Sanski Most, Srebrenica, Velika Kladuša, Bugojno, Foča, Kneževo, Kostajnica, Kotor Varos	6	0	3	9
21	Location Marketing — Development of a Plan to Attract Investments	Bihać, Goražde, Mrkonjić Grad, Trebinje, Vukosavlje, Foča, Kakanj, Nevesinje, Srbac, Vogošća, Ribnik, Kotor Varos, Čapljina, Grude, Novi Travnik, Olovo, Vareš, Vitez, Šekovići	10	1	8	19
22	Preparation of Strategic Plans (in particular, municipal development strategies)		0	0	0	0
23	Updating Local Development Strategies	Rudo, Visoko	1	1	0	2
24	Improving Energy Efficiency in Municipal Service Delivery		0	0	0	0
25	Building Capacity for Vital Records Sharing	Fojnica, Gradačac, Mostar, Srebrenica, Livno	4	1	0	5
26	Increasing IT Management Capacity	Breza, Čelić, Doboj Istok, Gradačac, Kalesija, Tomislavgrad, Trebinje, Tuzla, Živinice, Bugojno, Kakanj, Nevesinje, Rudo, Cazin, Bosanski Petrovac, Šipovo, Široki Brijeg, Ilijaš, Trnovo, Banovići, Gračanica, Kladanj, Petrovo, Čitluk, Livno, Bosanska Krupa, Kneževo, Kostajnica, Kotor Varos, Ljubinje, Grude, Vareš, Vitez, Sapna, Domaljevac, Šekovići, Žepče	13	11	12	36
27	Document Scanning and Imaging and Development of Electronic Library	Bihać, Bosansko Grahovo, Čelić, Doboj Istok, Fojnica, Jablanica, Lopare, Mrkonjić Grad, Novo Sarajevo, Prozor-Rama, Rogatica, Tomislavgrad, Tuzla, Velika Kladuša, Vlasenica, Bužim, Foča, Kakanj, Posušje, Srbac, Travnik, Kladanj, Bosanski Petrovac, Ribnik, Šipovo, Čitluk, Livno, Široki Brijeg, Trnovo, Visoko, Ilidža, Kneževo, Kostajnica, Kotor Varos, Grude, Ljubinje, Kupres, Novi Travnik, Olovo, Vareš, Vitez, Domaljevac, Žepče, Sapna, Šekovići	17	11	14	42
28	Electronic Urban Permitting (complexity level 1)		0	0		0
29	Electronic Urban Permitting (complexity level 2)	Bosansko Grahovo, Čelić, Doboj Istok, Gradačac, Kalesija, Ljubuški, Lopare, Prozor-Rama, Sanski Most, Tomislavgrad, Trebinje, Vlasenica, Vukosavlje, Bugojno, Nevesinje, Rudo, Teslić, Šipovo, Livno, Banovići, Petrovo, Kostajnica, Kupres, Domaljevac, Žepče	17	4	4	25
30	Electronic Urban Permitting — Integrated System (complexity level 3)	Bosansko Grahovo, Breza, Goražde, Jablanica, Velika Kladuša, Bužim, Travnik, Vogošća, Ilidža, Olovo, Vareš, Čapljina	8	1	3	12
31	E-mail Connection Between Municipal Employees and Citizens	Foča, Konjic, Livno, Ilijaš, Šekovići, Žepče	2	2	2	6
32	Improving Permitting for Legalization of Illegal Settlements	Ljubuški, Velika Kladuša, Živinice, Gradiška, Posušje, Srbac, Vogošća, Čitluk, Kladanj, Bosanska Krupa, Kneževo, Novi Travnik, Vitez	7	2	4	13
33	Improving Planning and Permitting Functions by Department Reorganization	Drvar, Novo Sarajevo, Posušje, Vogošća, Livno, Grude	4	1	1	6

