



Governance Accountability Project
Projekat upravne odgovornosti

ELEVENTH QUARTERLY PROGRESS REPORT

FOR THE PERIOD 16 JANUARY 2007 TO 15 APRIL 2007

This publication was produced for review by the United States Agency for International Development and the Swedish International Development Cooperation Agency. It was prepared by Development Alternatives, Inc.

Submitted May 15, 2007



USAID
FROM THE AMERICAN PEOPLE



SWEDISH INTERNATIONAL
DEVELOPMENT COOPERATION AGENCY

BOSNIA and HERZEGOVINA (BiH) GOVERNANCE ACCOUNTABILITY PROJECT (GAP)

QUARTERLY REPORT (JANUARY 16, 2007 – APRIL 15, 2007)

**USAID CONTRACT NO. EEU-I-00-99-00012-00, TASK ORDER 805
(LAST AMENDED BY MODIFICATION NO. 2)**

Sida CONTRIBUTION NOS. 76003104 and 76003623

ELEVENTH QUARTERLY REPORT

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development, the Swedish International Development Cooperation Agency, or the United States or Swedish Governments.

ACKNOWLEDGEMENTS

The following pages summarize the activities, performance and progress of the Governance Accountability Project (GAP or the “Project”) during the period January 16, 2007 to April 15, 2007. A number of institutions and individuals furnished crucial assistance to GAP during this period.

The United States and Swedish Embassies have provided essential policy support from inception of the Project, as have the USAID and Sida Missions, which also contribute the full funding for GAP activities in the amount of \$20.45 million. This joint sponsorship affords GAP a significantly better status and standing, as well as more flexibility and a greater array of intervention tools, than would have been the case with a single donor acting alone.¹

Special acknowledgement and appreciation is extended to the following officials, without whose strong and continuous support and input, the accomplishments described in this report would not have been possible:

Jane Nandy	USAID Mission Director
Anders Hedlund	Sida Mission Director
Kristine Herrmann-DeLuca	USAID Democracy Office Director
Marc Ellingstad	USAID Cognizant Technical Officer
Elisabet Tomašinec	Sida National Program Officer
Marinko Šakić	USAID Program Manager
Nedim Bukvić	Sida National Program Officer

Home-office backstopping for the Project is provided through the extensive organizational resources of Development Alternatives, Inc. (DAI) in Bethesda, Md., prime contractor for the Governance Accountability Project. Russ Webster, Practice Manager for Democracy and Governance, J. Patrick O’Mahony, DAI Senior Development Specialist and Zoe So, DAI Associate are the front-line personnel responsible for supporting the Project on a day-to-day basis.

GAP is implemented by the following consortium of international partners that have cooperated with DAI on this effort, and whose contributions continue to be vital to the completion of the Project:

Academy for Educational Development
Enterprise Development Agency
IGE Consulting, Ltd.
Independent Bureau for Humanitarian Issues
Social Impact
Swedish Association of Local Authorities International Development Agency

¹ GAP will also utilize small targeted donations earlier made by the United Kingdom and the Norwegian Governments for financial management software to assist the unification of the City of Mostar.

ACKNOWLEDGEMENTS (continued)

The GAP staff is led by the exceptional group of senior managers listed below, all of whom contributed to this report.

Elizabeth H. Holt	Director of Operations
Meliha Arslanagić	Grants Manager
Håkan Gustafsson	Director of Municipal Interventions
Saša Leskovic	Director of Field Operations
Denisa SarajlićMaglić	Director of Policy Interventions
Sanin Džidić	Monitoring and Evaluation Officer
Slaviša Šučur	Policy and Municipal Association Advisor
Jasenka Kratović	Information Officer

Emily Parkinson, Director of Operations from inception of the Project, left during this reporting period to pursue graduate studies in the United States. Ms. Parkinson's administrative management efforts were instrumental in the successful start-up and continuing implementation of GAP.

In recent months, there have been extensive coordination efforts and an increased interest by the international community in the municipal sector of BiH, for example:

- Donor Round Tables on Municipal Development in Bosnia and Herzegovina, initiated last December by the World Bank, and continued into this quarter, bring together over a dozen donors and other institutions to evolve a unified strategy for local government capacity building in BiH.
- The European Union project Fiscal Policy Support to Bosnia and Herzegovina has launched a survey of the fiscal reporting requirements and systems in sub-entity governmental units (municipalities, cantons and extra-budgetary funds).
- The Council of Europe conducted a consultation meeting with Federation parliamentarians in Strasbourg, which focused on reform of local self government in FBiH with a view toward harmonization with the European Charter.
- The multi-donor Land Administration Project in BiH, in coordination with other projects including GAP, is launching six municipal pilot-projects in which they plan to provide a joint database for (i) municipal administration, (ii) cadastre and (iii) land registry (courts). Three of the six pilot-municipalities are GAP partners - Trebinje, Jablanica and Goražde.

As part of this effort, GAP will work jointly with the GTZ and the municipal administration in partner municipalities to prepare urban and spatial information ensuring that the municipal urbanism database is compatible with the cadastral and land-registry database.

- The World Bank Institute conducted a three-day Workshop on Local Governance Social Accountability. GAP staff participated.

ACKNOWLEDGEMENTS (continued)

- The Federation Association of Municipalities and Cities conducted their first General Assembly in five years. The meeting represented a major step forward for this once benign (at best) institution.

Guests included two members of the BiH Presidency, and representatives of (i) diplomatic missions, (ii) the Delegation of the European Commission, (iii) the Organization for Security and Cooperation in Europe, and (iv) the Directorate for European Integration in BiH.

The attention now focused on local self-governance by the international and donor community bodes well for continued progress in this sector. Particularly in view of the expectation that the work initiated by the Governance Accountability Project in July 2004 will be continued for several more years under the provisions of a new competitive contract.

TABLE OF CONTENTS

	<u>Page No.</u>
LIST OF TABLES AND FIGURES	vii
ABBREVIATIONS	ix
FOREWORD	xi
EXECUTIVE SUMMARY (INTRODUCTION)	1
CHAPTER ONE: DIRECT MUNICIPAL INTERVENTIONS	9
CHAPTER TWO: POLICY INTERVENTIONS AT THE STATE AND ENTITY LEVEL	21
CHAPTER THREE: STRENGTHEN THE COMMON VOICE OF MUNICIPAL GOVERNMENTS	27
CHAPTER FOUR: MUNICIPAL LOAN ASSISTANCE AND PACKAGING	31
CHAPTER FIVE: MONITORING AND EVALUATION	33
CHAPTER SIX: ADMINISTRATIVE MATTERS	35
ANNEX A: PROGRESS UNDER THE WORK PLAN (04/15/07)	37
ANNEX B: CITIZEN SERVICE CENTER SUSTAINABILITY	55
ANNEX C: PERFORMANCE MONITORING PLAN INDICATOR FINDINGS	63
ANNEX D: PRELIMINARY FINDINGS ON ATTITUDINAL SURVEY CONDUCTED IN MARCH 2007	67
ANNEX E: SUMMARIES OF EXTERNAL MEETINGS – CoP	75
ANNEX F: CONFERENCES AND OTHER EVENTS ATTENDED BY CoP	79

LIST OF TABLES AND FIGURES

<u>Fig. No.</u>		<u>Page No.</u>
1	STATUS OF CAPITAL IMPROVEMENT PLANNING ACTIVITIES IN BOSNIA AND HERZEGOVINA	6
2	NUMBER OF COMPLAINTS – GAP I COHORT	61
3	NUMBER OF COMPLAINTS – GAP II COHORT	61
4	PERCENTAGE OF COMPLAINTS RESOLVED - GAP I COHORT	62
5	PERCENTAGE OF COMPLAINTS RESOLVED - GAP II COHORT	62
6	NUMBER OF MUNICIPAL SERVICES DELIVERED TO CITIZENS - GAP I COHORT	63
7	NUMBER OF MUNICIPAL SERVICES DELIVERED TO CITIZENS - GAP II COHORT	63
8	AVERAGE TIME FOR PROVIDING OF MUNICIPAL SERVICES – GAP I COHORT	63
9	AVERAGE TIME FOR PROVIDING OF MUNICIPAL SERVICES – GAP II COHORT	63
10	TIME NEEDED FOR DELIVERING CERTIFICATES OF BIRTH, DEATH, WEDDING AND CITIZENSHIP – GAP I COHORT	64
11	TIME NEEDED FOR DELIVERING CERTIFICATES OF BIRTH, DEATH, WEDDING AND CITIZENSHIP – GAP II COHORT	64
12	GAP - ALL MUNICIPALITIES – CITIZEN SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	67
13	GAP - I COHORT MUNICIPALITIES - CITIZEN SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	67
14	GAP - II COHORT MUNICIPALITIES - CITIZEN SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	68
15	CONTROL MUNICIPALITIES - CITIZEN SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	68
16	GAP - ALL MUNICIPALITIES – CITIZEN RATING OF THE CURRENT MUNICIPAL GOVERNMENT	69

LIST OF TABLES AND FIGURES (continued)

17	CONTROL MUNICIPALITIES - CITIZEN RATING OF THE CURRENT MUNICIPAL GOVERNMENT	69
18	GAP - ALL MUNICIPALITIES – BUSINESS SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	70
19	GAP - I COHORT MUNICIPALITIES - BUSINESS SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	71
20	GAP - II COHORT MUNICIPALITIES - BUSINESS SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	71
21	GAP - CONTROL MUNICIPALITIES - BUSINESS SATISFACTION WITH MUNICIPAL SERVICE DELIVERY	72

ABBREVIATIONS

Acronyms are used sparingly in this report where the shorthand may help streamline the text or facilitate brevity. For the convenience of the reader, abbreviation references used in this and earlier reports are included in the following list and selectively within the body or footnotes of the report itself.

ADA	Austrian Development Agency
ADS	Automated Directives System
AED	Academy for Educational Development
BiH	Bosnia and Herzegovina
BR&P	Business Registration and Permitting
CCI	Center for Civic Initiatives
CDPC	Community Development Planning Committee
CHF	Community Habitat and Finance International
CIP	Capital Improvement Plan
CLRAE	Congress of Local and Regional Authorities
CoP	Chief of Party
CSC	Citizen Service Center
CT	[Capital Improvement Plan] Coordination Team
DAI	Development Alternatives, Inc.
DCA	Development Credit Authority
DFID	[United Kingdom] Department for International Development
EDA	Enterprise Development Agency
EUPPP	European Union Public Procurement Project
FBiH	Federation of Bosnia and Herzegovina
FSVC	Financial Services Volunteer Corps
GAP	Governance Accountability Project (USAID and Sida)
GIS	Geographic Information System
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (a technical assistance agency of the Federal Republic of Germany)
HRIS	Human Resources Information System
IABS	Integrated Accounting and Budgeting System
IBHI	Independent Bureau for Humanitarian Issues
IGE	IGE Consulting, Ltd.
IMF	International Monetary Fund
IRM	[USAID Bureau of Management] Office of Information Resource Management
ISO	International Organization for Standardization
IT	Information Technology
ITA	Indirect Tax Authority
JMC	Joint Management Committee
KfW	Kreditanstalt für Wiederaufbau (Development Bank)
LAMP	Linking Agricultural Markets to Producers (USAID)
LED	Local Economic Development
LSE	London School of Economics
LSG	Local Self-Government
MA	Municipal Assembly
MASCIP	Municipal Associations Capacity Improvement Program
MAU	Macroeconomic Analysis Unit [of the Indirect Tax Authority]

ABBREVIATIONS (continued)

MC	Municipal Council
MCI	Municipal Capacity Index
MFF	Multiyear Financial Forecast
MoU	Memorandum of Understanding
MZ	Sub-municipal unit of government (mjesne zajednice)
NALAS	Network of Associations of Local Authorities of South Eastern Europe
NGO	Non-Governmental Organization
OdRaz	Foundation for Sustainable Development in BiH
OSCE	Organization for Security and Cooperation in Europe
OHR	Office of the High Representative
PAB	Policy Advisory Board
PAR	Public Administration Reform
PKF	Pannell Kerr Forster International
PMP	Performance Monitoring Plan
POI	Public Outreach Initiative
RAL	Revenue Allocation Law
REDAH	Regional Economic Development Agency of Herzegovina
RIC	Regional Info Center (Herzegovina)
RMAP	Rights-based Municipal Assessment and Planning Project (UNDP)
RS	Republic of Srpska
SALA-IDA	Swedish Association of Local Authorities International Development Agency
SERDA	Sarajevo Economic Region Development Agency
Sida	Swedish International Development Cooperation Agency
SLGRP	Serbia Local Government Reform Program
SNSD	Alliance of Independent Social Democrats
SNV	Netherlands Development Organization (Stichting Nederlandse Vrijwilligers)
SOW	Scope of Work (or Statement of Work)
SPIRA	Streamlining Permits and Inspection Regimes Activity (USAID)
STTA	Short-Term Technical Assistance (or Short-Term Technical Advisor)
SWOT	Strengths, Weaknesses, Opportunities and Threats (Analysis)
TAMIS	Technical and Administrative Management Information System
TAMP	Tax Administration Modernization Project (USAID)
TARA	Tax Reform Activity (USAID)
UCODEP	Association for Solidarity and International Cooperation
ULMIS	Urban Land Management Information System
UPP	Urban Planning and Permitting
USAID	United States Agency for International Development
UST	United States Department of the Treasury
UWG	Urbanism Working Group
VNG	International Cooperation Agency of the Association of Netherlands Municipalities
WG	Working Group

FOREWORD

This document is the eleventh quarterly progress report submitted by the Governance Accountability Project (GAP) in Bosnia and Herzegovina. The report covers the period from January 16, 2007 to April 15, 2007.

GAP is being implemented by Development Alternatives, Incorporated, Bethesda, Maryland pursuant to contracts the firm has executed with the United States Agency for International Development (USAID)² and the Swedish International Development Cooperation Agency (Sida).³ The quarterly report is a GAP contract requirement to "...provide detailed information on progress against the work plan...".

The body of the report addresses this requirement, as does *Annex A: Progress Under the Work Plan*, which provides relevant information regarding more than three-hundred separate tasks that comprise the approved work plan for the Project.

For further information concerning GAP, DAI, USAID or Sida, the reader is referred to:

www.bihgap.ba⁴
www.dai.com
www.usaid.ba/demo_and_gov.htm
www.sida.se

While the report reflects contributions from the entire professional team at GAP, answerability for any errors or omissions is the sole responsibility of the Chief of Party who has the high honor and privilege of presiding over preparation of the document.

Respectfully submitted,



Rudy F. Runko
Chief of Party
Sarajevo
May 2007

² USAID Contract No. EEU-I-00-99-00012-00; Task Order 805 (as last amended by Modification Number 2).

³ Sida Contribution Nos. 76003104 and 76003623.

⁴ If access is denied, try www.bihgap.ba/english.

EXECUTIVE SUMMARY (INTRODUCTION)

Summary of Results

As of the end of the eleventh quarter, approximately seventy-eight percent of the 302-odd work plan tasks have been completed and the Project has expended approximately eighty-three percent of its operational funds. Grant funds are more than ninety-eight percent committed and also about eighty-three percent expended through the end of this period.

During this reporting period, GAP recorded further progress toward achievement of Project objectives. In brief:

- The municipal intervention team continued technical support and training in the forty-one partner municipalities.

The number of opened citizen service centers (CSC) increased to forty during this quarter with the startup of new centers in the municipalities of Bužim, Gradiška, Bugojno, Konjic and Čelić.

An urban-permit center was opened in Novo Sarajevo enabling faster and more transparent urban permitting within a pilot area of the municipality. Officials are so pleased with the outcome of the pilot project that they are taking steps to extend the program to the entire municipality.

A new financial management system was also delivered to Novo Sarajevo, together with training and on-site startup support, bringing to thirty-four the number of municipalities with new or upgraded systems and improved financial management. The Municipality procured the system with the help of technical assistance and a grant from GAP.

One hundred and twenty-six seminars, workshops and round-tables and more than one hundred and fifty various on-site coaching visits were conducted for 1,440 participants, from the *first* and second cohort municipalities. Further details about the training topics are provided in the body of this report (see Chapter One).

From the regional economic development perspective, GAP activities received positive feedback coming from the Regional Economic Development Agency of Herzegovina (REDAH). The Agency cited the work GAP has done in the Herzegovina region which is regarded as "*really valuable and results in Herzegovina region are significant.*"⁵ REDAH deals with twenty-three municipalities on various issues, mainly in economic development and it stated that...

"when it comes to all aspects of strategic management and municipal human resource capacities, [nine] GAP municipalities (Jablanica,

⁵ These quotations are from an electronic-mail message dated April 18, 2007 sent to GAP by Nevzet Sefo, Project Manager for the Regional Info Center (RIC), a European Union funded activity of REDAH.

Summary of Results (continued)

Trebinje, Tomislavgrad, Ljubuški, Konjic, Posušje, Prozor-Rama, Nevesinje, Mostar) show significant advantage comparing with other municipalities in the region. Working with GAP municipalities is much easier due to established organizational structures, procedures and better human resource capacities."

- The grants team continued to monitor implementation of sixty-seven community development grants from the second round of municipalities in the Mostar, Banja Luka, Tuzla and Sarajevo regions. Through the eleventh quarter, procurement was completed and contracts were awarded for all but one of these second round grants.

Four grants from the first cohort were completed and administratively closed in this reporting period and two more will be finalized early in the next quarter.

- The policy intervention staff concentrated on sustainability and consolidation of the gains of the previous quarters, as well as on other emerging local government issues.

Short-term technical advisors provided first drafts of documents dealing with cantonal laws on local self-governance, harmonization of sectoral legislation with the Federation Law on Principles of Local Self-Government (LSG), and draft of a “*Manual on Implementation of the Federation Law on Principles of LSG*”.

The third year work plan was amended to include an additional activity aimed at strengthening the capacity of mjesne zajednice (MZ, i.e. local communities) in GAP partner municipalities. Based on a signed grant agreement, this activity is being implemented by the Center for Civic Initiatives in six partner municipalities.

Work with the Federation Ministry of Finance was intensified in this quarter in order to finalize a new draft format for revenue reporting to be used by the Fiscal Department.

Debt laws in both entities were analyzed in depth and draft amendments were produced for the Federation debt law which would clarify some of its provisions and provide more space for municipal borrowing.

Work aimed at capacity building within the Ministries of Finance for full transfer of activities related to revenue allocation, including training related to calculation of revenue shares was continued in this quarter.

A legal analysis of the existing laws on concessions at the state, entity and cantonal level was conducted during this quarter.

Together with the Federation Association of Municipalities and Cities, seven training sessions were organized for municipal staff on public procurement procedures. Approximately 140 participants representing sixty-eight municipalities attended this training.

Summary of Results (continued)

- Efforts continued on strengthening the capacity of municipal associations and planning future joint activities in both the Federation and the Republic of Srpska.

The Federation Association held its second General Assembly on March 22, 2007 in Gradačac.

The Association Presidency was reduced from twenty-three to thirteen members, in order to make the Presidency more functional. The former General Secretary was dismissed and in a subsequent session of the Association Presidency, a new Secretary was appointed. The Assembly also elected a new president and deputy.

Twenty-nine new member municipalities were formally admitted. All but two of the eighty municipalities in the Federation are now members of the Association. This represents a remarkable membership rate of 97.5 percent for this once-dormant institution.

As a result of the above mentioned changes, the Association has started to work more progressively toward its goals.

Summary of Performance Monitoring

During this reporting period, monitoring and evaluation activities focused on the third annual attitudinal survey, as well as the performance monitoring plan (PMP) survey.

The attitudinal survey is designed to gauge the changes in citizen and business perception of municipal service delivery. Citizen polling showed that satisfaction with municipal service delivery in the GAP partner municipalities **increased by 14.5 points** compared to earlier baseline surveys. The survey also found that business satisfaction with municipal service delivery was **increased by 10.9 points** compared to earlier baseline surveys among the forty-one GAP partner municipalities.

The findings of the attitudinal surveys mirror the results reported last quarter for the updated municipal capacity index (MCI). Twenty-three first cohort municipalities **raised their average MCI to 75 points** (on a scale of 100) which represents a **40.7 point increase** compared to the baseline survey. Eighteen second cohort municipalities raised their MCI index **from 37 points recorded at the baseline survey to 67.5** in January 2007.

All trend lines related to performance indicators tracked in the PMP continue to show favorable trends.

Summary of Program Highlights and Accomplishments

The attitudinal survey completed during this quarter is the final one that will be made during the course of GAP. At this time, it is useful to note one of the most important aspects of the performance monitoring plan. The PMP is not intended just to measure results.