#	Project Name	Partner Municipalities	Municipalities			
			Legacy	Cohort 3	Cohort 4	Total
34	Software Licensing Program	Doboj Istok, Srebrenica, Vlasenica, Gradiška, Bosanski Petrovac, Gračanica, Banovići, Bosanska Krupa, Ljubinje, Sapna	4	3	3	10
35	Public Utilities Service Improvement	Bugojno, Srbac, Ribnik, Široki Brijeg, Novi Travnik	2	2	1	5
36	Networking Satellite Offices with the CSC	Banja Luka, Bihać, Čelić, Doboj Istok, Goražde, Gradačac, Kalesija, Lopare, Mostar, Novo Sarajevo, Rogatica, Srebrenica, Tomislavgrad, Velika Kladuša, Gradiška, Kakanj, Konjic, Posušje, Rudo, Srbac, Teslić, Šipovo, Cazin, Ribnik, Visoko, Gračanica, Petrovo, Bosanska Krupa, Kotor Varos	21	6	2	29
37	Improving the Work of Cadastre Units	Drvar	1	0		1
38	Processing of Digitalized Cadastre Maps/Improving the Work of the Department for Property Legal Affairs, Geodetic And Cadastre	Sanski Most, Cazin, Bosanski Petrovac, Šipovo, Široki Brijeg, Ilijaš, Trnovo, Banovići, Gračanica, Kladanj, Petrovo, Čitluk, Livno	1	12	0	13
39	Computer-Based Employee Education Centre	Široki Brijeg, Petrovo, Kladanj, Čapljina	0	3	1	4
Total			166	75	78	319

ANNEX D

LIST OF CAPITAL PROJECTS

ANNEX D. LIST OF CAPITAL IMPROVEMENT PROJECTS

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
1	CIP	Ljubuski	GAP-MO-001	Final works on Domovinske zahvalnosti city square	125,000.00	125,000.00
2	CIP	Posusje	GAP-MO-002	Construction of the Water Supply System Posusje-Vinjani	125,000.00	125,000.00
3	CIP	Bugojno	GAP-MO-003	Construction of second phase of the Social Care Centre (SCC) building in Bugojno	90,278.00	90,278.00
4	CIP	Bugojno	GAP-MO-004	Adaptation of Crystal Hall of the Bugojno Municipality building	34,722.00	34,722.00
5	CIP	Prozor-Rama	GAP-MO-005	Regulation of the Prozorcica stream and construction of a sewage system	125,000.00	125,000.00
6	CIP	Srbac	GAP-BL-006	Secondary water supply system in south-east part of municipality	72,500.00	72,500.00
7	CIP	Srbac	GAP-BL-007	Reconstruction of Kindergarten in Srbac	52,500.00	52,500.00
8	CIP	Buzim	GAP-BL-008	"Building a House of Culture in Buzim"-Phase I	125,000.00	125,000.00
9	CIP	V.Kladusa	GAP-BL-009	Building – construction of the JU CZKIO (public institute Centre for culture and education) „Zuhdija Žalić“	91,500.00	91,500.00
10	CIP	V.Kladusa	GAP-BL-010	Reconstruction of Sulejmana Topica street	33,500.00	33,500.00
11	CIP	S. Most	GAP-BL-011	Reconstruction of city street "ŠEJKOVAČA" - Phase 1	125,000.00	125,000.00
12	CIP	M.Grad	GAP-BL-012	Infrastructural addition to the kindergarten in Mrkonjić Grad	125,000.00	125,000.00
13	CIP	Breza	GAP-SA-013	Water supply system in Breza - izgradnja filterskog postrojenja	125,000.00	125,000.00
14	CIP	Rudo	GAP-SA-014	Reconstruction of Municipal building, interior	75,000.00	75,000.00
15	CIP	Rudo	GAP-SA-015	Completion of the structure on the FC Rudo stadium-1 Phase	50,000.00	50,000.00
16	CIP	Foca	GAP-SA-016	Reconstruction of the square near Blue High building	40,098.98	40,098.98

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
17	CIP	Foca	GAP-SA-017	Reconstruction of streetlights in Njegoseva street	45,000.00	50,291.71
18	CIP	Foca	GAP-SA-018	Adding up another floor for NGO needs	39,858.00	34,563.00
19	CIP	Rogatica	GAP-SA-019	Reconstruction of Sports Center- 1 phase	125,000.00	125,000.00
20	CIP	Doboj I	GAP-TZ-020	Paving the cross-entity road Duje-Hodzici	112,500.00	112,500.00
21	CIP	Vlasenica	GAP-TZ-021	Sports-recreational center within the old high grammar school	125,000.00	125,000.00
22	CIP	Celic	GAP-TZ-022	Providing additional potable water (LC Sibosnica, Nahvioci Gornji I Donji Humci)	40,000.00	40,000.00
23	CIP	Celic	GAP-TZ-023	Construction of Street lights (LC Celic, Ratkovici, Brnjik, Drijenca, Sibosnica, Vrazici)	50,000.00	50,000.00
24	CIP	Celic	GAP-TZ-024	Construction of horizontal and verical treaffic signalization with traffic lights in local community Celic	35,000.00	35,000.00
25	CIP	Lopare	GAP-TZ-025	Constuction of parking lots in Lopare, including the parking lots and a ring-road next to the Health center	35,000.00	35,000.00
26	CIP	Lopare	GAP-TZ-026	Construction of asphalt road Bare-Crkva at local community Mirosavci, in length of 700 m	50,000.00	50,000.00
27	CIP	Lopare	GAP-TZ-027	Construction of curbs next to regional road R 458, in the lenth of 680m, and 1.3 m wide from the right side	40,000.00	40,000.00
28	CIP	Vukosavlje	GAP-TZ-028	Construction of a water well and a tank for the water supply network in Vukosavlje	125,000.00	125,000.00
29	CIP	Gradacac	GAP-TZ-029	Covering with the roof of the FC Omladinac Sport Field's Stand	32,439.55	32,439.55
30	CIP	Gradacac	GAP-TZ-030	Reconstruction of the water supply network at Sibovac	37,372.30	37,372.30