Summary of Program Highlights and Accomplishments (continued)

The following statement is quoted from the plan itself:

“It [the PMP] enables timely and consistent collection of comparable performance data, which allows project managers to make informed decisions on the overall management of the project as well as any necessary changes in the project design.”

In practice, this statement represents a recurring process at GAP. Reappraisal of Project activities is initiated whenever information indicates that a second look is warranted. Over the life of the project, GAP managers have used PMP findings extensively to evaluate accomplishments and results, or the lack thereof, and employ corrective actions when called for. Two cases on point:

Following the second attitudinal survey completed in March 2006, it was clear that citizen satisfaction with municipal service delivery had recorded a significant year-to-year increase. However, business satisfaction did not show the same dramatic improvement, increasing only slightly (within the margin of error of the survey).

This was an alarm bell for GAP managers. GAP efforts to create business friendly municipalities were carefully examined and it was decided to modify the existing approach. The opportunity was seized to refill the earlier vacated position of local economic development specialist, and to supplement those efforts with short-term technical advisory help. These resources helped to encourage partner Mayors to focus on this activity.

The redesigned approach relied on increased round tables and enhanced integration of local economic development activities with other GAP initiatives such as urbanism and capital improvement planning. As a result of this strengthened approach, the just completed attitudinal survey (March 2007) showed an increase in business satisfaction with municipal service delivery of nearly eleven points, compared to the baseline survey, as described above (see also Annex D of this Report).

The second example refers to findings from the quarterly PMP surveys conducted in October 2006 and January 2007. These surveys showed that the number of complaints recorded in the municipalities was beginning to rise and, even more important, the percentage of complaints resolved indicated a significant decrease among the second cohort.

The municipal interventions team immediately analyzed the PMP data for every single municipality and identified those where additional effort was needed to eliminate perceived “road blocks”. In the April 2007 survey, the second cohort municipalities recorded the lowest number of complaints on municipal issues since these measurements began. Furthermore, they reported their best performance on percentage of complaints resolved, nearly approaching the levels of the first cohort municipalities (see also Annex C of this Report).

Summary of Program Highlights and Accomplishments (continued)

In the following pages considerable detail is provided about the successes in the capital improvement planning activities supported by GAP. This component of the Project will assume far greater importance as BiH municipalities strive to prepare themselves to absorb critically important European Union pre-accession funding to upgrade their flagging infrastructure.

The map in Figure No. 1 below illustrates the reach of the GAP effort on capital improvement planning. The results have been remarkable considering that GAP has had no full time specialist exclusively devoted to this activity.

Among the many individual success stories in this regard is the Municipality of Rogatica in the Sarajevo region. Following their successful first year of capital improvement plan implementation, a call for 2007 proposals was launched to update the CIP. New project applications were collected and the scoring procedure completed on schedule. The Municipal Assembly adopted the plan for 2007-2011 on October 26, 2006.

Subsequently, GAP staff met with the Mayor to discuss the idea of creating a compact disk containing the CIP, which could then be distributed to international organizations in BiH. The Mayor embraced the idea and also financed production of a promotional DVD on Rogatica, the English-language version of which was added to the CIP information package.

On April 12, 2007 the CIP package was distributed with a cover letter and the municipality has already heard from at least one potential donor about funding one of the capital improvement projects.

Project Milestones

Twelve activities in the approved Project work plan are designated as project milestones. The following table summarizes the status of these milestones (ten of which have now been completed) through the end of the current reporting period.

Milestone Status Report (04/15/07)

<u>Municipal Customer Service Initiatives</u>	Work Plan Target Date	Current Estimated Completion	Notes
First cohort CSCs opened	Dec '05	Dec '06	Breza opened November 16, 2006 and Mostar opened December 4, 2006. TASK COMPLETED.
Second cohort CSCs opened	Nov '06	Mar '07	75 percent completed; Bužim and Bugojno to open January 2007; and Gradačac and Gradiška to open March 2007. TASK COMPLETED.
<u>Business Registration & Permitting</u>			
Start with BR&P procedure inclusion in the other cohort I CSC	Feb '07	Feb '07	TASK COMPLETED.
<u>Urban Planning and Permitting (UPP)</u>			
First cohort municipalities online	Jul '06	May '07 Jun '07	In progress. Urban permitting integrated in twenty out of twenty one CSCs opened through the end of the ninth quarter. TASK EXPANDED. On December 28 th JMC approved expanded activities in Bihać, Velika Kladuša, Jablanica and Goražde. Scope of work agreements are being prepared for the expanded activities were signed and GIS software procurement procedures are to be completed by the end of May 2007.
Implementation of UPP level 2 for selected municipalities	Jan '07	Jun '07	Scope of work for nine cohort II CSCs approved with level two urbanism software (Bugojno, Vogošća, Gradačac (level 3), Kalesija, Živinice, Gradiška, Bužim, Teslić and Srbae. Tendering and contracting process to be completed for all level two municipalities by the end of May.
<u>Creating the Business-Friendly Municipality</u>			
Economic Development Leadership Roundtables implemented in target municipalities	Aug '05	Feb '06	Mostar conducted in Oct '05. Tuzla conducted in Dec '05. Sarajevo and Banja Luka conducted in Feb '06. Report "Local Economic Development Roundtables" prepared February '06. TASK COMPLETED.
<u>Assessment and Installation of Integrated Accounting and Budgeting Software</u>			
Roll-out to partner municipalities	Jun '06	Nov '06	Rollout begins Dec '05. To be completed early in tenth quarter. TASK COMPLETED.

Milestone Status Report (04/15/07) - continued

<u>BiH Budget Guide and Basic Budget Training</u>	Work Plan Target Date	Current Estimated Completion	Notes
Presentation and cross-country distribution of the manual (four regional two-day training sessions for the municipalities)	Dec '05	Dec '05	TASK COMPLETED. (Produced in joint cooperation and cost sharing with OSCE; one day launch event in Sarajevo. Budget training ongoing).
<u>Revenue Maximization</u>			
Roll-out of tool to partner municipalities	Jan '06	Jun '06	Rollout to begin following testing phase. Jablanica and Tomislavgrad commenced using tool March 15, '06. TASK COMPLETED.
<u>Capital Improvement Planning</u>			
Training for CT members and councilors delivered [first cohort municipalities]	Feb '05	Feb '05	TASK COMPLETED.
Training for CT members and councilors delivered [second cohort municipalities]	Apr '06	Apr '06	TASK COMPLETED.
<u>Municipal Loan Preparation Technical Assistance (continued)</u>			DAI has submitted a task order modification to delete this component.
Four municipalities identified during CIP training receive direct assistance on preparing loan application documentation	Sep '05	Dec '05	TASK COMPLETED. The GAP midterm evaluation report stated "...it is recommended that the training of municipal staff in loan packaging be suspended" unless the legal restrictions in the Federation are lifted. On February 17th the Municipality of Lopare requested approval from the RS Ministry of Finance for a \$1.5 million loan that was "packaged" with technical assistance from GAP.

CHAPTER ONE: DIRECT MUNICIPAL INTERVENTIONS

Related Activities:

Improved Customer Profiles and Administrative Management Systems

- Activity 1.A.1: Municipal Customer Service Initiatives (i.e. Citizen Service Centers)
- Activity 1.A.2: Business Registration and Permitting
- Activity 1.A.3: Urban Planning and Permitting

Improved Transparency and Information Flows

- Activity 1.B.1: Participatory Planning for Community Development and Infrastructure Grants
- Activity 1.B.2: Creating the Business-Friendly Municipality

Municipal Finance and Human Resource Management

- Activity 1.C.1: Assessment and Installation of Integrated Accounting and Budgeting (IAB) Software
- Activity 1.C.2: BiH Budget Guide and Basic Budget Training
- Activity 1.C.3: Human Resources Management and Human Resource Information System
- Activity 1.C.4: Revenue Maximization
- Activity 1.C.5: Capital Improvement Planning (CIP)

Summary of Major Accomplishments:

The municipal intervention team continued technical support and training in the forty-one partner municipalities.

- Five new citizen service centers (CSC) commenced service delivery to the citizens during this quarter in the municipalities of Bužim, Gradiška, Bugojno, Konjic and Čelić (bringing the number of the open CSCs to forty).
- A permitting center was opened in Novo Sarajevo enabling faster and more transparent urban permitting for the pilot area selected by the municipality. A new financial management system was also delivered to the municipality of Novo Sarajevo, together with training and on-site startup support, bringing to thirty-four the number of municipalities with new or upgraded systems and improved financial management.
- Five more municipalities adopted five-year capital improvement plans, making a total of fourteen municipalities with adopted CIP methodology.
- One hundred and twenty six seminars, workshops and round-tables and more than one hundred and fifty on-site coaching visits were conducted for 1,440 participants, from *first* and second cohort municipalities.

Training topics included introduction of complaint procedures, business permit improvements, customer orientation, exchange of best practices, citizen service

Summary of Major Accomplishments (continued):

center and financial management software applications, capital improvement planning, urban permitting process through the use of zoning methodology and geographic information system technology and strategic approaches to local economic development.

- The Mayor of Bosansko Grahovo attended a national prayer breakfast organized by U.S. President George W. Bush. During the visit to the United States, the Mayor took the opportunity to meet with influential and wealthy people from Bosansko Grahovo, who have lived in America for a long time.

He presented the status of the Municipality with regard to living conditions and standards of citizens, challenges of reconstruction and employment and development efforts including his positive experience in collaboration with GAP. The goal of his presentation was to develop interest for investments or donations. Representatives of diaspora invited the Mayor to visit United States again.

- On February 2nd, a journalist from Swedish National Radio interviewed the Novo Sarajevo citizen service center manager and the municipal head of reconstruction and development about results of the CSC project implementation, citizen satisfaction with municipal services, and other implemented grants financed with funds provided from GAP.

The radio program was broadcast in March with favorable reflections on achievements by the municipality and GAP.

Improved Customer Profiles and Administrative Management Systems

In addition to the opening of the five citizen service centers cited above, other CSC related accomplishments include:

- Software implementation was completed in all second cohort municipalities and functionality acceptance testing successfully conducted in the municipalities of Teslić and Srbac.
- Advisory boards were formed in all second cohort municipalities, except Gradačac and Živinice, where they are expected to be established in the coming quarter.
- All citizen service centers are performing very well as evidenced by reports of field staff as well as through periodic performance audits. Initial performance audits were completed in thirty-two municipalities and second audits were conducted in eighteen municipalities.

These reports provide strong evidence of the sustainability of the citizen service centers developed by GAP and our partner municipalities. See Annex B for details.

Summary of Major Accomplishments (continued):

Improved Customer Profiles and Administrative Management Systems (continued)

- Nineteen municipalities have digitalized most of the data in their registrar books: Novo Sarajevo, Banja Luka, Živinice, Tuzla, Gradačac, Gradiška, Doboj Istok, Fojnica, Kalesija, Velika Kladuša, Rudo, Vogošća, Travnik, Rogatica, Srebrenica, Bihać, Teslić, Vukosavlje and Jablanica. In all other municipalities' digitalization of registrar data is ongoing at a satisfactory pace in accord with municipal action plans.
- The Municipality of Breza achieved ISO 9001 certification on March 15, 2007.
- Originally only planned for implementation in four municipalities, GAP has extended assistance in complaint procedures to all partner municipalities. The *GAP Complaint Procedure Manual* was used as the basis for the improvements. Through the end of this quarter, thirty-six municipalities have adopted this procedure.
- The urban permit center in Novo Sarajevo was opened on March 29th. The automated geographic information system process is fully transparent, quick and user-friendly for both municipal staff and citizens or developers.

All relevant stakeholders in the permitting process, including the Cantonal Urban Institute and local utility companies have shared their data, which was integrated into a multi-layered map with related narrative and the resulting permitting forms. At the customer's request, information regarding availability and technical requirements (with prices) for development within the municipality pilot area is generated instantaneously from the database.

Previously, the developer at this stage had to invest a lot of time acquiring various opinions and permits, frequently only to learn that developing at a certain location would be too costly. The municipality is planning to expand the system beyond the pilot area funded by GAP, in order to cover the entire municipal territory.

- Significant progress has been achieved towards completion of the other urban pilot projects, i.e. establishment of the urban permit centers in the remaining three hub-municipalities of Banja Luka, Tuzla and Mostar. These are expected to be completed during the next quarter.

Improved Transparency and Information Flows

Thirteen grants from the second cohort were completed and administratively closed in this reporting period. Notable projects completed during this reporting period include:

- Visibility and safety increased in Doboj Istok with street-lights installed along one of the main streets in the municipality. Three schools are located on this street.

Summary of Major Accomplishments (continued):

Improved Transparency and Information Flows (continued)

- Also in Dobož Istok a new center provides for the revival of all cultural activities in the municipality, creating opportunities for greater involvement by young people in cultural pursuits.
- Two streets were furnished with lighting in the Municipality of Čelić. These projects were selected as the top priorities in this municipality with the goal of ensuring better safety for youth.
- Reconstruction of a sports center in Bugojno has created opportunities for youth and different sports clubs including some from neighboring municipalities. In addition, approximately 1,500 pupils from the Bugojno Secondary Vocational and Secondary Technical Schools will now attend their regular physical education classes in this facility.
- Purchase of a trash collection and disposal truck, and bulldozer improved environmental conditions in Srbac, also allowing trash removal in previously underserved remote areas.
- Completion of a waste management project in Teslić provided the following:
 - ✓ an operational recycling facility in the yard of the elementary school and ten recycling workshops attended by 300 participants.
 - ✓ almost two dozen dumpsters and trash bins installed throughout the municipality,
 - ✓ cleaner town and better living conditions
 - ✓ raised public awareness of the importance of environmental protection and trash management in the community

In the sphere of local economic development assistance, two final draft community profiles (Čelić and Bužim) and a draft socio-economic audit (Vogošća) were produced. In addition, the following achievements have been recorded:

- Action plans for implementation of strategies were developed for selected municipalities (Posušje, Bugojno and Sanski Most).
- A final draft was completed of the reference guide “*Business Friendly Municipalities*” to articulate GAP experiences and evaluation methodology.

Municipal Finance and Human Resource Management

Thirty-three GAP partner municipalities (not including Novo Sarajevo...see below) have been using the integrated accounting and budgeting system (IABS) in their everyday work. The ten modules of the new system have been well received by the end-users in municipal finance departments. All budget plans for 2007 have been prepared in the new integrated system.

Summary of Major Accomplishments (continued):

Municipal Finance and Human Resource Management (continued)

Additionally:

- The IABS system developed for Municipality Novo Sarajevo by DAENET Company has successfully completed acceptance testing. This software consists of eleven modules and four sub-modules and all of them are being successfully used in the day-to-day financial management of the municipality. The system is connected with the geographic information system (GIS) and the real estate management software and all users are more than satisfied with the software solution.
- Following intensive efforts by GAP and the software provider, Mostar has shown significant progress in utilization of the IABS system, and the finance staff has become very cooperative. Mostar is using all of the system modules. GAP has facilitated increased coordination between various departments in order to increase efficacy and efficiency of the overall system.
- Revised budget preparation and budget accounting chapters have been prepared for *Budget and Finance Guide for Municipalities in Bosnia and Herzegovina* in order to reflect the new Federation budget law adopted in 2006. Distribution of the revised chapters will be accomplished through the Federation municipal association.
- Travnik, Bužim, Tuzla, Gradačac and Velika Kladuša adopted five-year capital improvement plans (CIP). Because of the work of GAP, twenty-two partner municipalities are at various stages of development or adoption of long term capital improvement plans.
- GAP has developed a capital improvement plan monitoring software application that will assist municipalities in the management of the complex CIP process. On April 11th a presentation of the software was conducted in Sarajevo. Participating municipalities received a user-manual and CD-ROM containing the application. General impressions from the attendees' municipalities were extremely positive.
- The capital investment plan is being merged with the municipal development strategy prior to its adoption in Gradiška.
- Municipalities Nevesinje and Posušje elected to join the capital improvement planning activity. Two consequent training sessions for coordination teams were organized, and the CIP monitoring software has been delivered to both municipalities.

Other Significant Actions during the Reporting Period:

Improved Customer Profiles and Administrative Management Systems

- Four regional workshops were conducted on implementation of business registration improvement action plans. Together with representatives from SPIRA, over 125 municipal personnel took part in this exchange of experience between the two cohorts.

The workshops are part of the GAP effort to support all partner municipalities continuously to the end of the project, link with other international community players involved in business registration procedures and exchange good municipal practices in business registration

- Four regional workshops on establishment of complaint procedures in partner municipalities were successfully conducted for a total of fifty participants.
- Regional CSC manager meetings on exchange of good practices were conducted for a total of sixty-seven participants. Each municipality presented their experience in implementing aspects of the citizen service center, i.e. software utilization, internal procedures, information to citizens, organization of work, complaint procedures, info-desk, access to back offices etc.

In addition to being a valuable exchange of best practices, these workshops contributed to development of presentation skills of the CSC Managers.

- Training in customer-oriented behavior was organized in Gradiška, Bugojno and Bužim for the staff of the newly opened citizen service centers. The CSC manager conducted the training. This was the result of train-the-trainer sessions completed during the previous reporting period.
- Training in the use of Docunova, Datanova and Info-desk software, as well as information technology management was provided to more than 250 municipal representatives of the second cohort municipalities.
- During this quarter, initial CSC periodic performance audits were conducted in eleven municipalities (Foča, Rudo, Vogošća, Travnik, Kakanj, Nevesinje, Posušje, Konjic, Teslić, Breza and Mostar). Significant improvements in service provision were noted. As appropriate, municipalities were informed of any deficiencies that were identified.
- In addition in this period, a second periodic performance audit was conducted in eight municipalities (Novo Sarajevo, Vukosavlje, Tuzla, Tomislavgrad, Prozor-Rama, Ljubuški, Srbac and Teslić). The audits found constant daily usage of new systems and software, citizen satisfaction with new service provision, and self initiated improvements by municipalities.
- During this quarter, hardware and geographic information system (GIS) software were installed, and training completed, for the urban pilot project in Tuzla. Finalization of the regulatory zoning plan has been delayed because of an

Other Significant Actions during the Reporting Period (continued):

Improved Customer Profiles and Administrative Management Systems (continued)

unexpectedly long procedure for mapping the underground thermo-electric infrastructure in the pilot area.

- In Mostar the location originally designated for the urban permitting center has been changed to new roomier premises with a different entrance, located in the same building as the citizen service center. The new location offers more space and provides more potential for long-term development. The City will assume all costs for the renovation needed for this space.
- In Banja Luka software has been installed and training provided. Along with the training process, the vendor is fine-tuning the GIS software. The opening of the urban permitting center should take place in the first half of the next reporting period.
- With approval of the donors, GAP has expanded on the project work plan by extending technical and material assistance under the urban pilot initiative to the municipalities of Konjic, Velika Kladuša, Travnik, Trebinje, Gradačac and Bihać. Intensive on-site consulting is underway in relation to development of these urban pilot projects, establishment of urban permit centers, and delivery of advanced GIS software solutions.

As was the case in hub municipalities, GAP has assisted these partners in establishing permit center advisory boards, which are comprised of all stakeholders involved in urban permitting. In every instance, the Mayors' full "buy-in" and urban department employees' support has been attained.

- GAP assisted the National Democratic Institute in its efforts to place interns in partner municipality Novo Sarajevo. During February and March, fifteen local individuals completed a successful four-week internship rotating at various positions in the local government and municipal council. In September, a second group of fifteen interns will be placed in the municipality.

Improved Transparency and Information Flows

- The Municipality of Bosansko Grahovo has been assembling project proposals to be financed by the OdRaz Foundation.⁶ The community development planning committee (CDPC) organized for the GAP grants program, as well as CDPC methodology, has been used in this process.

Last year the municipality used the CDPC and appropriate methodology for selecting projects to be financed by the International Fund for Agricultural Development.

⁶ Foundation for Sustainable Development in BiH.

Other Significant Actions during the Reporting Period (continued):

Improved Transparency and Information Flows (continued)

- Synergy between the local economic development assistance and CIP activities was strengthened during this quarter through development of action plans.

Municipal Finance and Human Resource Management

- On January 16th a best practices workshop on the integrated accounting and budgeting system was organized in Sarajevo for RS municipalities. Nineteen attendees from thirteen municipalities participated actively in the workshop. A number of conclusions relating to the RS Ministry of Finance were adopted by the workshop.