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
31	CIP	Gradacac	GAP-TZ-031	Reconstruction of the Youth Center in Medjidja Gornja	52,500.00	52,500.00
32	CIP	Vogosca	GAP-SA-032	Construction of sewage system in local community of Semizovac	70,000.00	70,000.00
33	CIP	Vogosca	GAP-SA-033	Construction of the annex to "Mirsad Prnjavorac" Elementary School, to accommodate Vogošća School of Music	55,000.00	55,000.00
34	CIP	Novo Sarajevo	GAP-SA-034	Rehabilitation and creation of a Career Development and Volunteerism center within the International Children and Youth Centre building	125,000.00	125,000.00
35	CIP	Kakanj	GAP-SA-035	Asphalt paving of the road Popržna gora- Local Community Podgora Phase I	35,000.00	35,000.00
36	CIP	Kakanj	GAP-SA-036	Construction of the Doboj Clinic	50,000.00	50,000.00
37	CIP	Kakanj	GAP-SA-037	Building of the "Krsevac" bridge, building local bridges on the road Stari Dom- Podborje	40,000.00	40,000.00
38	CIP	Gorazde	GAP-SA-038	Rehabilitation and asphalt paving of the area surrounding the Potkovicica building	89,790.00	89,790.00
39	CIP	Gorazde	GAP-SA-039	Building a Multi-Purpose Building in rural Local Community of Berič	35,210.00	35,210.00
40	CIP	Bihac	GAP-BL-040	2nd phase (continuing) of covering of water way on river Drobinica in Bihac city	125,000.00	125,000.00
41	CIP	Gradiska	GAP-BL-041	Building of Water system network in MZ Brezik-Laminci	125,000.00	125,000.00
42	CIP	Srebrenica	GAP-TZ-042	Recording, analysis and protection of water wells within the Srebrenica municipality	65,600.00	65,600.00
43	CIP	Tuzla	GAP-TZ-043	Construction of public street lights at LC Husino, next to magisterial road M18, and local road LC Husino – LC Kiseljak	35,000.00	35,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
44	CIP	Tuzla	GAP-TZ-044	Construction of a sports field in LC Gornja Tuzla	45,000.00	45,000.00
45	CIP	Tuzla	GAP-TZ-045	Construction of sewage network at Muratbega Zaimovica street, and part of the Zmaj od Bosne Street in LC Kula	45,000.00	45,000.00
46	CIP	Kalesija	GAP-TZ-046	Construction of a sidewalk in Kalesija – rout downtown – industrial zone (next to magisterial road M4 Tuzla -- Zvornik)	35,000.00	35,000.00
47	CIP	Kalesija	GAP-TZ-047	Reconstruction and building an annex to the Bosnian Culture Club "Alija Izetbegovic"	90,000.00	90,000.00
48	CIP	Nevesinje	GAP-MO-048	Pavement of the Road to the Kalufi Necropolis	75,000.00	75,000.00
49	CIP	Nevesinje	GAP-MO-049	Cosntruction of the Water Supply System Udbina Nevesinje	50,000.00	50,000.00
50	CIP	Jablanica	GAP-MO-050	Construction of the Sports Hall Phase 1	125,000.00	125,000.00
51	CIP	Tomislavgrad	GAP-MO-051	Construction of the Water Supply System Duvanjsko Polje	125,000.00	125,000.00
52	CIP	Trebinje	GAP-MO-052	Surveillance and Management of Trebinje Water Supply System	125,000.00	125,000.00
53	CDPC	Drvar	GAP-BL-053	Furnishing and reconstruction of part of "House of culture"	72,200.00	72,200.00
54	CDPC	Drvar	GAP-BL-054	Reconstruction of public lightening in the area of memorial complex 25 May	52,800.00	52,800.00
55	CIP	B.Luka	GAP-BL-055	Reconstruction and repair of cultural centre in local community Potkozarje in the City of B. Luka	125,000.00	125,000.00
56	CDPC	B.Grahovo	GAP-BL-056	Reconstruction of public lightening in 4 local communicates in B. Grahovo	125,000.00	125,000.00
57	CIP	Travnik	GAP-SA-057	Rehabilitation of the "Ante Vlaica" street in Nova Bila	40,000.00	40,000.00
58	CIP	Travnik	GAP-SA-058	Buidling of access roads in Babanovac	45,000.00	45,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
59	CIP	Travnik	GAP-SA-059	Street rehabilitation in the Mehurici local community	40,000.00	40,000.00
60	CIP	Fojnica	GAP-SA-060	Interior construction of the new Fojnica municipality building	125,000.00	125,000.00
61	CDPC	Zivinice	GAP-TZ-061	Road reconstruction MZ Rudar - Ciljuge - Spreca - D.Dubrave	52,500.00	52,500.00
62	CIP	Konjic	GAP-MO-062	Konjic City Museum	125,000.00	125,000.00
63	CDPC	Zivinice	GAP-TZ-063	Road Zivcici - Palez	37,500.00	37,500.00
64	CDPC	Zivinice	GAP-TZ-064	Road Zukici - Kuljan	35,000.00	35,000.00
65	CIP	Teslic	GAP-BL-065	"Reconstruction of local road in MZ Čečava, section from Gradina to Plane"	125,000.00	125,000.00
66	CIP	B. Petrovac	GAP-BL-066	"Industrial zone Goričani, Bosanski Petrovac municipality"	125,000.00	125,000.00
67	CIP	Nevesinje	GAP-MO-067	Construction of the Road Leading to the Ovciji Brod (Bridge)	31,725.00	31,725.00
68	CIP	Trnovo	GAP-SA-068	Reconstruction of the small municipal building	47,183.69	47,183.69
69	CIP	Trnovo	GAP-SA-069	rehabilitation and asphalt pavement of Miladina Risticveca Street	40,000.00	40,000.00
70	CIP	Trnovo	GAP-SA-070	Asphalt pavement of the intersection at Jahorina mountain	37,816.31	37,816.31
71	CIP	Livno	GAP-MO-071	Reconstruction of the Livno Municipal Building- Instalation Works	125,000.00	125,000.00
72	CIP	Cazin	GAP-BL-072	"Construction of sidewalk and street-lights in Žrtava domovinskog rata Street"	125,000.00	125,000.00
73	CDPC	Ribnik	GAP-BL-073	"Roads paving in the local community Prevljaka"	45,000.00	45,000.00
74	CDPC	Ribnik	GAP-BL-074	"Continuation of road paving in Krndijica brdo"	30,000.00	30,000.00
75	CDPC	Ribnik	GAP-BL-075	"Building the secondary water supply network in Donji Vrbljani"	50,000.00	50,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
76	CDPC	Sipovo	GAP-BL-076	“Construction of livestock market in Strojice”, Municipality of Šipovo	35,200.00	35,200.00
77	CDPC	Sipovo	GAP-BL-077	„Street lights in Karadjordjeva Street, Omladinska Street, local communities Pljeva, Mujdzici and Babici“	46,500.00	46,500.00
78	CDPC	Sipovo	GAP-BL-078	„Reconstruction of local road Pljeva-Olici-Mujdzici “Šipovo Municipality	43,300.00	43,300.00
79	CIP	Gracanica	GAP-TZ-079	Multifunctional Hall of Gracanica Municipality	125,000.00	125,000.00
80	CIP	Siroki B.	GAP-MO-080	Construction of the Drainage-System for Precipitation Waters around the Municipal Building in Siroki Brijeg	40,000.00	40,000.00
81	CIP	Siroki B.	GAP-MO-081	Construction of the Sewage System in the Matije Gupca Street and Kralja Tomislava Street	45,000.00	45,000.00
82	CIP	Siroki B.	GAP-MO-082	Reconstruction of the Siroki Brijeg Municipal Building – Reconstruction of the Roof	40,000.00	40,000.00
83	CIP	Citluk	GAP-MO-083	Construction of the Sports Courts and the Surrounding Area of the High School	75,000.00	75,000.00
84	CIP	Citluk	GAP-MO-084	Construction of a Bus Station in Medjugorije	50,000.00	50,000.00
85	CIP	Ilidza	GAP-SA-085	Construction and rehabilitation of sports fields in MZs, Stup, Hrasnica, Donji Kotorac, Ilidza Centar, Blazuj, Osjek, and Rakovica.	125,000.00	125,000.00
86	CIP	Visoko	GAP-SA-086	Construction of the bridge in the local community Prijeko (last phase)	125,000.00	125,000.00
87	CDPC	Ilijas	GAP-SA-087	Reconstruction and modernization of the Bioca Road (Bridge to School route)	50,000.00	50,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
88	CDPC	Ilijas	GAP-SA-088	Construction of the Mrakovo Local Clinic (I Phase)	35,000.00	35,000.00
89	CDPC	Ilijas	GAP-SA-089	Purchase and delivery of sewage pipes and shafts for the Sewage System in Ljesevo, MZ Podlugovi and MZ Misoca	40,000.00	40,000.00
90	CIP	Petrovo	GAP-TZ-090	Reparation and Reconstruction of the water-supply network at LC Petrovo, Water supply system Kakmuz - Petrovo	125,000.00	125,000.00
91	CIP	Kladanj	GAP-TZ-091	Reconstruction of primary and secondary water supply network for the populated places Kladanj and water supply network for Alicevica Cesma	65,000.00	65,000.00
92	CIP	Kladanj	GAP-TZ-092	Water supply Zlaca	60,000.00	60,000.00
93	CIP	Banovici	GAP-TZ-093	Construction of the Outpatient Clinic at Pribitkovici LC	42,500.00	42,500.00
94	CIP	Banovici	GAP-TZ-094	Construction of the Outpatient Clinic at Tulovici LC	42,500.00	42,500.00
95	CIP	Banovici	GAP-TZ-095	Completion of works on the JP Komunalac facility for the need of Youth Center PINKLAND	40,000.00	40,000.00
96	CIP	Vitez	GAP-SA-096	Reconstruction of the municipality building in Vitez	125,000.00	125,000.00
97	CIP	Novi Travnik	GAP-SA-097	Reconstruction of the traffic signal systems at the following intersections; 'Gradska Pekara', 'Most', and 'Vatrogasni Dom'	87,500.00	87,500.00
98	CIP	Novi Travnik	GAP-SA-098	Reconstruction of the Public Health Centre in Novi Travnik	37,500.00	37,500.00
99	CIP	Sapna	GAP-TZ-099	Construction of 600 m of asphalt road at Donji Zaseok Local Community	40,000.00	40,000.00
100	CIP	Sapna	GAP-TZ-100	Construction of the Gym at Vitinica Village	50,000.00	50,000.00
101	CIP	Sapna	GAP-TZ-101	Reconstruction of the Kobilici – Medjedje Road	35,000.00	35,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
102	CIP	Domaljevac	GAP-TZ-102	Construction of an open Playground for children – Zeleni kutak	35,000.00	35,000.00
103	CIP	Domaljevac	GAP-TZ-103	Completion works on Bazik Culture Center	32,335.67	32,335.67
104	CIP	Domaljevac	GAP-TZ-104	Reconstruction of the Primary School Braca Radic in Domaljevac	57,664.33	57,664.33
105	CIP	Zepce	GAP-TZ-105	Reconstruction of the town streets: Sarajevska, Mahala and part of the Ulice prve	50,000.00	50,000.00
106	CIP	Kotor Varos	GAP-BL-107	The flood defense wall in the area of the Kotor Varos square	45,250.00	45,250.00
107	CIP	Kotor Varos	GAP-BL-108	The Stone flood protection embankment	40,000.00	40,000.00
108	CIP	Kotor Varos	GAP-BL-109	Promenade landscaping	39,750.00	39,750.00
109	CIP	Bosanska Krupa	GAP-BL-110	Completion of construction of the House of Culture in Bosanska Otoka, Bosanska Krupa Municipality	40,000.00	40,000.00
110	CIP	Bosanska Krupa	GAP-BL-111	Paving of the Omladinska street	85,000.00	85,000.00
111	CIP	Capljina	GAP-MO-112	Construction of the Sports Court in Gabela	40,000.00	40,000.00
112	CIP	Capljina	GAP-MO-113	Sports Hall Upgrade	85,000.00	85,000.00
113	CDPC	Mostar	GAP-MO-114	Interior works on the Mostar City Hall	125,000.00	125,000.00
114	CDPC	Grude	GAP-MO-115	Reconstruction of the Main Transport Pipeline from the Water Well Grudsko Vrilo to the Water Well Sovici	125,000.00	125,000.00
115	CDPC	Kostajnica	GAP-BL-116	Paving of local roads in the village of Kalenderi, Kostajnica	80,000.00	80,000.00
116	CDPC	Kostajnica	GAP-BL-117	Road paving in the village of Gumnjani, Kostajnica	45,000.00	45,000.00
117	CDPC	Knezevo	GAP-BL-118	Modernization of the local road Tubici - Antesevic-Sasic	45,000.00	45,000.00
118	CDPC	Knezevo	GAP-BL-119	Improving traffic infrastructure in rural parts of the municipality of Knezevo	45,000.00	45,000.00
119	CDPC	Knezevo	GAP-BL-120	Purchase of utility infrastructure	35,000.00	35,000.00