The conclusions have been shared with Mr. Brane Jovičić from RS municipal association. Mr. Draško Popović, Finance Advisor for the Association completely agreed with all conclusions and has entered them on the agenda of the roundtables organized by the RS Association.

- On January 19th a best practices workshop on the integrated accounting and budgeting system was organized in Sarajevo for FBiH municipalities. Twenty-five attendees from thirteen municipalities participated actively in the workshop, which resulted in a list of proposed adjustments to the application software.

These revisions are not required by legislation, but will nevertheless significantly improve efficiency of the municipal departments. Consequently, GAP has initiated programming of the proposed features with the software provider, and is closely monitoring this phase of software development.

- A total of 213 municipal representatives have been trained in one or more aspects of the integrated accounting and budgeting system application during this reporting period.
- A series of weekly meetings were held with the software provider during which the integrated accounting and budgeting system implementation reports received from field have been closely monitored, discussed, future steps defined, and action plans synchronized to reflect some new and unpredicted situations.

These meetings have also been used to encourage the software provider to intensify their support in the field, and be more responsive to the needs of municipalities. As result of the meetings the subcontractor has increased their field presence in the Mostar, Bihać and Sarajevo regions.

- Both municipal associations have recognized the value of the integrated software solution that is providing a unified reporting system to all municipalities, and confirmed their interest in promoting the system among their municipal members.
- GAP conducted a meeting with Mr. Brane Jovičić from the RS municipal association and the Organization for Security and Cooperation in Europe to

Other Significant Actions during the Reporting Period (continued):

Municipal Finance and Human Resource Management (continued)

discuss future updates and distribution of the *Budget and Finance Guide for Municipalities in Bosnia and Herzegovina*.

Mr. Jovičić expressed his appreciation for the work the Project accomplished with municipalities in the RS, suggesting increased cooperation between GAP finance specialists and the association's finance advisor. Accordingly, GAP organized a one-day presentation of all budget and finance activities implemented by the municipal interventions team (*please see below*).

- The budget and finance specialist organized a one-day presentation of all GAP budget and finance related activities for the RS municipal association. Financial management software, the capital improvement planning manual and related tools, the revenue maximization manual and tools, as well as the *Budget and Finance Guide for Municipalities in Bosnia and Herzegovina* were presented and shared with Association's finance advisor, Draško Popović.

Mr. Popović shared very positive impressions of the *Budget and Finance Guide for Municipalities in Bosnia and Herzegovina*. He emphasized that municipalities have expressed their satisfaction with the *Guide*, and confirmed its use in their everyday work. He also stated that the *Guide* helped him get acquainted with all the tasks and activities that a municipal finance department is faced with.

In addition, Mr. Popović met with Vera Macura, Head of the Finance Department in Istočno Novo Sarajevo, as one of the most proactive IABS users in the RS.

- Management consulting reports have been presented to Gradiška, Vukosavlje, Kakanj, Bugojno and Živinice. The findings and recommendations were discussed with each Mayor, as were municipal action plans for implementation. GAP will continue to monitor municipal progress as well as provide assistance when needed.
- With respect to first cohort municipalities for which management consulting had been provided earlier, Ljubuški has adopted a new, leaner organizational structure and plans to make other staff reductions at the end of this fiscal year.

Goražde and Vlasenica continue to implement their respective action plans for implementation of the management consulting recommendations. Mrkonjić Grad is working on adoption of an action plan.

- Capital improvement plan projects in Lopare have been categorized, scored and priced. The multiyear financial forecast has been revised to accommodate a planned bank loan⁷ for paving of roads. However, implementation of the CIP is still on hold due to unresolved political turmoil in the municipality.

⁷ This borrowing, if successful, will be the result of one of the loan packages assembled with GAP technical assistance.

Other Significant Actions during the Reporting Period (continued):

Municipal Finance and Human Resource Management (continued)

- The Mayor of Vogošća has expressed his satisfaction with the results of the capital improvement planning program and with the concept and methodology in general.

Progress against the Work Plan

Improved Customer Profiles and Administrative Management Systems

Progress is generally consistent with the work plan.

Improved Transparency and Information Flow

- At the end of this reporting period, all but two community development project grants from the first cohort have been completed and administratively closed. In addition, thirteen of the sixty-seven grants for the second cohort were completed and administratively closed.
- All the activities scheduled in the work plan in the area of local economic development assistance are close to completion.

Municipal Finance and Human Resource Management

- Progress in implementation of the integrated accounting and budgeting system has been in accordance with the work plan.
- Although originally included in the agenda of the December 2006 Municipal Assembly session in Gradiška, the adoption of the municipal capital improvement plan was postponed to the May 2007 session because clarifications were needed regarding the process of merging CIP projects with the development strategy implementation projects.
- Tomislavgrad is in the final phase of CIP document preparation. The plan is anticipated to be presented at the Municipal Council session planned for first week of May 2007, however the Council Speaker has recently submitted a resignation letter, which may delay the planned timeframe.

Key Tasks for the Next Quarter

Improved Customer Profiles and Administrative Management Systems

- Establishment of the citizen service center advisory boards in Živinice and Gradačac.
- Dissemination of public opinion research results to partner municipalities.

Key Tasks for the Next Quarter (continued)

Improved Customer Profiles and Administrative Management Systems (continued)

- Regular post-auditing of the performance of citizen service centers (in addition to performance monitoring plan activities).
- Completion of CSC software acceptance testing in remaining municipalities.
- Implementation of the complaints procedures in remaining five municipalities.
- Presentation of the CSC concept and customer orientation to heads of city area offices in Mostar.

Improved Transparency and Information Flows

- Continue to monitor and assist grant implementation.
- Finalize and closeout all remaining grant agreements.
- Continue the support provided to six partners (Bužim, Vogošća, Čelić, Bugojno, Sanski Most and Posušje) in promotion of business friendly municipalities.
- Support leadership roundtables.
- Distribute reference guide on how to promote a business friendly environment and conduct four regional workshops to exchange experiences on this topic.
- Promote synergy between strategic planning and other project components (urbanism, financial management, etc.).

Municipal Finance and Human Resource Management

- Monitoring of the integrated accounting and budgeting system implementation in municipalities.
- Preparations for the municipal fair in Gradačac.
- Strengthen cooperation with both municipal associations related to budget and other financial management activities.
- Training for the Municipality of Srbac in capital improvement planning.

CHAPTER TWO: POLICY INTERVENTIONS AT THE STATE AND ENTITY LEVEL

Related Activities:

- Activity 2.1.1: Review and Assess New Local Government Legislation
- Activity 2.1.2: Implementation of the FBiH Law on Principles of Local Self-Government
- Activity 2.1.3: Training of MZ Staff to Improve Citizen Participation
- Activity 2.2: Raising Awareness of the Value Added Tax, Implementation of the Revenue Allocation Models
 - A. Improving local government revenue and expenditure reporting
 - B. Improving the capacity of entity ministries (and Associations) to adjust systems to changes in fiscal policy and expenditure assignments.
- Activity 2.3: The Functions and Finances of the City of Sarajevo
- Activity 2.4: Restoring the Powers of Local Governments in Key Sectors: Municipal Property and Right to Grant Concessions
- Activity 2.5: Revision of the Law on Public Procurement BiH

The GAP policy team continued working with the entity, cantonal and municipal levels to provide policy recommendations and implementation strategies that will support more efficient and accountable governance. The benefits from the work of this team will accrue to all of municipalities of Bosnia and Herzegovina.

In this reporting period, the policy team continued efforts to implement the Federation (FBiH) Law on Principles of Local Self-Government, which began in the previous quarter. Two technical advisors completed initial drafts of analyses of relevant sectoral legislation, and cantonal laws on local self-governance, which will need to be harmonized with the entity Law.

Intensive implementation of technical assistance and the close relationship with entity Ministries of Finance have been sustained.

After successfully completing the inclusion of comments and proposed amendments received from municipalities into the draft Law on Ownership and Other Rights, the policy team continued working on issues concerning municipal property with emphasis on the matter of concessions. A GAP legal advisor conducted analysis of the existing laws on concessions at the state, entity and cantonal levels. Based on this analysis, GAP will determine which steps should be taken that may lead to legislative reform.

During this quarter the policy team continued its work concerning the state-level Law on Public Procurement. After producing a document (with comments and proposed amendments to the Law) that was submitted to the Public Procurement Agency, GAP initiated a number of trainings for municipal staff on procurement procedures. The aim of the training is to harmonize current municipal praxis and help municipal staff in resolving some of the practical issues in implementation of the Law.

Summary of Major Accomplishments:

- A technical advisor completed initial drafts of two documents: (i) template of cantonal laws on local self-governance (applicable in five-to-six cantons), and template amendments to cantonal laws on local self-governance (applicable in three-to-four cantons).

On April 16th, together with the FBiH Association of Municipalities and Cities and the Committee for Local Self-Government (LSG) of the FBiH House of Representatives, GAP organized a roundtable discussion with representatives of cantonal ministries of justice regarding harmonization of cantonal Laws on LSG with the Federation Law.

The meeting was attended by personnel from seven cantons, three representatives from the LSG Committee, a representative from the Organization for Security and Cooperation in Europe Democratization Office, Association staff and GAP. Different views were expressed in regard to the presented templates of cantonal legislation, as well as different approaches to the process of harmonization. It was agreed that the discussion would be continued separately with individual cantons.

- A GAP technical advisor submitted the first draft of an analysis of sectoral legislation that needs to be harmonized with the FBiH Law on Local Self-Government. The analysis is currently being reviewed by the policy team.
- A formal amendment to the approved third year work plan was authorized by Project donors on February 28th leading to development of the first draft of a *Manual on Implementation of the Federation Law on Principles of Local Self-Government*.
- The work plan was also amended to include an additional activity aimed at strengthening the capacity of mjesne zajednice (MZ) in partner municipalities. This activity is being implemented by the Center for Civic Initiatives in six partner municipalities.
- On April 4th, the FBiH Ministry of Finance (FMoF) distributed a draft reporting format to all municipalities for comment. The GAP fiscal policy advisor, seconded to the Ministry under terms of a memorandum of understanding, provided direct assistance in design of the format.
- A GAP technical advisor produced a number of potential amendments to the Federation debt law and received very positive reaction from the Assistant Minister for Public Debt in the FBiH Ministry of Finance.
- A GAP legal advisor produced an analysis of the existing laws on concessions at state, entity and cantonal level.
- The policy team together with the FBiH Association of Municipalities and Cities organized seven trainings on public procurement throughout the Federation (Novo

Other Significant Actions during the Reporting Period (continued):

Sarajevo, Zavidovići, Jajce, Bužim, Livno, Posušje and Odžak). Approximately 140 participants representing sixty-eight municipalities attended these events.

- Work continued on introduction of a revenue reporting system within the Federation Ministry of Finance. New reporting formats were recommended for the Itineris financial software to record the breakdown of revenues by function and economic type in line with expected new FBiH reporting standards.
- Following adoption of the Law on Debt, Indebtedness and Guarantees for the Republic of Srpska (RS) on March 21, 2007, the policy team continued to review the legal framework on debt in the RS, as well as the municipal debt reporting system.
- Together with the RS Ministry of Finance, produced a letter to municipalities inquiring whether single account revenues were correctly accounted for in municipal budgets in 2005, in order to determine whether there is a need to adjust coefficients calculated on the basis of historic shares.
- Assisted the RS Ministry of Finance to recalculate the value added tax allocation to municipalities for January 2007 based upon the latest RS Amendments to the Budget System Law.
- Continued ongoing activities with the FBiH Ministry of Finance, in particular continued training for the Head of the Fiscal Policy Unit on the use of excel with the revenue allocation simulator.
- At the request of the Federation Ministry of Finance, produced a mini-simulation of revenue allocation for Sarajevo municipalities.
- Produced a database for 2006 and 2005 indirect tax revenues by canton and by municipality.
- On February 15th, organized and together with a representative of the FMoF attended a meeting in Tuzla Municipality and Canton to discuss the first draft of the revenue reporting format.
- On February 19th, the fiscal policy advisor attended a meeting organized by the FMoF for all projects providing support to the Ministry. It was underlined that good cooperation is necessary in order to ensure that limited resources do not get overstretched. GAP technical assistance to FMoF was cited as a positive example of technical support.
- On March 13th, organized and attended a joint meeting with the FMoF and the Indirect Tax Authority Macroeconomic Analysis Unit to assess their reporting database and discuss issues related to report collection.

Other Significant Actions during the Reporting Period (continued):

- Assisted the FMoF in producing a revenue database in the period 2002-2006 from their documentation.
- Produced a detailed breakdown of 2007 expected single account revenues for ten cantons and ten municipalities (using the new reporting model) as potential input for the FMoF website.
- Two documents concerning legislative changes initiated by GAP (Comment on the BiH Public Procurement Law including proposed amendments, and Report on Comments from municipalities adopted by the Working Group on Law on Ownership and Other Rights in November 2006) have been distributed to all municipalities in BiH.
- The legal policy advisor held a number of meetings with the FBiH municipal association legal advisor on organization of training for municipal staff on public procurement procedures.
- Staff met with representatives of SPIRA on February 1st in Sarajevo to discuss GAP's contribution to the draft RS Law on Spatial Development and Construction, which was developed by SPIRA. The draft law includes principles of zoning and further comments were required from GAP. It was agreed that the two projects would continue working together on promotion of the zoning concept and incorporating it into the new spatial legislation.

The legal policy advisor also participated in two meetings of the SPIRA working group for drafting the new RS Law. The new Law will include zoning, which will be further detailed in relevant bylaws. The official proponent of the Law is the RS Ministry for Spatial Planning.

- The legal policy advisor participated in a meeting with the GTZ land registry project held in GAP on February 26th. Close collaboration of the two projects was discussed and agreed in particular that GAP would support the GTZ database pilot project, which includes three GAP partner municipalities.

Progress against the Work Plan:

There have been no significant deviations from the work plan, which would have resulted in delays in its implementation.

Key Tasks for the Next Quarter:

- Continued work on the Federation Law on Principles of Local Self Government as follows:
 - ✓ Continue working with cantonal ministries of justice on harmonization of cantonal laws.
 - ✓ Complete the analysis of sectoral legislation, which needs to be harmonized.

Key Tasks for the Next Quarter (continued):

- ✓ Complete and publish the *Manual on Implementation of the Federation Law on Principles of Local Self Government*.
- ✓ Organize a conference on implementation of the Law.
- Continued work on revenue allocation issues as follows:
 - ✓ Provide appropriate technical assistance (assuming a decision by the Federation Ministry of Finance as required by the revenue allocation law) to implement a model for reconciliation of revenues distributed under the temporary Government decision in 2006.
 - ✓ Assist the Federation MoF in uploading an explanation of the revenue allocation law, information from the simulator, and other statistical data on the Ministry website.
 - ✓ Assist the Federation MoF in amending the simulator to reflect the Budget Framework Paper format.
 - ✓ Assist the Federation MoF in producing revenue coefficients for cantons and municipalities for 2008 in line with the new data from the FBiH Statistics Institute.
 - ✓ Organize a workshop for entity ministries of finance on principles of changing the allocation system following changes in responsibilities between levels of government.
 - ✓ Train the new head of the Budget Unit of the RS Ministry of Finance in use of the revenue allocation simulator.
- Produce guidelines and specific recommendations for legal reform concerning municipal property and concessions.
- Complete training of municipal staff on public procurement procedures.
- Communicate to the Federation Ministry of Finance and Parliament a proposed set of amendments to the draft law on public debt.

CHAPTER THREE: STRENGTHEN THE COMMON VOICE OF MUNICIPAL GOVERNMENTS

Related Activity:

- Activity 3.1: Providing Policy Content for the Coordination Body of the Entity
Associations of Municipalities and Cities
- Activity 3.3: Identifying and Serving Member Needs

In the last quarter, GAP continued to utilize and thus re-activate infrastructures of the municipal Associations from both entities by organizing or participating in several conferences.

Summary of Major Accomplishments:

The Federation Association of Municipalities and Cities held its second General Assembly on March 22nd in Gradačac. The Assembly attracted substantial attention because it addressed and resolved the issue of internal organization. Among the decisions reached were:

- The number of members in the Association Presidency was reduced from twenty-three to thirteen in order to make the Presidency more functional.
- The former General Secretary was dismissed and in a subsequent session of the Association Presidency, a new Secretary was appointed, Ms. Vesna Travljanin.
- The Assembly also elected a new president, the Mayor of Mostar, Mr. Ljubo Beslić, and his deputy, the Mayor of Bugojno, Mr. Hasan Ajkunić.
- A new position of Assembly Chairman was established and the first Chairman is the Mayor of Gradačac, Mr. Ferhat Mustafić, and his deputy the Mayor of Žepče, Mr. Mato Zovko. This position was introduced in order to prevent future impasses, as was the case in the past, that an inactive President halts the work of the Association and delays scheduling of the Assembly, or in other ways obstructs its work.
- All decisions made by the previous leadership of the Association since April 2006 were declared to be invalid.
- A new statute, rules of procedure, program orientation, strategic plan, etc. were voted on and adopted unanimously. The main statutory changes are that the Association Assembly must be held at least once a year instead of every two years. The position and functions of General Secretary and Director have been joined into one position of Association Secretary. All municipalities are represented through Association working bodies.

Summary of Major Accomplishments (continued):

- New working bodies were established and their members elected. Six committees were formed: (i) economic development, (ii) international cooperation, (iii) urbanism, (iv) constitutional and legislative matters, (v) development and promotion of local self governance, and (vi) election and appointments. A new full time position in the Association has been filled, which will serve as the technical backstop for all committees.
- Twenty-nine new member municipalities were formally admitted. All but two of the eighty municipalities in the Federation are now members of the Association.⁸
- The opportunity of the General Assembly was used to discuss the strategic program plan for the period 2007 – 2010, which focuses on decentralization, harmonization of legislation, building relations with central governments, economic development, representation and lobbying, domestic and international cooperation.

Other Significant Actions during the Reporting Period:

- As a result of the above mentioned FBiH Association Assembly, the Association has started to work more progressively toward their goals. They have amended their registration at the Federation Ministry of Justice which required new documentation, statute, and authorized personnel for the representation of the Association.
- A session of the new Presidency has been scheduled for May in Mostar, which will confirm all documents and decisions from the General Assembly. The Association has also: drafted rules of procedure for the work of Presidency, drafted rules of procedure for work of the Association committees, scheduled coordination meetings with international partners (SNV, UNDP and GAP), and have issued a job announcement for the position of economic advisor.
- On April 3rd, the RS municipal association held its regular Assembly in Banja Luka. The main discussions included development strategy, and changes and amendments to the Law on Local Self-Government. With respect to the latter, the Association and RS Government show tendencies to introduce a number of the same principles as in Federation law.
- The policy team together with Federation municipal association organized a series of trainings throughout FBiH on public procurement procedures. (See Activity 2.5).
- The policy team attended the second round of Beacon Scheme awards held in Banja Luka. The selected municipalities were: Laktaši, Bosanska Krupa, Posušje, Banja Luka, Šamac, and Pale.

⁸ This represents a remarkable membership rate of 97.5 percent for this once-dormant institution, *the same rate of membership, for example, as the Association of Towns of the State of New York in the United States!*

Progress against the Work Plan:

First meeting of the coordination body has been delayed because of the expiring mandates in the Federation Association of Municipalities and Cities (Presidency, Board, President, General Secretary).

Key Tasks for the Next Quarter:

- Organize a coordination body meeting with Presidency representatives from both Associations, GAP and VNG.
- Continue work on raising the capability of the Associations to analyze and propose policies, and institutionalizing their role in the legislative process.

CHAPTER FOUR: MUNICIPAL LOAN ASSISTANCE AND PACKAGING

Related Activities:

Activity 4.1: Municipal Loan Preparation Technical Assistance

Activity 4.2: National Municipal Capital Conference

The approved third-year work plan discontinues the previous activities related to loan implementation and instead focuses GAP on policy interventions that could eliminate the current impediments to municipal borrowing. The strategy will be to organize attention to this important issue using the municipal associations as linchpins to marshal efforts to eliminate overly restrictive controls on municipal debt.

GAP will work on raising awareness of problems stemming from lack of a viable municipal borrowing practice (i.e. public events, conferences).

Partner municipalities will be informed about the important role that debt fulfills in the implementation of a well-conceived capital improvement plan. In addition, and to the extent feasible, work in progress (such as the Borrower's Guide) will be completed.

Modification of the task order to delete component four was submitted to USAID on August 23, 2006.