No.	CIP/CDPC	Municipality	Project No	Project Title	Contract Value	GAP Approved Cost-share
120	CIP	Ljubinje	GAP-MO-121	Adaptation of the Sports Hall in Ljubinje	70,000.00	70,000.00
121	CIP	Ljubinje	GAP-MO-122	Reconstruction and planning of the Avenija Street	55,000.00	55,000.00
122	CIP	Zepce	GAP-TZ-123	Completion of the Music School "Katarina Kosaca Kotromanic" Zepce	75,000.00	75,000.00
126	CDPC	Vares	GAP-SA-127	Construction of bridges in Dubostica village (Strmac and Ravna)	40,000.00	40,000.00
127	CDPC	Vares	GAP-SA-128	Rehabilitation and asphalt pavement of local road through the Neprivaj Settlement (total 1.164 metres)	37,500.00	37,500.00
128	CDPC	Vares	GAP-SA-129	Asphalt pavement of the local roads Strica and Zarudje	42,750.00	42,750.00
129	CDPC	Olovo	GAP-SA-130	„Adaptation and upgrading of the Culture Centre Olovo – Centre for Culture and Information“, Phase I	125,000.00	125,000.00
131		Kupres	GAP-Mo-133	Reconstruction of the city Central park	72,928.00	36,464.00