CHAPTER FIVE: MONITORING AND EVALUATION

Related Activities:

The monitoring and evaluation process is an important tool for managing and documenting portfolio performance. It enables timely and consistent collection of comparable performance data, which allows project managers to make informed decisions on the overall management of GAP as well as any necessary changes in the project design or implementation. From project startup, careful attention is being addressed to the measurement of Project results.

The GAP management team employs three strategies to assess performance over the life of the project: performance monitoring plan (PMP), municipal capacity index (MCI) and attitudinal surveys.

Summary of Major Accomplishments:

- Completed the annual PMP and MCI survey for all partner municipalities (see Annex C for performance indicator findings);
- Completed the annual attitudinal field survey for both municipal cohorts and control municipalities, forty-five in all. Survey results are being processed and analyzed. The survey was performed to obtain data on two PMP performance indicators:

1A-5 Percentage of citizens satisfied with municipal service delivery, and
1B-4 Percentage of business owners satisfied with municipal service delivery

See Annex D for preliminary results of the attitudinal survey.

Other Significant Actions during the Reporting Period:

- Organizational aspects of the attitudinal survey, including training provided to forty-five pollsters on the technology of the attitudinal survey.
- Data entry, processing and analysis of 170,000 data elements.

Progress against the Work Plan:

On schedule.

Key Tasks for the Next Quarter:

- Completion of the analysis and preparation of a report on the attitudinal survey.
- Data collection, processing, analysis and reporting on final PMP and MCI surveys for all GAP municipalities.

CHAPTER SIX: ADMINISTRATIVE MATTERS

Related Activities:

The operations team provides support to all components of the Project including logistical services during the organization of meetings and trainings, transportation, translation and interpretation, and IT support. Operations is also responsible for the entire range of financial management activities at GAP, including administration of three donor contracts and eight major subcontracts, ensuring that all financial transactions are in line with home office and client regulations. In addition, this team provides each staff member and consultant with personnel services.

Recruitment and Hiring:

- During the reporting period:
 - ✓ A grants coordinator position in the Tuzla office became vacant and was refilled. Ms. Meliha Memisevic was hired to fill the position of grants coordinator in the Tuzla office and began on March 1, 2007.
 - ✓ A project administrator position in the Tuzla office became vacant and was refilled. Following the normal recruitment process, Ms. Mirela Alic was selected as project administrator in the Tuzla office, and began her work on April 5, 2007.
- During this period, nine short-term technical advisors were hired with a total level of effort not exceeding 130 days.

Other Significant Actions during the Reporting Period:

- The operations team supported the organization and logistics of the Capital Investment Planning conference, as well as nine public procurement trainings within the Federation.
- GAP implemented the recommendations from the DAI internal auditor.

Progress against the Work Plan:

- Information on the Project web site is being updated.
- A success story on citizen service centers was completed and distributed.

Key Tasks for the Next Quarter:

- A Project closeout plan will be prepared and submitted to USAID.
- A success story on capital investment planning will be completed and distributed.
- A final report on the public information outreach training will be completed.

ANNEX A: PROGRESS UNDER THE WORK PLAN (04/15/07)⁹

Activity 1.A.1 – Municipal Customer Service Initiatives	Work Plan Target Date	Current Estimated Completion	Notes
1. Preparation of technical assistance packages including CSC Manual	Nov '04	Nov '04	TASK COMPLETED.
2. Staff training	Jan '05	Jan '05	TASK COMPLETED.
3. Sign MoU with first cohort municipalities	Dec '04	Dec '04	TASK COMPLETED.
4. Mayors decisions on CSC establishment	Jan '05	Jan '05	TASK COMPLETED.
5. Establishment of the CSC Working Group	Feb '05	Feb '05	TASK COMPLETED.
6. Needs assessment	Mar '05	Dec '05	TASK COMPLETED.
7. Conceptual and construction design of the CSC	Apr '05	Jan '06	Action plan for Mostar approved January 11, 2006. TASK COMPLETED.
8. Scope of Work discussed and signed	May '05	Jul '06	Task completed except in Mostar (Dec '05). See item No. 7. IRM concurrency received June 12, 2006. Mostar tender proposals received July 13, 2006. TASK COMPLETED.
9. Remodeling of customer service centers (CSCs)	Oct '05	Sep '06	TASK COMPLETED.
10. Grant and tender procedures	Aug '05	Jul '06	TASK COMPLETED.
11. Process reengineering	Sep '05	Mar '06	TASK COMPLETED.
12. Development and installing the software	Dec '05	Sep '06	TASK COMPLETED.
13. CSC staffing and training of municipal staff	Jun '06	Nov '06	Mostar to be completed in November 2006. <i>All first cohort citizen service centers were staffed with trained personnel by November 2006. If new personnel are appointed in Mostar, additional training would be provided under a new work plan activity.</i> TASK COMPLETED.
14. Loading of the data	Aug '07	Aug '07	Loading of data will be a long-term continuum. Nine <i>Ten</i> first-cohort municipalities have digitized the majority of their registrar data.
15. Establishment of the CSC Advisory Board	Dec '05	Sep '06	TASK COMPLETED.
16. First cohort CSCs opened	Dec '05	Dec '06	Breza opened November 16, 2006 and Mostar opened December 4, 2006. TASK COMPLETED.
17. Raising community awareness of CSC	Jan '06	Mar '06	TASK COMPLETED.
18. Second cohort municipalities identified	Nov '05	Nov '05	TASK COMPLETED.
19. Sign MoU with second cohort (II C) municipalities	Dec '05	Dec '05	TASK COMPLETED.
20. II C Mayors decisions on CSC establishment	Jan '06	Jan '06	TASK COMPLETED.
21. Establishment of the CSC Working Group II C	Jan '06	Jan '06	TASK COMPLETED.
22. Needs assessment II C	Mar '06	Mar '06	TASK COMPLETED.
23. Conceptual and construction design of the II C CSC	Mar '06	May '06	TASK COMPLETED.
24. Scope of Work discussed and signed with II C	Apr '06	Jul '06	TASK COMPLETED.
25. Grant and tender procedures II C	Jul '06	Dec '06	TASK COMPLETED.
26. Process reengineering II C	Jul '06	Oct '06	TASK COMPLETED.

⁹ Updates and changes from the previous quarterly progress report are shown using ~~strikeovers~~ and *italics*.

Activity 1.A.1 – Municipal Customer Service Initiatives (continued)		Work Plan Target Date	Current Estimated Completion	Notes
27.	Remodeling of II C customer service centers (CSCs)	Aug '06	Feb '07	Task 90 percent complete. Gradačac and Gradiška will be completed in February 2007. TASK COMPLETED.
28.	Installing the software II C	Oct '06	Feb '07	Task 80 percent complete. Bužim, Gradačac and Gradiška to be completed by February 2007. TASK COMPLETED.
29.	II C CSC staffing and training of municipal staff	May '07	May '07 Mar '07	Study tour to Poland completed April 9th. A total of 355 attendees received training in the following (i) Public Outreach Initiative; (ii) Business Registration Process Reengineering; (iii) General Administration Process Reengineering; (iv) Customer Behavior (v) IT training in Administration, Docunova, Datanova and Coincide is underway. CSC manager training completed in August 2006. Ahead of schedule... TASK COMPLETED.
30.	Loading of the data II C	Aug '07	Aug '07	Loading of data will be a long-term continuum. Two <i>Nine</i> second-cohort municipalities have digitized the majority of their registrar data.
31.	Establishment of the II C CSC Advisory Board	Jul' 06	Mar '07 May '07	CSC Advisory Board established in Čelić (June 7, 2006), Srbae, Teslić, Posušje and Nevesinje all second cohort municipalities except Živinice and Gradačac.
32.	Second cohort CSCs opened	Nov '06	Mar '07	75 percent completed; Bužim and Bugojno to open January 2007; and Gradačac and Gradiška to open March 2007. TASK COMPLETED.
33.	Raising community awareness of II C CSC	Dec '06	Aug '07 Apr '07	Public Outreach Initiative (POI) training for second cohort (55 municipal employees) completed in eighth quarter. Four representatives of municipal associations also participated. Each municipality conducting public campaign prior to the opening of the CSC and thereafter. TASK COMPLETED.
34.	Promotion of the ISO Certification	Jun '06	Aug '07	Novo Sarajevo officially certified for ISO 9001 standardization February 23, 2006. Vogošća certified for ISO 9001 on December 13, 2006. Breza certified for ISO 9001 on March 15, 2007. Foča, Rudo, Trebinje, Travnik, Breza, Fojnica, Kakanj and Gradačac have commenced the process leading to certification.
35.	Complaint procedures	Aug '07	Aug '07	Complaint manual drafted "Introducing Complaint Procedures to GAP Municipalities" Draft No. 6, October 2006. Regional workshops scheduled for January 2007. <i>Complaint procedures adopted in thirty-six municipalities.</i>
36.	Performance monitoring against the MoU	Aug '07	Aug '07	Initial CSC performance audits completed in twenty-three CSCs <i>thirty-two municipalities and second round audits completed in eighteen municipalities. First</i> Second <i>year citizen and business satisfaction attitudinal surveys for first cohort and baseline first year surveys for second cohort completed. Workshops on Internal Communications and Exchange of Best Practices conducted in Banja Luka, Tuzla and Sarajevo regions (Mostar scheduled for October 26, 2006). CSC software acceptance testing completed in all first cohort municipalities all four regions.</i>
37.	IRM for Mostar approved	Jun '06	Jun '06	TASK COMPLETED.
38.	[Mostar] Tendering procedures completed [incl. vendor selection, execution of contracts]	Jul '06	Aug '06	TASK COMPLETED.

Activity 1.A.1 – Municipal Customer Service Initiatives (continued)		Work Plan Target Date	Current Estimated Completion	Notes
39.	[Mostar] LAN and MAN completed	Aug '06	Jan '07	LAN is completed, MAN was completed January 9, 2007 and is fully functional. TASK COMPLETED.
40.	[Mostar] Hardware installed	Sep '06	Oct '06	TASK COMPLETED.
41.	[Mostar] Software installed	Sep '06	Oct '06	TASK COMPLETED.
42.	Mostar CSC operational	Sep '06	Dec '06	TASK COMPLETED.
Activity 1.A.2 – Business Registration & Permitting				
43.	Develop business registration & permitting module to be integrated in CSC	Nov '04	Nov '04	TASK COMPLETED.
44.	a. BR&P process reengineering staff training	Jan '05	Jan '05	TASK COMPLETED.
45.	b. Creation of the BR&P Municipal Sub Groups	Feb '05	Feb '05	TASK COMPLETED.
46.	c. Piloting BR&P procedure inclusion in the CSC	Jan '06	Jan '06	TASK COMPLETED.
47.	d. Creation of the BR&P Municipal Guides	Dec '05	Feb '06	TASK COMPLETED (guides available at opening of CSC).
48.	Linkage to other IC same sector projects	Jun '06	Aug '07	Participated in SPIRA Regional Conference on Streamlining Business and Construction Regulation in April '06. Joint workshops with SPIRA planned for February 2007 on Exchange of Best Practices conducted in all four regions with 113 participants from 41 municipalities. TASK COMPLETED.
49.	Coordinate with policy team on legislative changes	Jul '07	Aug '07	<i>Coordination with SPIRA is ongoing.</i>
50.	Start with BR&P procedure inclusion in the other cohort I CSC	Feb '07	Feb '07	TASK COMPLETED.
51.	Integrate business registration with central registry and CSC databases cohort I	Mar '06	Mar '06	TASK COMPLETED.
52.	Integrate business registration with central registry and CSC databases cohort II	Aug '07	Aug '07 Mar '07	80 percent completed. Business registration integrated in all newly opened CSCs and all business related data is digitalized. TASK COMPLETED.
53.	Start with second cohort municipalities - CSC WG initiation	Jan '06	Jan '06	TASK COMPLETED.
54.	Mapping of processes in second cohort municipalities	Feb '06	Feb '06	TASK COMPLETED.
55.	Process reengineering in second cohort municipalities	Aug '06	Oct '06	TASK COMPLETED.
56.	Production of the new citizens' guides in second cohort municipalities	Aug '06	Mar '07	Completed in fourteen municipalities. Citizen guides will be available in all newly opened CSCs. TASK COMPLETED.
57.	Share recommendations on process improvement, reports and action workshops	Jun '07	Jun '07	Series of workshops scheduled for <i>conducted in February 2007.</i> TASK COMPLETED.
58.	Performance monitoring	Jul '07	Jul '07	First year business satisfaction attitudinal surveys for first cohort and baseline surveys for second cohort completed. <i>See item No. 36 above.</i> Open CSCs have citizen guides including information on business registration as confirmed during performance audit visits.

Activity 1.A.3 – Urban Planning and Permitting (UPP)		Work Plan Target Date	Current Estimated Completion	Notes
59.	Develop urban planning and permitting module for CSCs	Aug '05	Dec '05	TASK COMPLETED.
60.	Assess and map municipal processes	Aug '05	Dec '05	TASK COMPLETED.
61.	Presentation of local and regulatory obstacles during the GAP Partners Forum Conference	Sep '05	Jan '06	In lieu of the Partners Forum Conference, roundtables were conducted in Sarajevo, Banja Luka and Tuzla. Separate meeting held in Mostar on January 27 at which Cantonal representatives expressed interest in zoning approach. TASK COMPLETED.
62.	UPP process reengineering training for the Hub municipality staff	Nov '05	Dec '05	TASK COMPLETED.
63.	Advanced process reengineering of pilot project	Jul '06	Dec '06	TASK COMPLETED.
64.	Linkage to other IC same sector projects; (land registry etc.) cohort I	Sep '05	May '07	This task is an integrated function of the citizen service centers (CSC) and will be set up when the CSCs are established. Meeting with SPIRA on September 27, 2006 to follow up on legislative proposals dealing with planning and permitting procedures. Cooperation is continuing on issues related to cadastre (GTZ) and further streamlining of procedures (SPIRA). <i>GAP commented on draft RS planning law in a meeting with SPIRA on April 5, 2007 and met with the GTZ land registry project on February 26, 2007 and April 17, 2007.</i>
65.	Linkage to other IC same sector projects; (land registry etc.) cohort II	Aug '06	Mar '07 May '07	This task is an integrated function of the citizen service centers (CSC) and will be set up when the CSCs are established. Cooperation is continuing on issues related to cadastre (GTZ). <i>See item No. 64 above.</i>
66.	Finalizing advanced manual to streamline permitting procedures	Aug '06	Aug '06	Manual "How to Establish a Permitting Center" finished August 10, 2006. TASK COMPLETED.
67.	Reengineer Urbanism Department processes	Nov '05	Jul '06	TASK COMPLETED.
68.	Link to other institutions & government level's processes	Dec '05	Aug '06	TASK COMPLETED.
69.	First cohort municipalities online	Jul '06	May '07 Jun '07	In progress. Urban permitting integrated in 20 out of 21 CSCs opened through the end of the ninth quarter. TASK EXPANDED. On December 28th JMC approved expanded activities in Bihać, Velika Kladuša, Jablanica and Goražde. Scope of work agreements are being prepared <i>for the expanded activities were signed and GIS software procurement procedures are to be completed by the end of May 2007.</i>
70.	Second cohort municipalities included	Jul '06	May '07 Jun '07	In progress. Scope of work agreements including urban permitting for second cohort municipalities completed. TASK EXPANDED. On December 28th JMC approved expanded activities in Konjic, Travnik and Foča. Scope of work agreements are being prepared <i>signed, tenders are completed and software has been installed in Foča.</i>
71.	Establishing urbanism working sub-groups (II C)	Mar '06	Mar '06	TASK COMPLETED.
72.	Train 2nd cohort municipalities in GAP improving models of urban planning and permitting procedures, based on the manual	Jun '06	Jun '06	TASK COMPLETED.
73.	Prepare urbanism department need assessment for SoW agreement (II C)	Jun '06	Jun '06	TASK COMPLETED.

Activity 1.A.3 – Urban Planning and Permitting (UPP) – continued		Work Plan Target Date	Current Estimated Completion	Notes
74.	Mapping administrative permitting process and introduction of the UPP reengineering process	Jun '06	Jun '06	TASK COMPLETED.
75.	Procuring the urbanism software for model 2 and model 3 (pilot) municipalities	Aug '06	Apr '07 May '07	Procurement completed in Novo Sarajevo October 12, 2006 and is in progress in Tuzla and Banja Luka. Tenders are complete in Vogošća, Bugojno, Živinice and Gradačac. All procurements completed except for Konjic, Travnik, Mostar, Trebinje, Velika Kladuša and Gradačac.
76.	Contracting and software development	Nov '06	Feb '07 May '07	Contract has been executed in Novo Sarajevo; training delivered and integration between document tracking and planning databases is underway. Contracts have also been executed in Bugojno, Živinice and Gradačac and in preparation in Vogošća. All contracts have been awarded except for Goražde, Velika Kladuša, Konjic, Travnik, Mostar, Trebinje and Gradačac.
77.	Installation of urbanism software, and training held by software provider (II C)	Oct '06	Feb '07 Jun '07	In progress in four municipalities. Installation and training is still to be completed in: Jablanica, Goražde, Foča, Bužim, Gradiška and Srbae, Konjic, Travnik, Mostar, Trebinje, Velika Kladuša and Gradačac.
78.	Urban planning and permitting process reengineering in selected (bigger) municipalities (II C)	Dec '06	Dec '06	Eight workshops were conducted in hub and selected larger municipalities during September-October 2006. TASK COMPLETED.
79.	Implementation of UPP level 2 for selected municipalities	Jan '07	Jun '07	Scope of work for nine cohort II CSCs approved with level two urbanism software (Bugojno, Vogošća, Gradačac (level 3), Kalesija, Živinice, Gradiška, Bužim, Teslić and Srbae. Tendering and contracting process to be completed for all level two municipalities by the end of May.
80.	Integration of permitting into the CSC document tracking system	Jun '07	Jun '07	This task is complete in thirty four <i>thirty-nine</i> first and second cohort municipalities where permitting is integrated into the CSC document tracking system to facilitate monitoring. For the four hub municipalities the advanced applications have been approved and will be completed by June 2007.
81.	Second training on reengineering	Oct '06	Oct '06	TASK COMPLETED.
82.	Drafting manual to streamline permitting procedures for the pilot project	Aug '06	Aug '06	TASK COMPLETED.
83.	Start-up assessment of interest and needs for four hub pilot projects (Banja Luka, Mostar, Novo Sarajevo and Tuzla)	Mar '06	Mar '06	TASK COMPLETED.
84.	Prepare Manual on Improving Permitting Procedures by Efficient Urban Land Management (pilot)	Feb '07	Apr '07	Implementation of Urban Land Management Information System (ULMIS) has started in Novo Sarajevo and the other three hub municipalities. The Manual has been prepared. TASK COMPLETED.
85.	Training on final zoning manual including land partition, official map, and infrastructure additional separates (pilot municipalities)	Sep '06	Oct '06	Workshop scheduled for October 17-19, 2006. TASK COMPLETED.
86.	Appointment of the advisory board / urbanism working group (UWG) for the permit center and its establishment / improvement within the pilot scheme	Jul '06	Jul '06	TASK COMPLETED.

Activity 1.A.3 – Urban Planning and Permitting (UPP) – continued		Work Plan Target Date	Current Estimated Completion	Notes
87.	Signing scope of work agreement between municipality and GAP	Jun '06	Oct '06	SoW agreements approved or processed as follows: Novo Sarajevo (approved) August 25, 2006 Mostar (approved) September 26, 2006 Tuzla (approved) October 16, 2006 Banja Luka (submitted to JMC) October 28, 2006 TASK COMPLETED.
88.	Defining the project action plan	Jul '06	Oct '06	Draft action plan prepared by Novo Sarajevo. MoUs executed between stakeholders in four hub municipalities. TASK COMPLETED.
89.	Implementation of pilot project	Jul '07	Jul '07	Implementation on schedule for completion of task on or before work plan target date. <i>Novo Sarajevo completed March 29, 2007.</i>
90.	Technical assistance provided to hub municipalities in the preparation of ULMIS and as an option including zoning methodology	Jul '07	Jul '07	Workshops for hub municipalities completed during September-October 2006. Preparation for tendering underway. <i>Tendering complete except in Mostar (scheduled early in twelfth quarter). Technical assistance has been provided during eleventh quarter to all four pilot municipalities and six "co-pilot" municipalities.</i>
91.	Setting long term objectives with an aim to ensure sustainability of the process	Aug '07	Aug '07	Agreements by and between municipalities and other stakeholders are designed to promote sustainability. <i>A two-day workshop to support this task will be held early in the twelfth quarter.</i>
92.	Community awareness of new processes	Jan '07	May '07	<i>A draft report on the urban pilot "Smarter Planning and Permitting - Lessons Learned From the GAP Urban Pilot" was completed on April 6, 2007.</i>
93.	Performance monitoring against the SOW agreement	Aug '07	Aug '07	First year citizen satisfaction attitudinal surveys for first cohort and baseline surveys for second cohort completed. <i>Second year citizen and business satisfaction attitudinal surveys for first cohort and first year surveys for second cohort completed.</i>

Activity 1.B.1 – Participatory Planning for Community Development and Infrastructure Grants

94.	CDPC is formed in the 1st Cohort Municipalities	May '05	May '05	TASK COMPLETED.
95.	Public informed through media campaign of the CDPC establishment and initial work	May '05	May '05	TASK COMPLETED.
96.	Timeline for the work of the CDPC adopted	May '05	Jun '05	TASK COMPLETED.
97.	Priorities and criteria for the project evaluation set	May '05	Jun '05	TASK COMPLETED.
98.	Community development application form prepared and distributed to the public (published in the press)	May '05	Jun '05	TASK COMPLETED.
99.	Community development application forms collected	Jul '05	Aug '05	TASK COMPLETED.
100.	Community development application forms completed, scored, and categorized	Jul '05	Aug '05	TASK COMPLETED.
101.	Financial management questionnaire completed by potential grantees, with GAP grant coordinators and GAP sub-accountant's assistance	Aug '05	Nov '05	TASK COMPLETED.
102.	GAP grant proposals completed by the potential grantees, with the assistance of GAP Grants Coordinators and CDPC as needed, and given to GAP	Aug '05	Nov '05	TASK COMPLETED.
103.	GAP grants proposals submitted to the GAP Joint Management Committee (JMC)	Aug '05	Nov '05	TASK COMPLETED.

Activity 1.B.1 – Participatory Planning for Community Development and Infrastructure Grants (continued)		Work Plan Target Date	Current Estimated Completion	Notes
104.	GAP Management Team JMC/GAP Management Team reviews the proposals and gives final approval.	Sep '05	Feb '06	TASK COMPLETED.
105.	Grantees informed of JMC decisions and final Grant Agreements ready to be signed	Sep '05	Feb '06	TASK COMPLETED.
106.	Final Grants Agreements issued to selected grantees for signatures	Sep '05	Feb '06	TASK COMPLETED.
107.	Begin disbursement of the awards and monitor project implementation (<i>cohort I</i>)	Sep '05	Dec '05	TASK COMPLETED.
108.	CDPC concept discussed with the Mayor, President of the MC and other municipal employees in II Cohort Municipalities	Feb '06	Feb '06	TASK COMPLETED.
109.	CDPC Manual, including community development application form, GAP grant proposal form and grantee financial management questionnaire presented to the Municipal and City authorities	Feb '06	Feb '06	TASK COMPLETED.
110.	CDPC is formed in the II Cohort Municipalities	Apr '06	May '06	TASK COMPLETED.
111.	Public informed through media campaign of the CDPC establishment and initial work	Apr '06	May '06	TASK COMPLETED.
112.	Timeline for the work of the CDPC adopted	Apr '06	May '06	TASK COMPLETED.
113.	Priorities and criteria for the project evaluation set	Apr '06	May '06	TASK COMPLETED.
114.	Community development application form prepared and distributed to the public (published in the press)	Apr '06	May '06	TASK COMPLETED.
115.	Community development application forms collected	May '06	May '06	TASK COMPLETED.
116.	Community development application forms completed, scored, and categorized	May '06	Sep '06	TASK COMPLETED.
117.	Financial management questionnaire completed by potential grantees, with GAP grant coordinators and GAP sub-accountant's assistance	Jun '06	Aug '06	TASK COMPLETED.
118.	GAP grant proposals completed by the potential grantees, with the assistance of GAP grants coordinators and CDPC as needed, and given to GAP.	Jun '06	Sep '06	TASK COMPLETED.
119.	GAP grant proposals submitted to the GAP Joint Management Committee (JMC).	Jun '06	Oct '06	TASK COMPLETED.
120.	JMC/GAP Management Team reviews the proposals and gives final approval.	Aug '06	Oct '06	Final group of proposals (Tuzla region) approved October 16, 2006. TASK COMPLETED.
121.	Grantees informed of JMC decisions and final Grant Agreements ready to be signed	Aug '06	Oct '06	All final grant agreements were executed by October 20, 2006. TASK COMPLETED.
122.	Final Grants Agreements issued to selected grantees for signatures	Aug '06	Oct '06	All final grant agreements were executed by October 20, 2006. TASK COMPLETED.
123.	Begin disbursement of the awards and monitor project implementation	Aug '06	May '07 Jul '07	
Activity 1.B.2 – Creating the Business-Friendly Municipality				
124.	Development of community profiles for selected first cohort municipalities	Dec '05	Dec '05	TASK COMPLETED.
125.	Develop TA for Economic Development Roundtables and Councils (EDC)	Dec '05	Dec '05	Role of EDC embedded into CDPC or [CIP]CT. TASK COMPLETED.
126.	Development of Reference Guide into the GAP's concept of LED	Sep '05	Nov '06	LED Specialist commenced work September 13, 2006. TASK COMPLETED.
127.	Reference Guide into GAP concept of LED disseminated to partner municipalities	Oct '06	Mar '07 Jun '07	LED Specialist commenced work September 13, 2006.

Activity 1.B.2 – Creating the Business-Friendly Municipality (continued)	Work Plan Target Date	Current Estimated Completion	Notes
128. Training of regional and municipal coordinators	Oct '05	May '06	TASK COMPLETED.
129. Development of community profiles for the second cohort of municipalities	Jun '06	Feb '07 May '07	LED Specialist commenced work September 13, 2006. <i>Final drafts of community profiles for Bužim and Čelić.</i>
130. Implementation of the LED strategies through the work of CDPCs and CIP CTs	Apr '07	Apr '07 Jul '07	LED Specialist commenced work September 13, 2006. <i>Draft LED strategies have been prepared in three target municipalities but are not yet adopted by municipal councils/assemblies.</i>
131. Economic Development Leadership Roundtables implemented in target municipalities	Aug '05	Feb '06	Mostar conducted in Oct '05. Tuzla conducted in Dec '05. Sarajevo and Banja Luka conducted in Feb '06. Report "Local Economic Development Roundtables" prepared Feb '06. TASK COMPLETED.
132. Monitoring of implementation by MCs	Nov '06	Jun '07	LED Specialist commenced work September 13, 2006.
Activity 1.C.1 – Assessment and Installation of Integrated Accounting and Budgeting Software			
133. In-depth assessment of available software	Feb '05	Feb '05	TASK COMPLETED.
134. Specifications written	May '05	May '05	TASK COMPLETED.
135. Tender dossier prepared	May '05	Jun '05	TASK COMPLETED.
136. Procurement of software and hardware finalized and contracts signed	Aug '05	Nov '05	Contract signing delayed because of increased due-diligence. Contracts signed Nov '05. TASK COMPLETED.
137. Software development	Sep '05	Nov '06	Contract signing delayed because of increased due-diligence. Final module (cost accounting) to be installed early in ninth quarter. TASK COMPLETED.
138. Training of GAP staff, regional and municipal coordinators and municipal staff on use of software (beginning with standard modules)	Jun '06	Nov '06	TASK COMPLETED.
139. Roll-out to partner municipalities	Jun '06	Nov '06	Rollout commenced Dec '05. To be completed early in tenth quarter. TASK COMPLETED.
140. Training, consultation, review of on-site experiences/budgeting practices in all 23 partner municipalities	Aug '06	Nov '06	Training in cost accounting to be provided during third year. TASK COMPLETED.
141. Monitoring on appropriate and complete use of software and all its applications	Aug '07	Aug '07	Task ongoing. Field staff monitor on biweekly basis complemented with visits by IT specialist. Reports given to software provider at regular meetings. <i>Software acceptance testing conducted during eleventh quarter.</i>
142. Selection of second cohort municipalities	Jan '06	Dec '05	Task slightly ahead of schedule. JMC approved second cohort in Dec '05. TASK COMPLETED. ¹⁰
143. Needs assessment of partner municipalities	Feb '06	Feb '06	TASK COMPLETED.
144. Procurement of hardware and software initiated	Jun '06	Jul '06	TASK COMPLETED.
145. Training of municipal staff on new software	Aug '06	Oct '06	All partner municipalities using Finova software have been trained on modules needed for budget planning. TASK COMPLETED.
146. Roll-out to partner municipalities of second cohort	Sep '06	Oct '06	All partner municipalities using Finova software have capability to employ budget- planning module. Likewise for Novo Sarajevo (DAENET user). TASK COMPLETED.

¹⁰ Municipality of Foča formally added on March 22, 2006.

Activity 1.C.1 – Assessment and Installation of Integrated Accounting and Budgeting Software (continued)	Work Plan Target Date	Current Estimated Completion	Notes
147. Training, consultation, review of on-site experiences/budgeting practices in all partner municipalities	Dec '06	Dec '06	(i) Intensive training continuing by software provider. (ii) Frequent visitations by GAP field staff. (iii) Frequent individual consultations. TASK COMPLETED.
148. Monitoring on appropriate and complete use of software and all its applications	Aug '07	Aug '07	GAP field staff, IT specialist, Budget and Financial Management Specialist, and staff from the vendor organized into task force in August 2006 to closely monitor implementation of the IABS in partner municipalities. Action plans are developed for each of municipality and reports on progress in the use of the new software are made on weekly basis to ensure that the expected results are achieved.

Activity 1.C.2 – BiH Budget Guide and Basic Budget Training

149. Review of existing budget guide from Serbia	Nov '04	Nov '04	TASK COMPLETED.
150. Identification of possible local partners in the process	Nov '04	Nov '04	TASK COMPLETED.
151. SLGRP, STTA and GAP meet with selected local partner to define specifications	Nov '04	Nov '04	TASK COMPLETED.
152. Establishment of Cooperation with the OSCE	Feb '05	Feb '05	TASK COMPLETED.
153. Development of chapters	May '05	Jul '05	TASK COMPLETED.
154. Review and approval of the chapters drafted by GAP staff, local and international STTAs (editorial board)	Aug '05	Aug '05	TASK COMPLETED.
155. Review and approval of the chapters drafted by the OSCE (editorial board)	Aug '05	Aug '05	TASK COMPLETED.
156. Compilation of all chapters into one uniform, format, language editing and final approval by the editorial board	Sep '05	Oct '05	TASK COMPLETED.
157. Translation to local languages	Oct '05	Nov '05	TASK COMPLETED.
158. Graphic design and printing of the manual	Nov '05	Nov '05	TASK COMPLETED.
159. Presentation and cross-country distribution of the manual (four regional two-day training sessions for the municipalities)	Dec '05	Dec '05	TASK COMPLETED (one day launch).
160. Assessment of needs and further on-site assistance (basic budget training)	Jul '06	Mar '07 Aug '07	Ongoing as part of regular technical assistance.
161. Update of the budget guide	Jun '06	Feb '07 May '07	Chapter on revenue allocation system completed by policy team and translated into three languages in collaboration with OSCE. Chapter on municipal borrowing to be done. <i>Chapter on revenue allocation provided to RS and Federation municipal associations for distribution to members. Likewise (Federation only) with the chapter on Budget Preparation and Budget Accounting to reflect amendments to the FBiH Budget Law.</i>

Activity 1.C.3 – Human Resources Management and Human Resource Information System

162. Finalization of the design of the GAP's model HRIS	Dec '05	Mar '06	TASK COMPLETED.
163. Introductory presentations on HRIS concept	Feb '06	Mar '06	TASK COMPLETED.
164. Work with the IT suppliers towards adapting their package to the GAP's model HRIS	Apr '06	Apr '06	TASK COMPLETED.
165. Start of data-entry	Apr '06	Apr '06	TASK COMPLETED.

Activity 1.C.3 – Human Resources Management and Human Resource Information System (continued)	Work Plan Target Date	Current Estimated Completion	Notes
166. On-site coaching in setting up and operating the HRIS	Apr '06	Apr '06	TASK COMPLETED.
167. Follow-up training (after three months of use)	May '07	May '07	This task is ongoing and will be a long-term continuum.
168. Training towards development of the "more sophisticated" use of HRIS	May '07	Jun '07	Training on the HRIS module has commenced.
169. Roll-out of the IABS (including HRIS) to second cohort municipalities	Sep '06	Oct '06	TASK COMPLETED.
170. Training, consultation, review of on-site experiences / budgeting practices in all partner municipalities	Dec '06	Dec '06 Aug '07	Internal GAP task force established (see item number 148 above).
171. Monitoring on appropriate and complete use of HRIS	Jun '07	Jun '07	
172. Preparation of management consulting reports (MCR)	Oct '05	Sep '06	Contract executed Mar 14, 2006. Reports completed as follows: Ljubuški July 13, 2006; Vlasenica August 29, 2006; Mrkonjić Grad and Goražde (September 26, 2006). TASK COMPLETED.
173. Presentation of the MCRs to the municipality and implementation of the recommendations	Mar '07	Mar '07 May '07	Reports presented to the four Mayors by the consultant and CoP. Responsibility for follow up and implementation assigned to field coordinators and CSC specialist. <i>Ljubuški adopted a new systematization. Goražde and Vlasenica are implementing action plans while Mrkonjić Grad is in the final phase of implementing a new systemization.</i>
174. Preparation of management consulting reports (MCRs) for the selected second cohort municipalities	Nov '06	Jan '07	TASK COMPLETED.
175. Presentation of the MCRs to the municipality and implementation of the recommendations	Jun '07	Jun '07	<i>Presentation of MCRs to four second-cohort municipalities completed.</i>
Activity 1.C.4 – Revenue Maximization			
176. In-depth review of the municipal historical financial data	Sep '05	Sep '05	TASK COMPLETED.
177. Technical workshops conducted	Oct '05	Dec '05	TASK COMPLETED.
178. Training modules developed and tested in targeted municipalities	Nov '05	Jun '06	Training modules developed; Testing commenced in Feb '06. TASK COMPLETED.
179. Roll-out of tool to partner municipalities	Jan '06	Jun '06	Rollout to begin following testing phase. Jablanica and Tomislavgrad commenced using tool Mar 15 '06. TASK COMPLETED.
180. Review of the tools re: VAT reform	May '06	Jan '07	While there is some indication that municipalities may have lowered selected rates on own-source revenue and charges in 2006, the GAP revenue maximization tools are not affected by adoption of the revenue allocation legislation. TASK COMPLETED.
Activity 1.C.5 – Capital Improvement Planning			
181. Review of existing materials on CIP from other countries in the region and CIP materials currently available in Bosnia and Herzegovina	Nov '04	Nov '04	TASK COMPLETED.
182. Develop simple, practical, serviceable Capital Improvements Planning Manual based on best practices and lessons learned	Jan '05	Jan '05	TASK COMPLETED.
183. Selection of first cohort municipalities	Feb '05	Feb '05	TASK COMPLETED.
184. Notification of Mayors of selected municipalities by GAP	Feb '05	Feb '05	TASK COMPLETED.

Activity 1.C.5 – Capital Improvement Planning (continued)	Work Plan Target Date	Current Estimated Completion	Notes
185. Initial Municipal Council resolution project delivered to Mayor	Feb '05	Feb '05	TASK COMPLETED.
186. Resolution project passed by MC	Feb '05	Feb '05	TASK COMPLETED.
187. Mayor's orders on Application Form, Implementation Team, Coordination Team Composition passed	Feb '05	Feb '05	TASK COMPLETED.
188. Coordination Team meeting (framework regulations accepted)	Feb '05	Feb '05	TASK COMPLETED.
189. Training of the Mayors and CT representatives in Sarajevo	Feb '05	Feb '05	TASK COMPLETED.
190. Training for CT members and councilors delivered	Feb '05	Feb '05	TASK COMPLETED.
191. Media Campaign Started	Feb '05	Feb '05	TASK COMPLETED.
192. Public hearing with NGOs	Mar '05	Mar '05	TASK COMPLETED.
193. Public hearing with business circles	Mar '05	Mar '05	TASK COMPLETED.
194. Mayors interview in media	May '05	May '05	TASK COMPLETED.
195. Media campaign completed	May '05	May '05	TASK COMPLETED.
196. Application forms distributed and submission deadline set	May '05	May '05	TASK COMPLETED.
197. Application forms collected	May '05	May '05	TASK COMPLETED.
198. Coordination team meeting number 2 (application forms revision, statistics analysis done and published)	May '05	May '05	TASK COMPLETED.
199. Determination of project budgets initiated	Jul '05	Jul '05	TASK COMPLETED.
200. Multiyear financial forecast (MFF) done	Jul '05	Mar '06	TASK COMPLETED.
201. Application forms completed (both sides) and prepared for each CT member	Jul '05	Jul '05	TASK COMPLETED.
202. Coordination team meeting number 3 projects split into groups, point scoring instructions, project scoring started	Jul '05	Jul '05	TASK COMPLETED.
203. Mayor informs MC on project statistics	Jul '05	Jul '05	TASK COMPLETED.
204. Project group points and costs estimated by the Secretary of CT	Jul '05	Jul '05	TASK COMPLETED.
205. Coordination team meeting number 4 (point scoring completed, projects ranked, first financial assignment)	Jul '05	Jan '06	Delays have occurred in some municipalities. Coordination team meetings are an activity run by partner municipalities. TASK COMPLETED.
206. Implementation year determined for each project by the municipal investment department	Jul '05	Feb '06	TASK COMPLETED.
207. Coordination Team meeting number 5 (annual potential implementation tables ready and discussed)	Aug '05	Feb '06	TASK COMPLETED.
208. Coordination Team meeting number 6 (Co-financing tables ready, discussed and approved, final tables ready, discussed and approved, annual project updating approved by MC resolution)	Sep '05	Feb '06	TASK COMPLETED.
209. Mayor's CIP approval, plan accepted and passed to MC	Sep '05	Feb '07 Aug '07	Delays have occurred in Ljubuški, Tomislavgrad, Jablanica, and Lopare and Tuzla. 95 percent completed.
210. Media campaign on the projects content	Sep '05	Apr '06	TASK COMPLETED.

Activity 1.C.5 – Capital Improvement Planning (continued)	Work Plan Target Date	Current Estimated Completion	Notes
211. MC session on CIP held, CIP passed, CIP updating procedure passed	Sep '05	Feb '07 Jul '07	Linked to multiyear financial forecast. See item No. 209 above.
212. Media campaign on the CIP content	Sep '05	Dec '06	Linked to multiyear financial forecast. Delays have occurred in Ljubuški, Tomislavgrad, Jablanica, Lopare and Tuzla. TASK COMPLETED.
213. Selection of second cohort municipalities	Jan '06	Feb '06	Selections forwarded to USAID and Sida February 16, 2006. TASK COMPLETED.
214. Notification of Mayors of selected municipalities by GAP	Jan '06	Feb '06	Notifications sent February 17, 2006. TASK COMPLETED.
215. Initial Municipal Council resolution project delivered to Mayor	Jan '06	Jan '06	TASK COMPLETED.
216. Resolution project passed by MC	Jan '06	Jan '06	TASK COMPLETED.
217. Mayor's orders on application form, implementation team, coordination team composition passed	Feb '06	Apr '06	TASK COMPLETED.
218. Coordination team meeting (framework regulations accepted)	Feb '06	Apr '06	TASK COMPLETED.
219. Training of the Mayors and CT representatives in Sarajevo	Mar '06	Feb '06	Training delivered February 23, 2006 in Vogošća. TASK COMPLETED.
220. Training for CT members and councilors delivered	Apr '06	Apr '06	TASK COMPLETED.
221. Media campaign started	Apr '06	Apr '06	TASK COMPLETED.
222. Public hearing with NGOs	Apr '06	Apr '06	TASK COMPLETED.
223. Public hearing with business circles	Apr '06	Apr '06	TASK COMPLETED.
224. Mayors interview in media	Apr '06	Oct '06	TASK COMPLETED.
225. Media campaign completed	Apr '06	Oct '06	TASK COMPLETED.
226. Application forms distributed and submission deadline set	Apr '06	Apr '06	TASK COMPLETED.
227. Application forms collected	May '06	Aug '06	TASK COMPLETED.
228. Coordination team meeting number 2 (application forms revision, statistics analysis done and published)	May '06	Aug '06	TASK COMPLETED.
229. Statistics analysis done and published	Jun '06	Aug '06	TASK COMPLETED.
230. Determination of project budgets initiated	Jun '06	Aug '06	TASK COMPLETED.
231. Multiyear financial forecast (MFF) done	Jun '06	Aug '06	TASK COMPLETED.
232. Application forms completed (both sides) and prepared for each CT member	Jun '06	Jul '06	TASK COMPLETED.
233. Coordination team meeting number 3 projects split into groups, point scoring instructions, project scoring started	Jun '06	Jul '06	TASK COMPLETED.
234. Mayor informs MC on project statistics	Jun '06	Aug '06	TASK COMPLETED.
235. Project group points and costs estimated by the Secretary of CT	Jun '06	Jul '06	TASK COMPLETED.
236. Coordination team meeting number 4 (point scoring completed, projects ranked, first financial assignment)	Jun '06	Aug '06	TASK COMPLETED.