ANNEX E
FINANCIAL REPORT

Bosnia GAP2 - 2012 Financial Statement

GAP2 2012 Annual Report Financial Statement

Submitted January 10, 2013

Total Contract:	\$24,858,984	Estimated December 2012 and	
Current Obligation:	\$24,657,928	Remaining/Closeout Expenditures (D39+F39):	\$210,551
Amount Invoiced to Date:	\$24,568,722	Delta Current Obligation and Estimated December 2012 and Remaining/Closeout Expenditures (C6-C5)+(H5):	\$121,345

GAP2 Core Contract

Cost Category	Actual Expenditures thru November 2012	Forecast December 2012	Total Estimated Expenditures thru Q4 2012	Estimated Remaining/Closeout Expenditures	Total Estimated Expenditure LOP	Contract Ceilings	Difference, Ceilings less Projected Expenditures	Total, Original + Mod Budgets	Difference, Budgeted less Projected Expenditures
I. Salaries	\$3,326,073	\$6,213	\$3,332,286	\$0	\$3,332,286			\$2,578,824	(\$753,462)
II. Fringe Benefits	\$1,679,277	\$28,739	\$1,708,016	\$0	\$1,708,016			\$995,556	(\$712,460)
III. Overhead	\$2,184,878	\$16,714	\$2,201,592	\$0	\$2,201,592			\$1,690,654	(\$510,938)
IV. Travel and Transportation	\$211,242	\$527	\$211,769	\$0	\$211,769			\$291,115	\$79,346
V. Allowances	\$433,292	\$1,709	\$435,001	\$0	\$435,001			\$257,321	(\$177,680)
VI. Other Direct Costs	\$1,279,535	\$10,289	\$1,289,824	\$0	\$1,289,824			\$499,460	(\$790,364)
VII. Equipment, Vehicles and Freight	\$79,198	\$0	\$79,198	\$15,023	\$94,221			\$109,797	\$15,576
VIII. Training	\$169,780	\$1,323	\$171,103	\$0	\$171,103			\$174,469	\$3,366
IX. Subcontractors	\$6,046,410	\$35,125	\$6,081,535	\$0	\$6,081,535			\$8,167,405	\$2,085,870
X. Material Assistance to Municipalities	\$7,602,260	\$0	\$7,602,260	\$0	\$7,602,260	\$8,460,000	\$857,740	\$8,460,000	\$857,740
XI. General and Administrative	\$1,035,538	\$5,205	\$1,040,743	\$676	\$1,041,419			\$1,014,700	(\$26,719)
XII. Fixed Fee	\$619,683	\$0	\$619,683	\$0	\$619,683	\$619,683	\$0	\$619,683	\$0
XIII. NICRA Adjustments	(\$98,444)	\$0	(\$98,444)	\$89,008	(\$9,436)			\$0	\$9,436
Total	\$24,568,722	\$105,844	\$24,674,566	\$104,707	\$24,779,273	\$24,858,984	\$79,711	\$24,858,984	\$79,711

Column D: December figures are estimated expenditures

Column F: Remaining/Closeout figures are estimated expenditures

Cell D39: We will invoice only up to the current obligation ceiling. Release of final obligation to be determined based on communication with USAID Contracting Officer.

Cell F37: Current internal estimate; actual cost pending updated NICRA provisional and final rates