Activity 1.C.5 – Capital Improvement Planning (continued)	Work Plan Target Date	Current Estimated Completion	Notes
237. Implementation year determined for each project by the municipal investment department	Aug '06	Nov '06	TASK COMPLETED.
238. Coordination Team meeting number 5 (annual potential implementation tables ready and discussed)	Aug '06	Nov '06	TASK COMPLETED.
239. Coordination team meeting number 6 (co-financing tables ready, discussed and approved, final tables ready, discussed and approved, annual project updating approved by MC resolution)	Aug '06	Nov '06	TASK COMPLETED.
240. Mayor's CIP approval, plan accepted and passed to MC	Aug '06	Feb '07 Jul '07	90 95 percent completed. <i>The plan has not been accepted in Lopare (political reasons), Ljubuški (adoption planned for 25 April) and Tomislavgrad (adoption planned for May).</i>
241. Media campaign on the projects content	Aug '06	Mar '07 Jul '07	80 95 percent completed. <i>In addition to the media campaigns within respective partner municipalities, a media advisory was prepared by GAP and the media was present at the best practice exchange conference held in Vogošća.</i>
242. MC session on CIP held, CIP passed, CIP updating procedure passed	Aug '06	Mar '07 Jul '07	80 95 percent completed. In Velika Kladuša the final five-year capital improvement plan (2007 through 2011) was prepared and appears on the agenda of adopted at the Municipal Council session for in the second half of January 2007.
243. Media Campaign on the CIP content	Aug '06	Mar '07 Jul '07	80 95 percent completed.
244. CIP best practices exchange workshops held in the four GAP regions	May '06	May '07 Apr '07	<i>A single conference in Vogošća will substitute for the four regional conferences. The conference was conducted early in the twelfth quarter. TASK COMPLETED.</i>

Activity 2.1.1 – Review and Assess New Local Government Legislation

245. Review, analyze, and facilitate amending or drafting of relevant cantonal and municipal legislation	Jun '06	Aug '07	The Federation Law on Principles of Local Self Government was adopted by both Houses of Parliament on July 12th. Final adoption occurred at the end of July and the Law was published in the Official Gazette in August 2006. Two short-term technical advisors engaged to conduct analysis of sectoral legislation and cantonal laws on local self government, which need to be harmonized with the Federation law. <i>First drafts of analysis and reports submitted in April.</i>
--	---------	---------	--

Activity 2.1.2 – Implementation of the FBiH Law on Principles of Local Self-Government

246. Produce a Manual on Implementation of the Federation Law on Principles of Local Self-Government	Jun '07	Jun '07	<i>First draft submitted April 2007.</i>
--	---------	---------	--

Activity 2.1.3 – Training of MZ Staff to Improve Citizen Participation

247. Training of MZ staff to improve citizen participation	Jul '07	Jul '07	<i>CCI has visited selected municipalities and made agreement with Mayors. Training for module 1 is scheduled in Teslic, Rudo, Foča and Prozor Rama early next quarter.</i>
--	---------	---------	---

Activity 2.2 – Raising Awareness of the Value Added Tax, Implementation of the Revenue Allocation Models

248. Continue working through working groups on intergovernmental finance	Sep '05	Nov '05	TASK COMPLETED.
249. Organize two retreats to discuss working group solutions	Aug '05	Nov '05	TASK COMPLETED.

Activity 2.2 – Raising Awareness of the Value Added Tax, Implementation of the Revenue Allocation Models (continued)		Work Plan Target Date	Current Estimated Completion	Notes
250.	Two gatherings of government and Parliament representatives	Sep '05	Nov '05	TASK COMPLETED.
251.	Create data base on revenues by level of government	Nov '05	Nov '05	TASK COMPLETED.
252.	Development and presentation of reform options documents	Sep '05	Apr '06	TASK COMPLETED Federation: Law adopted in House of Peoples on February 14. Constitutional Court found no infringement of vital national interest on April 13, 2006. Implementation started on June 19th. RS: Council of Peoples confirmed the Law on Changes and Amendments to the Budget System Law and it was officially adopted April 13, 2006. Implementation started on July 1st.
A. Improving local government revenue reporting				
253.	Work with MoF on evaluating the current reporting requirements and to produce new reporting formats	Sep '06	Jan '07 Jul '07	Delay has resulted because prerequisite memoranda of understanding (MoU) are taking longer than expected to negotiate. MoU on cooperation between the RS Ministry of Finance and GAP was signed on September 6th. MoU with the FBiH Minister of Finance was signed on November 16th. <i>Draft format completed.</i>
254.	Organization of a range of presentations with MoF for municipalities and cantons to present the draft reporting system, explain its requirements and collect comments and suggestions	Nov '06	Feb '07 Apr '07	See above. <i>Conducted meeting in Tuzla region on February 15th. Format circulated for comments on April 4th.</i>
255.	Produce new reporting format for use in 2007	Dec '06	Feb '07 May '07	See item No. 254. <i>Draft produced.</i>
256.	Provide together with MoF training to local governments and cantons in use of the new format (if necessary)	Jan '07	Mar '07 Jun '07	See item No. 254.
257.	Training for municipal associations on use of data for policy and member support purposes	Feb '07	Apr '07	Delays resulting from internal reorganization of the Federation Association. <i>Vacancy announced in mid-April for economic advisor.</i>
258.	Monitor the reporting process, and provide additional assistance where needed	Jun '07	Jun '07	
B. Improving the capacity of entity ministries (and Associations) to adjust systems to changes in fiscal policy and expenditure assignments				
259.	Provide assistance to MoF with developing of data for MoF web site on revenue allocation model	Oct '06	Aug '07	This activity is underway.
260.	Provide training to MoF staff in work on the simulator	Nov '06	Aug '07	This activity is underway.
261.	Provide training in updating the simulator and in production of individual government's share of revenue	Jan '07	Apr '07	This activity delayed until new estimates of population and pupil enrollment are available from the statistics institutes (circa March 2007). <i>Statistical data has been obtained and the activity is underway.</i>
262.	Produce training modules and manuals	Mar '07	Mar '07 May '07	<i>Federation MoF delaying activities because of workload.</i>
263.	Organize a joint workshop for all actors on pricing of functions	Apr '07	Apr '07 May '07	<i>Federation MoF delaying activities because of workload.</i>
264.	Organize a workshop on changes in the models of revenue allocation	May '07	May '07	

Activity 2.3 – The Functions and Finances of the City of Sarajevo	Work Plan Target Date	Current Estimated Completion	Notes
265. Participate in a working group formed by the City Council and supported by CCI	Oct '06	Oct '06	Draft report submitted to USAID, Sida and CCI October 13, 2006. TASK COMPLETED.
Activity 2.4- Restoring the powers of local governments in key sectors, including social services & urban planning and permitting			
Restoring the powers of local governments in key sectors			
266. Compile a list of legal obstacles based on results of the questionnaire	Jul '05	Jul '05	TASK COMPLETED.
267. Organize a series of workshops in order to bring together participating jurisdictions	Aug '05	Dec '05	TASK COMPLETED.
268. Start defining problems and possible solutions in the most critical areas	Dec '05	Dec '05	TASK COMPLETED.
269. Produce guidelines for legal reform with specific recommendations	Sep '05	Mar '06	TASK COMPLETED.
Urban Planning and Permitting/Municipal Property			
270. Review the existing laws	Jul '05	Aug '05	TASK COMPLETED.
271. Review the ongoing initiatives relevant to the status of municipal property.	Aug '05	Mar '06	TASK COMPLETED.
272. Compile a list of legal obstacles based on results of the questionnaire	Jul '05	Jul '06	Written comments have been collected during workshops and were used in producing documents addressed to the entity Ministries of Justice. TASK COMPLETED.
273. Organize a series of workshops in order to bring together participating jurisdictions.	Aug '05	May '06	TASK COMPLETED.
274. Produce guidelines for legal reform with specific recommendations	Sep '05	Jun '06	Legal advisor produced two documents compiling comments from Federation and RS municipalities on the pre-draft Laws on Ownership and Other Rights. The Federation document was formally sent by the FBiH municipal association to the Ministry of Justice and GTZ on May 8, 2006. The RS document was formally sent by the RS municipal association to the RS Ministry of Justice and GTZ on September 19, 2006. TASK COMPLETED.
275. Facilitate amending or drafting of relevant legislation	Jun '06	Nov '06	Legal advisor produced two reports based on comments from the municipalities in the FBiH and the RS. Reports were adopted by the working group in November 2006. TASK COMPLETED.
276. Promotion of legal changes	Jun '06	Nov '06	Legal advisor participated in the session of the working group in November 2006 at which a number of municipal were adopted and incorporated in the draft law of each entity. TASK COMPLETED.
277. Conduct analysis of the existing laws on concessions on state, entity and cantonal level	Mar '07	Mar '07 Apr '07	<i>STTA legal advisor was hired in March and completed an analysis of the existing laws on concessions. TASK COMPLETED.</i>
278. Organize a series of workshops on right to grant concessions in order to bring together participating jurisdictions	May '07	May '07	
279. Produce guidelines for legal reform with specific recommendations concerning municipal property and concessions	Jun '07	Jun '07	
280. Facilitate amending laws on concessions or drafting of relevant legislation	Jul '07	Jul '07	

Activity 2.4- Restoring the powers of local governments in key sectors, including social services & urban planning and permitting (continued)		Work Plan Target Date	Current Estimated Completion	Notes
Education and Social Welfare				
281.	Review the ongoing initiatives in the education and social sector reform	Jul '05	Feb '06	Completed analysis of European Commission functional review of education and health sector. Internal GAP report prepared. TASK COMPLETED.
282.	Develop guidelines for policy reform.	Jul '05	Feb '06	GAP completed a simulation that reflects changes in funding for primary education, at the request of the Head of the Budget and Finance Committee of the Federation House of Representatives. The guidelines for reform were developed after adoption of the Law on Principles of Local Self-Government. Guidelines produced. TASK COMPLETED.
283.	Review the existing laws.	Sep '05	Feb '06	TASK COMPLETED.
284.	Produce a report on the overall reform process.	Oct '05	Feb '06	Internal GAP report prepared. TASK COMPLETED.
285.	Produce guidelines for policy reform.	Nov '05	Feb '06	Internal GAP report prepared. TASK COMPLETED.
Activity 2.5 – Revision of the Law on Public Procurement BiH				
286.	Review ongoing initiatives concerning public procurement in BiH.	Nov '06	Nov '06	TASK COMPLETED.
287.	Compile a list of legal obstacles based on responses to a questionnaire.	Nov '06	Dec '06	Written comments were assembled and used in producing documents addressed to the BiH Public Procurement Agency. TASK COMPLETED.
288.	Organize a series of workshops in order to bring together participating jurisdictions.	Nov '06	Nov '06	Together with the entity associations, GAP organized eight workshops throughout BiH to review the Public Procurement Law. Almost 240 participants representing 105 municipalities attended these workshops. TASK COMPLETED.
289.	Produce guidelines for legal reform with specific recommendations and deliver report to the Public Procurement Agency BiH.	Dec '06	Dec '06	A comprehensive document was produced containing proposals for amending the BiH Law on Public Procurement, based on findings from the workshops and responses to questionnaires. The document has been sent to the entity associations and EUPPP, which will address it to the Public Procurement Agency BiH. TASK COMPLETED.
290.	Facilitate amending or drafting relevant legislation.	Dec '06	Jan '07	<i>Proposals for amendments to the BiH Law on Public Procurement were submitted to the PPA. The Board of the Agency will decide on the final draft of amendments to this Law.</i> TASK COMPLETED.
291.	Training of municipal staff on public procurement procedures.	May '07	Apr '07 May '07	<i>Together with the FBiH municipal association, GAP organized seven trainings for municipal staff on public procurement procedures. Approximately 140 participants attended from 68 municipalities. Training in the RS will be conducted early in the twelfth quarter.</i>

Activity 3.1 – Providing Policy Content for the Coordination Body of the Entity Associations of Municipalities and Cities	Work Plan Target Date	Current Estimated Completion	Notes
292. First meeting of the coordination body	Jul '06	Mar '07 May '07	Delayed due to engagement of members of the coordination body in the pre-election campaign and internal reorganization of the FBiH Association. All mandates have expired and election of a new Presidency is expected in February. <i>New Association Presidency was elected at the end of March 2007.</i>
293. Monthly coordination body meetings to design common reform strategy, advocacy for reform, and plan future steps other related activities	Jun '06	Mar '07 Jun '07	The coordination body is the best vehicle for sustaining the work of PAB. The scope of work and organization is largely agreed. Coordination with VNG also agreed. See above.
294. Conference of all BiH municipalities to address the policy issues raised by the inability to access municipal credit	Oct '06	Dec '06	Conference conducted December 20, 2006. TASK COMPLETED.
295. Coordination body retreat to intensively develop and vet reform scenarios	Dec '05	Mar '07 May '07	See item No. 293 above.
296. Second coordination body retreat to intensively develop and vet reform scenarios	Jun '06	May '07	
Activity 3.3 – Identifying and Serving Member Needs			
297. Web site development and maintenance	Jun '06	Dec '05	TASK COMPLETED.
298. Establish the GAP Municipalities Forum	Sep '05	Jan '06	Establishment of a GAP Municipalities Forum to allow inclusion of the second cohort partners. First meeting of Forum to be held at second cohort launch. TASK COMPLETED.
299. Second meeting of the GAP Municipalities Forum	May '06	May '06	TASK COMPLETED.
Activity 4.1 – Municipal Loan Preparation Technical Assistance			
300. Four municipalities identified during CIP training receive direct assistance on preparing loan application documentation	Sep '05	Dec '05	TASK COMPLETED. The GAP midterm evaluation report stated "... it is recommended that the training of municipal staff in loan packaging be suspended" unless the legal restrictions in the Federation are lifted. On February 17th the Municipality of Lopare requested approval from the RS Ministry of Finance for a \$1.5 million loan that was "packaged" with technical assistance from GAP.
301. Distribution of loan preparation guide through the RC, MC and CIP training events to both I and ultimately II cohort municipalities	Aug '06	Aug '06 Dec '06	A workshop was held in Dec '05. Final editing of Guide is underway. Distribution to begin during the next quarter. The Guide has been finalized and local language translation is in progress. TASK COMPLETED.
302. Identifying and documenting of loan applications for projects that have gone through the CIP process	Aug '06	Aug '06	See item No. 300 and 301 above.

ANNEX B: CITIZEN SERVICE CENTER SUSTAINABILITY

Self-Initiated Improvements:

The most relevant predictor of the sustainability of any development initiative is the willingness of the cooperating counterpart to undertake actions to assume ownership of the changes and commit own-funding to continue to expand on the original effort. Regular periodic audits of the citizen service centers implemented by the Governance Accountability Project provide clear evidence that BiH municipalities are in fact doing this.

Self-initiated improvements confirmed during the CSC performance audits include the following:

- In Tuzla, internet-based requests are being implemented, as is expansion of the center and reorganization of the archival function.
- Locally organized public opinion research is being utilized in Vukosavlje to measure customer satisfaction.
- Prozor Rama has conducted study visits to other municipalities, and is now planning to expand services.
- Tomislavgrad is renovating the municipal building and expanding the local area network. The municipality is providing new citizen guides and has adopted a new systemization (organization structure).
- Bosansko Grahovo is taking steps to further assist citizens who are visiting the municipal building. New signage and an office map will be posted in the building lobby and CSC staff will be provided with professional uniforms.
- Drvar has adopted a new systematization and expanded the info-desk software usage.
- New city maps, citizen guides and expanded information technology capacity mark the efforts of Ljubuški to improve services. With guidance from RS municipality Trebinje, the CSC manager is completing the preliminary certification steps in the ISO process.
- Novo Sarajevo has opened an urban-permit center within the CSC, as part of the GAP initiative on urban pilot projects.
- Gradiška is investing an additional 20,000 KM in IT hardware as part of its effort to further upgrade and improve services.
- Srbac has introduced new citizen guides and procedures.

Self-Initiated Improvements (continued):

- Teslić has extended some CSC services to satellite offices in the three largest MZs (Blatnica, Cecava and Pribinić). Additionally, the municipality has prepared new information guides and deployed extra teams of workers in the citizen service center from back offices during the peak hours.
- The Banja Luka City administration has opened a satellite service center (adding to the two established previously in collaboration with GAP) in one of the largest urban MZs in Banja Luka. The service center is connected with protocol in the City administration building.
- Srebrenica obtained a scanner (funded by Austrian development organization Hilfswerk), which has been networked with the CSC. All heads of departments and main officers now have permanent internet connections. The municipality also opened an internet club, which offers free services to all (citizens, students, entrepreneurs, foreigners).

Additional staff has been engaged to complete data entry in the birth registry. Approximately 20,000 entries remain to be completed out of the original total of 150,000.

- Confirming what has been heard from other mayors and municipal personnel, Vogošća officials in a meeting on January 23rd advised GAP that development of the citizen service center was a valuable precursor to the process of ISO certification for the municipality. They concluded that the administrative process mapping, reengineering, and introduction of Docunova prepared them significantly for their eventually successful ISO application.
- Trebinje is exploring the possibility of exporting information from Datanova into the municipal web site in the form of report that would display the previous monthly data on births, deaths and marriages. The municipal IT administrator has prepared a number of documents to be posted on the new improved municipal web site including a questionnaire on citizen opinions.

Customer Demand:

Another factor influencing the prospects for sustainability of citizen service center reforms is their level of acceptance within the community. Obviously, if the prevailing perception among the citizenry is one of disdain, there would be little expectation that these changes would survive the passage of time.

On the other hand, having once tasted better service provision, it is very unlikely that the customer-citizen will acquiesce to any retreat to past practices.

Customer Demand (continued):

The best gauge of citizen opinion is their very own word as expressed in the various CSC books of impressions found throughout the country. The following was collected during the last series of performance audits:

Teslić:

"I am nicely surprised by Mrs. Mirjana Lazic's politeness. All the best about her."
April 10, 2007.

"Today, 5th March 2007 I had excellent and appropriate service at the counter number 7, by Zorica Šašić. I mark this with pleasure having in mind that this is not common thing here."

Srbac:

"The best ladies, service at the high level, and I think that other cities should follow the examples of the Srbac ladies."

"Citizens services center is nicely done, with kind staff and a pleasant working climate."

Tomislavgrad:

"What to say, services orientation, politeness at the high level in this OSS. This is the only way to Europe but salaries must be increased."

"By entering this Citizen Services Center I was nicely surprised by staff politeness. Just continue this way!"

"This space follows most modern examples from the West. Staff is polite, efficient. All together this is example to show in other regions on how to work."

Kakanj:

"I must compliment Kakanj administration as effective, professional and very polite, with respects." March 22, 2007.

"Service is at high level, fast with excellent staff behavior. Thanks."

Improvements in the Business Registration Process:

As shown by the recently completed attitudinal surveys conducted during March 2007 (see Annex D), there has been a remarkable improvement in business satisfaction in GAP partner municipalities, matching the improvements previously and still seen in citizen satisfaction. Without question, the citizen service center is significantly improving the process of business registration.

Every municipal CSC has an information desk officer to direct citizens interested in business registration to the proper counter, providing appropriate materials on procedures and providing general assistance. There are several other improvements recorded in business registration process, the sum of which will make lasting contributions to the sustainability of these changes, in particular:

Kalesija:

- Delegated authority to the Assistant Mayor to sign certain Decisions thereby eliminating or minimizing some time delays.
- Established regular cooperation for exchange of data with the cantonal department on direct taxes and with appropriate cantonal ministries controlling the registration of transport and traffic regulation.
- Future plans include establishment of a body representing local business stakeholders.

Čelić:

- One desk in the citizen service center is designated for registration of firms engaged in the public economy, transport and development. All necessary forms and written directions were prepared in the center.
- The municipality is working with external institutions in relation to further streamlining the process of obtaining certain official documents such as certificates for employment registration, fitness for work and citizenship.
- Future plans include a media campaign expounding upon the improved business registration process.

Živinice:

- Further restructuring of procedures through delegation of signature authority to appropriate personnel to save time.

Improvements in the Business Registration Process (continued):

Gradačac:

- All applicants can receive specially designed forms for business registration, which can be completed more easily.
- A citizenship certificate is no longer required for business registration; an individual identification card is now sufficient.
- Couriers make deliveries of necessary documents at least twice a day.
- Approvals usually require only two days unless a review commission is necessary in which case approval may take four -to-five days.
- The data for work permits is now available in the citizen service center, eliminating a trip to another agency.
- The municipality has arranged to obtain certain certificates required by employers directly from the Employment Bureau.
- In agreement with the local health center, all certificates of health will be issued within one day after receipt of the request.
- Contacts established with the cantonal tax authorities related to obtaining the certificate on taxes.

ANNEX C: PERFORMANCE MONITORING PLAN INDICATOR FINDINGS

Introduction

The most recent regular performance monitoring plan (PMP) quarterly survey was conducted in April 2007 for all GAP partner municipalities. This Annex highlights some findings related to several performance indicators measuring municipal services.

1A-2 Number of complaints made by citizens regarding municipality issues

The following figures show the number of complaints made by citizens during ten quarters among the municipalities of the first cohort and the last six quarters for the second cohort municipalities.

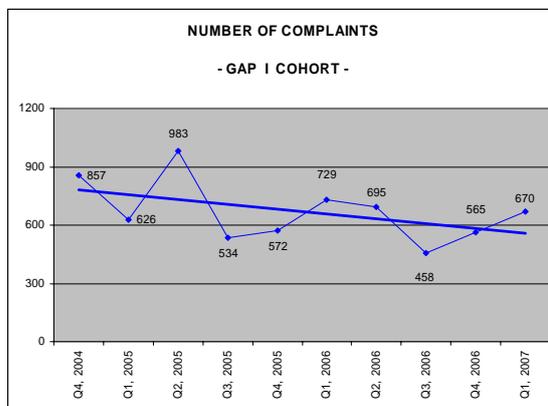


Fig. No. 2

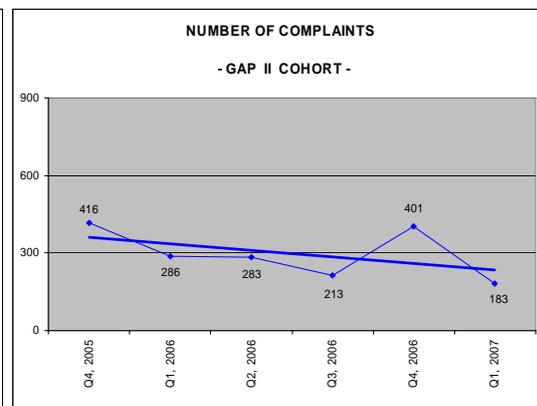


Fig. No. 3

The trend lines continue to decline within both cohorts of municipalities and the lowest number of complaints for the second cohort was recorded in the most recent quarter.

1A-3 Proportion of complaints resolved

Data concerning the number of resolved complaints complement the statistics on the number of complaints recorded and provide a more realistic picture about municipal attitudes regarding citizen services.

Figure No. 4 presents the percentage of complaints resolved, through the last ten quarterly records in first cohort municipalities. The overall trend line continues in a positive direction. A similar result has been achieved with the second cohort of municipalities through the last six quarters. The highest percentage of complaints resolved for the second cohort was recorded in the most recent quarter. This represents a significant improvement from the previous quarter and redirected the trend line to a positive direction, as expected (see Fig. No. 5).

1A-3 Proportion of complaints resolved (continued)

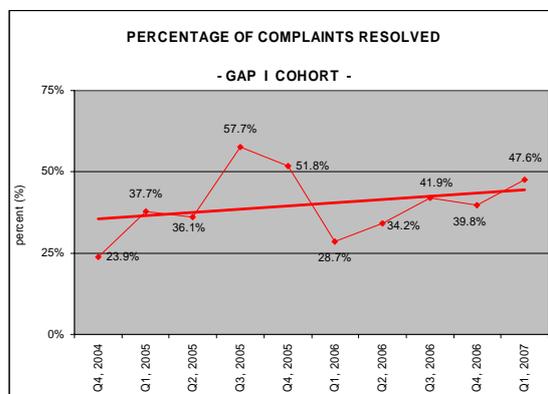


Fig. No. 4

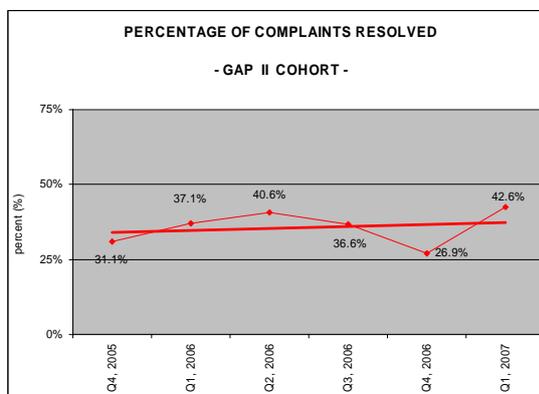


Fig. No.5

1A-4 Municipality is more responsive to delivering services to the public

This performance indicator is a measure of service delivery in all twenty-three municipalities of the first cohort through ten quarterly measurements going back to the fourth quarter of 2004, and six quarterly measurements for the eighteen municipalities of the second cohort from the fourth quarter of 2005. It considers measurements in twelve categories of municipal services. These categories are:

- birth, death, citizenship and wedding certificates,
- urban planning issues,
- infrastructure issues,
- economic and financial issues,
- war veterans issues,
- cadastre issues, and
- social welfare issues,
- construction permitting,
- business permitting,
- property related issues,
- municipal inspections,
- requests for information.

Measurements were performed for all twelve categories considering two aspects. First, the number of services (volume of processed applications) provided by the municipality, and second was the average time needed for delivering the services. Figures Nos. 6 and 7 show the number of services provided by first and second cohort municipalities over the measurement periods.

The trend line shows that number of municipal services delivered in first cohort municipalities is generally rising through the period. Second cohort municipalities recorded an increase in delivered services of approximately twenty percent in the most recent quarter, as compared to the general experience over the previous five quarters.

1A-4 Municipality is more responsive to delivering services to the public (continued)

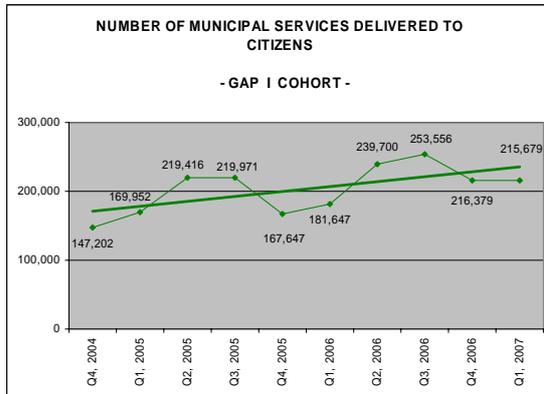


Fig. No. 6

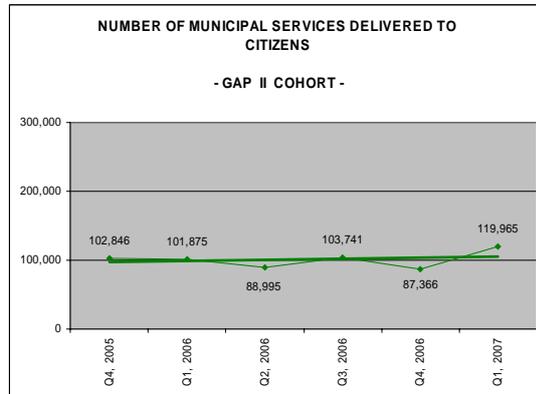


Fig. No. 7

Figures Nos. 8 and 9 display the time necessary to provide municipal services in all twelve categories for the twenty-three municipalities of the first cohort and eighteen municipalities of the second cohort.

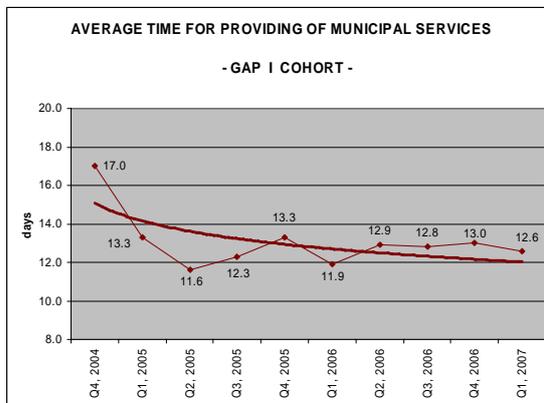


Fig. No. 8

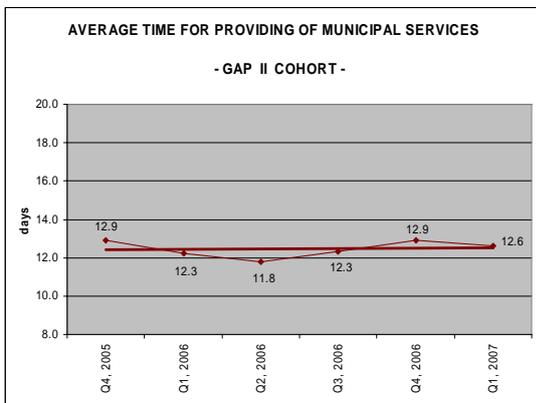


Fig. No. 9

The trend lines generally show decreasing average time (in days) for providing municipal services to citizens and other clients in the first cohort. The average time for providing services in the second cohort municipalities is relatively steady, but it has stabilized at the same, lower level achieved in the first cohort municipalities.

One of the high volume transactions in each municipal citizen service center is issuance of birth, death, wedding and citizenship certificates. Considering all forty-one GAP partner municipalities, approximately 245,000 such certificates were issued in the most recent quarter, or an average of about 6,000 per municipality.

1A-4 Municipality is more responsive to delivering services to the public (continued)

The following diagrams show that time for delivering such certificates was decreased from thirty-two minutes during the first quarterly survey, to just seven minutes in the last quarterly survey among the municipalities of the first cohort. Correspondingly, there was a decrease from eighteen minutes to just under eight minutes among the second cohort municipalities.

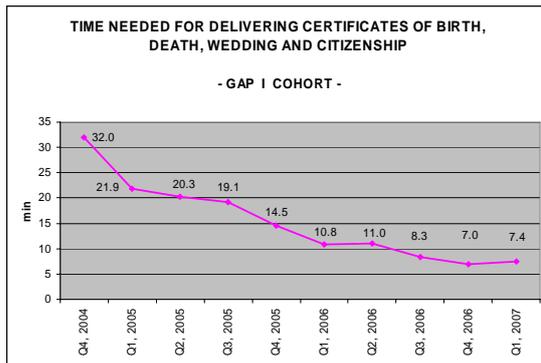


Fig. No. 10

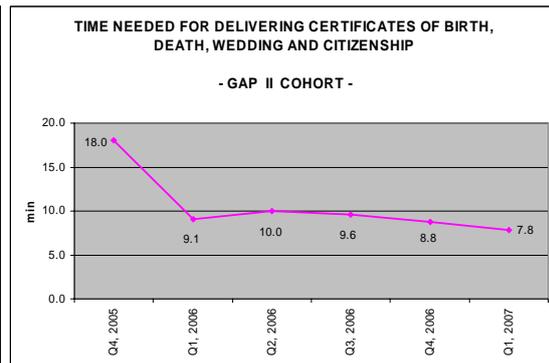


Fig. No. 11

ANNEX D: PRELIMINARY FINDINGS ON ATTITUDINAL SURVEY CONDUCTED IN MARCH 2007

Introduction

The GAP performance monitoring plan (PMP) includes periodic attitudinal surveys to gauge citizen and business perception of municipal governance.

Two performance indicators from the PMP are surveyed through the attitudinal surveys. These performance indicators are:

- 1A-5** Percentage of citizens satisfied with municipal service delivery, and
- 1B-4** Percentage of business owners satisfied with municipal service delivery.

The survey results help GAP management, field staff and partner municipalities and working groups to refocus or improve the current approach to municipal services. Results are used to measure the current situation versus base line data. Annual repetition provides an indication of the results of project implementation and assists municipal partners during their planning and decision-making activities.

Sample Definition

Face-to-face interviews using individual questionnaires were conducted in each of the forty-one GAP partner municipalities. The survey was done in March 2007 and represented the second annual repetition for the twenty-three first cohort partner municipalities.

The survey was also the first annual repetition for eighteen municipalities in the second cohort and four control municipalities (Kotor Varoš, Stolac, Ilijaš and Bratunac).

In the twenty-nine surveyed municipalities with more than 15,000 residents, the sample size for the citizen survey was three hundred completed questionnaires. In the sixteen smaller municipalities (i.e. those with less than 15,000 residents), the sample size for the citizen survey was one hundred completed questionnaires. Participants in this survey were randomly selected from the population defined as **direct users of municipal services**. The polling was limited to citizens that used municipal services at least two or three times per year.

With respect to the business survey, the sample sizes were thirty businesses and ten businesses respectively. The interviews mostly took place with owners of businesses that were registered in the municipality.

Survey Implementation

The surveys were conducted from March 19 to March 28, 2007. The survey employed pollsters that were hired on a short-term basis. The pollsters were eighteen years of

Survey Implementation (continued)

age or older, and were mainly university students in social sciences residing in the municipality where the poll was performed. One pollster was selected for each municipality.

Training on the technique and technology of the surveys was provided for all pollsters. The training took place in each regional office and was conducted by the GAP monitoring and evaluation officer and the citizens services specialist from March 12 to March 16, 2007.

Data Entering and Processing

With respect to the citizen surveys, more than 10,000 interviews were completed (approximately 93 percent in the partner municipalities and seven percent in control municipalities). Approximately 150,000 data elements were analyzed using Microsoft excel software.

The pollsters approached over 13,500 citizens; however, many either did not qualify for the poll or did not wish to take part. Accordingly, the citizen survey response rate was more than eighty percent – similar to the surveys conducted last year.

With respect to gender, the response ratio was sixty-four percent male and thirty-six percent female. Analysis to date has revealed insignificant differences in opinion by gender, age or urban/rural origin.

The pollsters recorded a total of 1,272 business survey interviews in the partner and control municipalities. About 20,000 data elements were analyzed. The response rate within the business survey was eighty-six percent.

Citizen Satisfaction with Municipal Services Delivery

Results for the question “**what is your level of satisfaction with municipal services?**” were recorded as the average percent of satisfaction with each of several aspects of municipal service. The following aspects were considered:

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

For all GAP forty-one partner municipalities, eighty-four percent of citizens are generally satisfied with municipal services (“very satisfied” or “satisfied”), **which represents a 14.5 point increase** compared to baseline values. Fourteen percent of citizens are not satisfied compared to twenty-nine percent from the previous survey. Two percent of citizens did not know or did not wish to answer (see Figure No. 12).

Citizen Satisfaction with Municipal Services Delivery (continued)

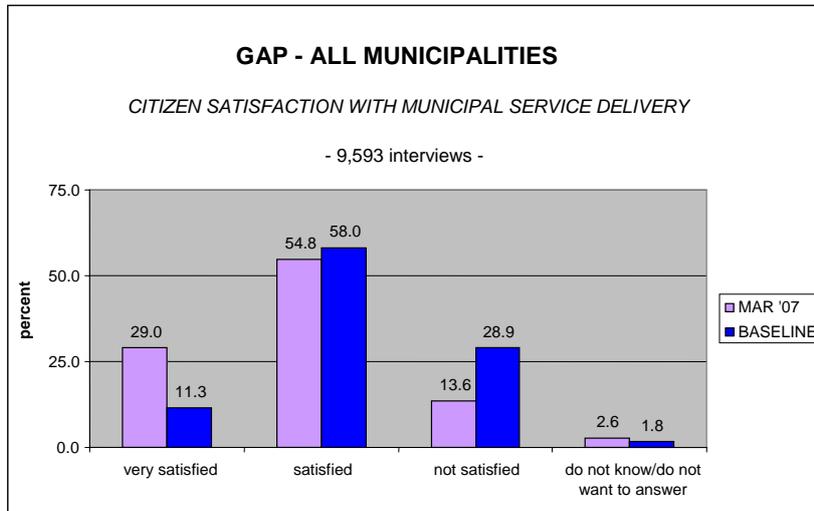


Fig. No. 12

For the first cohort municipalities, eighty-two percent of citizens are generally satisfied with municipal services (“very satisfied” or “satisfied”), **which is a thirteen-point increase** compared to the baseline survey taken in April 2005. Sixteen percent of citizens are not satisfied compared to thirty percent from the baseline survey. Almost three percent of citizens did not know or did not wish to answer (see Figure No. 13).

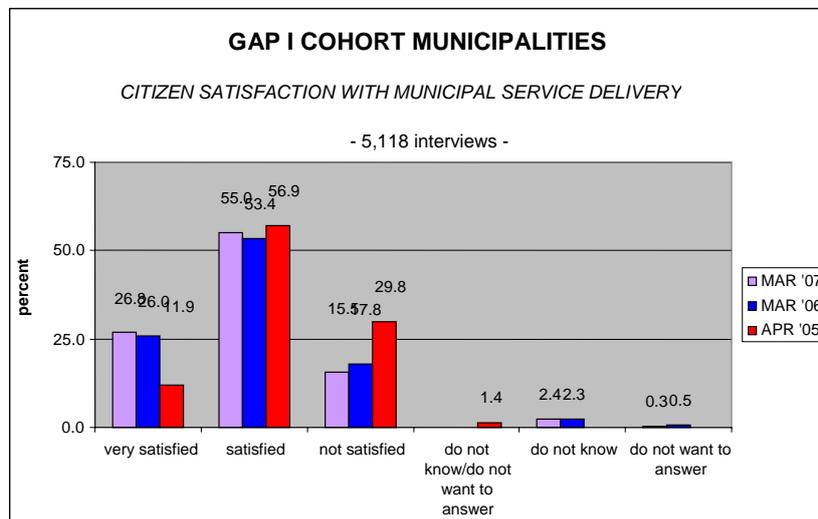


Fig. No. 13

Citizen Satisfaction with Municipal Services Delivery (continued)

Second cohort municipalities recorded a **sixteen-point increase** in citizen satisfaction with municipal services delivery (“very satisfied” or “satisfied”), compared to the baseline survey taken in March 2006, while dissatisfaction was reduced by seventeen points (see Figure No. 14).

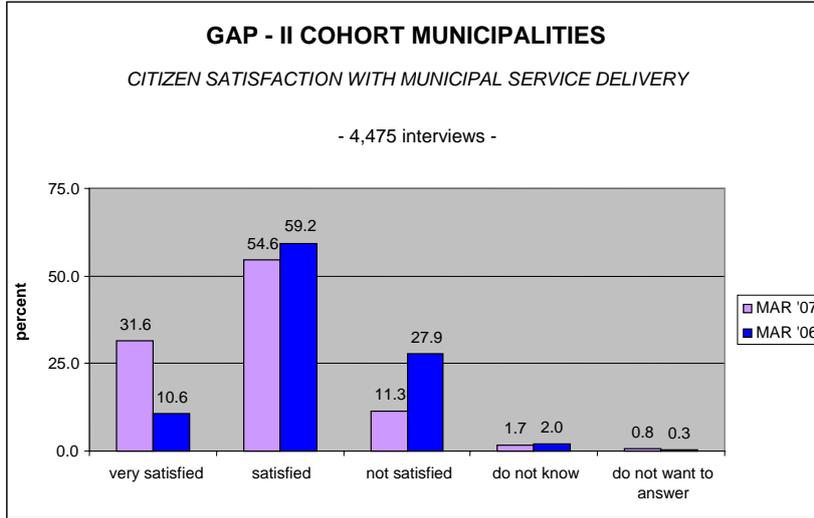


Fig. No. 14

The four control municipalities (Kotor Varoš, Stolac, Ilijaš and Bratunac) recorded only a **four-point increase** in citizen satisfaction with municipal service delivery over the same time period, compared to baseline results (see Figure No. 15).

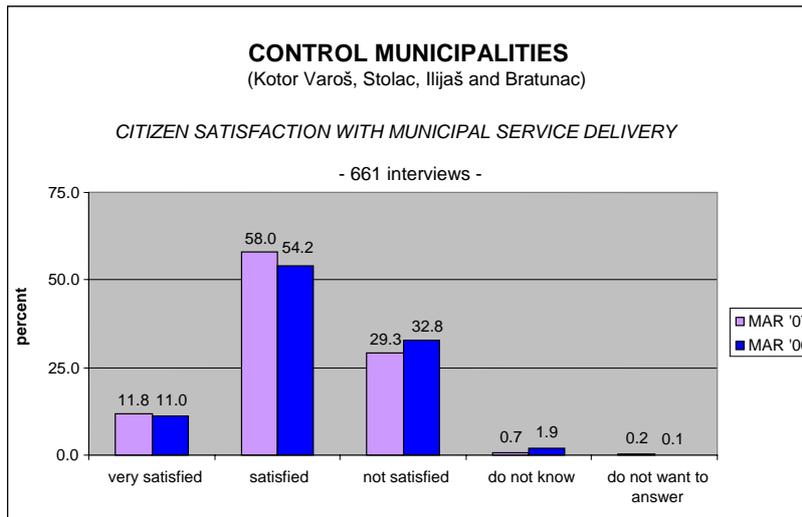


Fig. No. 15

Citizen Rating of the Current Municipal Government

Although not required by the PMP, citizens were asked to provide their rating of the current municipal government using the following rating scale:

- Excellent I see no problems
- Good Some things need to change or improve
- Poor Major changes are needed
- Bad The municipal government does not function as intended
- Very bad The municipal government causes many problems

GAP activities have obviously had a positive impact on municipal services as measured in this survey question, at least in so far as citizen perception is concerned. GAP partner municipalities recorded a **twelve-point increase** in the “excellent” or “good” rating compared to the baseline survey (see Figure No. 16). Dissatisfaction decreased by almost fourteen points.

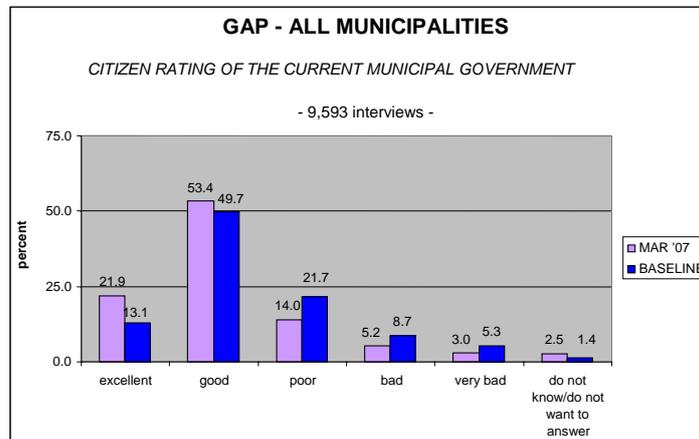


Fig. No. 16

Over the same time period, satisfaction increased by only two points in the four control municipalities (see Figure No. 17).

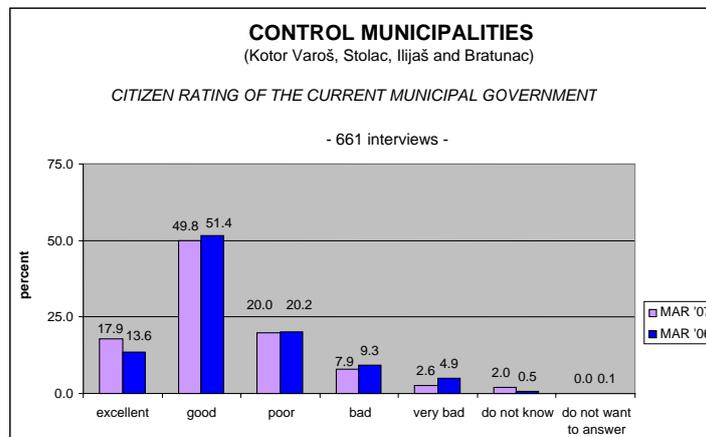


Fig. No. 17

Business Satisfaction with Municipal Service Delivery

Results for the question “**what is your level of satisfaction with municipal services?**” were recorded as the average percent of satisfaction for each of several aspects of municipal service. The following aspects were considered:

- offer of sites and buildings for business,
- public transportation,
- road maintenance,
- infrastructure development,
- construction permitting,
- business permitting,
- trash collection, and
- business promotion.

With respect to all partner municipalities, fifty-two percent of businesses are generally satisfied with municipal service (very satisfied and satisfied), which is a **twelve-point improvement** compared to baseline values (see Figure No. 18).

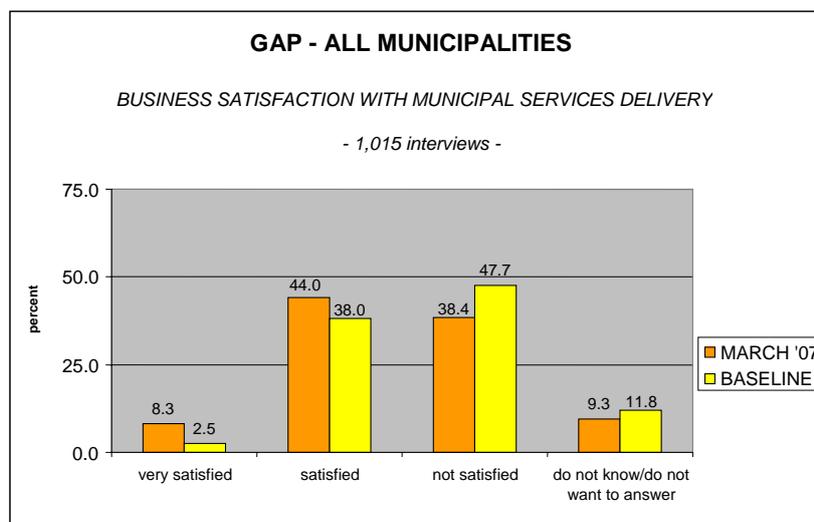


Fig No. 18

First cohort municipalities recorded a **nine-point increase** in business satisfaction with municipal service delivery compared to the baseline survey in April 2005 (see Figure No. 19), while second cohort municipalities showed a **fifteen-point increase** compared to the baseline survey in March 2006 (see Figure No. 20).

Business Satisfaction with Municipal Service Delivery (continued)

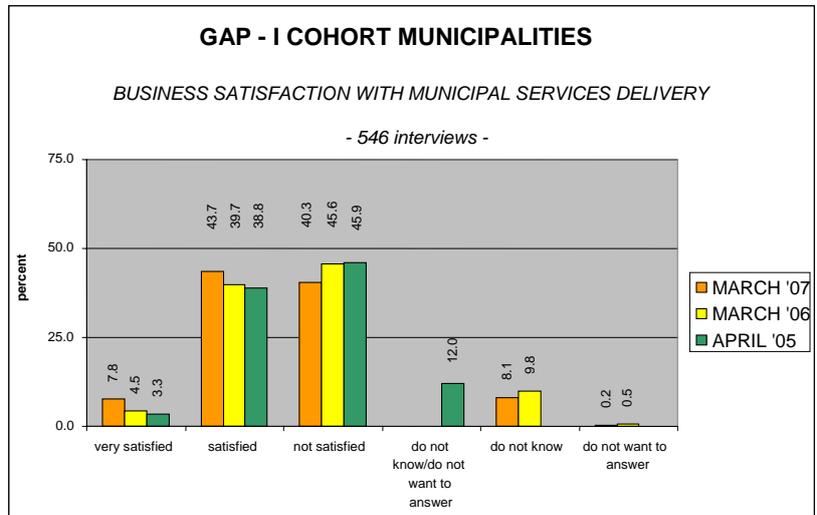


Fig. No. 19

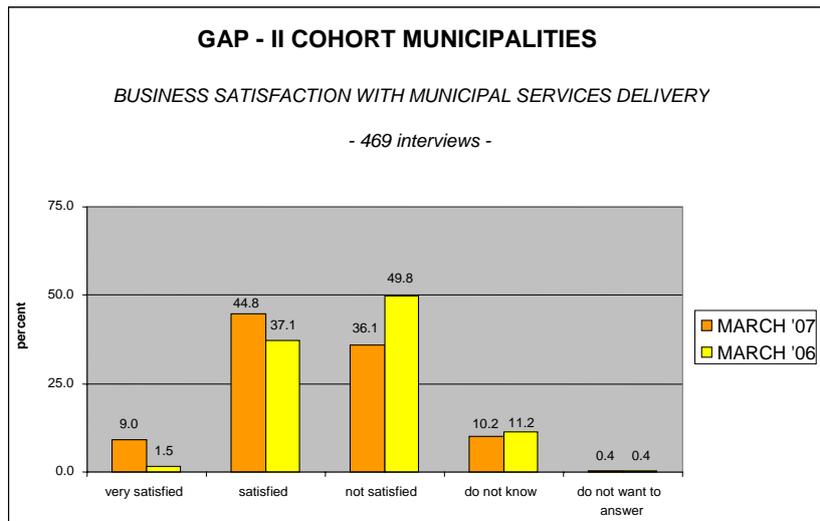


Fig. No. 20

Over the same time period, satisfaction increased by only three points in the four control municipalities (see Figure No. 21).

Business Satisfaction with Municipal Service Delivery (continued)

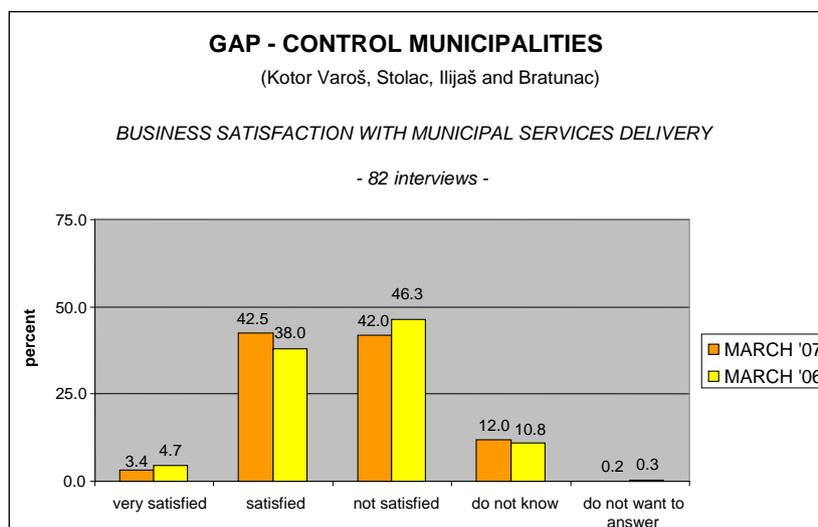


Fig. No. 21

ANNEX E: SUMMARIES OF EXTERNAL MEETINGS - CoP

Date	Attendees	Substance or Purpose
January 16, 2007	<ul style="list-style-type: none"> ✓ Mubera Ramić, Head of the Department of Economics and Finance, Municipality of Novo Sarajevo ✓ Denisa SarajlićMaglić, GAP Director of Policy ✓ Tatjana Muhić, GAP Regional Coordinator ✓ Anesa Šehalić, GAP Budget and Financial Management Specialist ✓ Edvin Smajić, GAP Municipal Coordinator ✓ Nikica Lubura, GAP Interpreter 	<p>The Head of the Department of Economics and Finance in Novo Sarajevo requested the meeting to discuss the FBiH legal requirement to establish municipal treasuries. It was decided that a follow up meeting would be held to discuss various strategies to ensure that local government financial autonomy is protected.</p>
January 17, 2007	<ul style="list-style-type: none"> ✓ Glenn Cowan, Democracy International ✓ Charles E. Costello. J.D., USAID Consultant ✓ Brenda Lee Pearson, President International Development Consulting ✓ Denisa SarajlićMaglić, GAP ✓ Håkan Gustafsson, GAP Director of Municipal Interventions <p>Joined in progress by:</p> <ul style="list-style-type: none"> ✓ Kristine Herrmann DeLuca, USAID Director of Democracy Office 	<p>GAP provided a briefing on the democracy and governance activities conducted to this point by the Project. In addition, potential areas for future attention were also discussed including municipal debt, budget reform, citizen participation and urbanism.</p>
January 23, 2007	<ul style="list-style-type: none"> ✓ CCI ✓ Denisa SarajlićMaglić, GAP, <i>et al</i> 	<p>The meeting was organized to discuss a proposal by CCI for a pilot project in six municipalities, which would strengthen the capacity of MZs in the field of legal framework, priority-setting, organization of public hearings and writing of project proposals. Activities are to be implemented through training of MZ officials and consultative support.</p>
February 6, 2007	<ul style="list-style-type: none"> ✓ Dr. Viera Španikova, Senior Consultant, ECORYS Research and Consulting ✓ Denisa SarajlićMaglić, GAP 	<p>Ms. Španikova is working on training missions for the Dutch Embassy and requested a general informational briefing on the status of fiscal management in BiH.</p>

Date	Attendees	Substance or Purpose
February 6, 2007	<ul style="list-style-type: none"> ✓ Ulla Andren, Head of Division for South East Europe ✓ Eva Belfrage, Sida Desk Officer for BiH ✓ Anders Hedlund, Sida Mission Director BiH ✓ Elisabet Tomašinec, Sida National Program Officer ✓ Håkan Gustafsson, GAP ✓ Denisa SarajlićMaglić, GAP 	<p>A briefing was provided for the visiting delegation on the accomplishments and results to-date of the municipal and policy intervention programs. Upon their request, an electronic copy of the presentation was subsequently forwarded to Sida.</p>
February 8, 2007	<ul style="list-style-type: none"> ✓ Kristine Herrmann DeLuca, USAID ✓ Marc Ellingstad, USAID CTO ✓ Andrew McKim, USAID Private Enterprise Officer ✓ James Wooster, , Chief of Party USAID TARA, <i>et al</i> ✓ Darlene Berthod, U.S. Treasury, Tax Administration Resident Advisor ✓ Denisa SarajlićMaglić, GAP ✓ Brankica Lenić, GAP Fiscal and Policy Advisor 	<p>The meeting was requested by USAID in order to explore opportunities for project coordination and information exchange between GAP and TARA.</p> <p>At the meeting, GAP provided TARA with detailed information on single account and other municipal revenues for RS municipalities during 2005 and 2006 and agreed to furnish such other information as may be needed by TARA.</p>
February 9, 2007	<ul style="list-style-type: none"> ✓ Zdravko Prka, Mayor of Tomislavgrad Municipality ✓ Anesa Šehalić, GAP ✓ Mirela Suton, GAP Regional Coordinator Mostar ✓ Nikica Lubura, GAP 	<p>GAP requested this meeting with the Mayor in order to stress the need for the municipality to implement the capital improvement planning process initiated as part of the technical assistance furnished by the Project.</p>
February 23, 2007	<ul style="list-style-type: none"> ✓ Čamil Osmanagić, VNG project Manager in Bosnia and Herzegovina 	<p>The meeting focused on areas of cooperation between VNG and GAP.</p>

Date	Attendees	Substance or Purpose
February 26, 2007	<ul style="list-style-type: none"> ✓ Jean-Luc Horisberger, Team Leader GTZ Land Administration Project (LAP) in BiH ✓ Kemal Osmanovic, GIS Expert GTZ Land Administration Project in BiH ✓ Håkan Gustafsson, GAP Director of Municipal Interventions ✓ Saša Leskovac, GAP Director of Field Operations ✓ Amira Busuladžić, GAP Urbanism Advisor ✓ Šejla Mujanović, GAP Policy Advisor 	<p>The purpose of the meeting was to agree on cooperation between the two projects. Specifically, the Sida/ADA/GTZ Land Administration Project is launching six municipal pilot-projects in which they plan to connect into a joint database aspects of (i) municipal administration, (ii) cadastre and (iii) land registry (courts).</p> <p>Three of the six pilot-municipalities are GAP partners - Trebinje, Jablanica and Gorazde - and GAP agreed to work jointly with the GTZ and with the municipal administration to prepare urban and spatial information to ensure that the municipal urbanism database is compatible with the cadastral and land-registry database.</p>
February 28, 2007	<ul style="list-style-type: none"> ✓ Hasan Ajkunić, Mayor Municipality of Bugojno ✓ Stjepan Herceg, Mayor of Kupres Municipality ✓ Nikica Lubura, GAP 	<p>Discussions were held concerning GAP initiatives in Bugojno and the approach of the Mayors to local governance reform.</p>
March 6, 2007	<ul style="list-style-type: none"> ✓ Mayor Municipality of Gradiska, <i>et al</i> ✓ Nikica Lubura, GAP 	<p>The meeting covered general areas of cooperation between the Municipality and GAP.</p>
March 9, 2007	<ul style="list-style-type: none"> ✓ Mensur Jašarspahić, Mayor Municipality of Kakanj ✓ Ljubiša Marković, former Mayor of Sarajevo Center, now short-term GAP advisor (STTA) ✓ Tatjana Muhić, GAP ✓ Zlatan Musić, GAP Municipal Coordinator ✓ Ahmed Sijerčić, GAP Citizen Services Specialist ✓ Nikica Lubura, GAP 	<p>The purpose of the meeting was a debriefing discussion with the Mayor and the GAP STTA responsible for preparation of a management consulting report for the Municipality. The report recommends some selective downsizing of staff and a number of other management and human resource improvements.</p> <p>The Mayor expressed his appreciation for the support of GAP and agreed to development of an action plan to begin implementation of the recommendations.</p> <p>Mr. Marković introduced some discussion of ISO certification and the value thereof. He indicated that in his opinion, the GAP sequencing of citizen service center development <i>vis a vis</i> pursuit of ISO qualification was the preferred ordering of these activities.</p>
March 9, 2007	<ul style="list-style-type: none"> ✓ Marta Ballester Beltrán, Spanish Agency for International Cooperation Project Manager ✓ Håkan Gustafsson, GAP ✓ Ahmed Sijerčić, GAP 	<p>A briefing on GAP activities, particularly in the Mostar region, was provided to Ms. Ballester Beltrán at her request.</p>

Date	Attendees	Substance or Purpose
March 12, 2007	<ul style="list-style-type: none"> ✓ Hasan Ajkunić, Mayor Municipality of Bugojno ✓ Dzenana Abdalajbegovic, Chief of Cabinet and Coordinator for GAP, Municipality of Bugojno ✓ Ljubiša Marković, former Mayor of Sarajevo Center, now short-term GAP advisor (STTA) ✓ Anita Soće, GAP Municipal Coordinator ✓ Ahmed Sijerčić, GAP ✓ Nikica Lubura, GAP 	<p>The purpose of the meeting was a debriefing discussion with the Mayor and the GAP STTA responsible for preparation of a management consulting report for the Municipality. The report recommends some selective downsizing of staff and a number of other management and human resource improvements.</p> <p>The Mayor expressed his appreciation for the report and hoped to rationalize the organization of his departments during 2007. GAP requested development of an action plan during the next 30-45 days.</p>
March 13, 2007	<ul style="list-style-type: none"> ✓ Ljubo Bešlić, Mayor City of Mostar ✓ Mirela Suton, GAP ✓ Nikica Lubura, GAP 	<p>The meeting was organized at the request of GAP. The following was agreed:</p> <p>The Mayor would appoint a staff member for, and fix the location of the urban permitting center. A payment counter would be provided in the CSC and all employees would be instructed to use Docunova. Data entry in the financial management system would be accelerated and communication between departments improved.</p>
March 14, 2007	<ul style="list-style-type: none"> ✓ Ferhat Mustafić, Mayor Municipality of Gradačac ✓ Subhija Ponjavić, GAP Regional Coordinator for Tuzla ✓ Jasenka Kratović, GAP Information Officer 	<p>Discussions with the Mayor focused on completion of the citizen service center, and the generally open tolerant atmosphere and low unemployment rate in the municipality.</p>
March 16, 2007	<ul style="list-style-type: none"> ✓ Dzemal Hodzić, EU <i>et al</i> 	<p>The meeting was requested by EU staff to discuss civil society and other activities of joint interest.</p>
March 16, 2007	<ul style="list-style-type: none"> ✓ The World Bank ✓ Consultants ✓ USAID ✓ Sida ✓ GAP 	<p>The meeting was held to provide input for The World Bank review entitled “Strengthening Local Governance and Service Delivery in Bosnia and Herzegovina: Priorities for Policy and Actions.</p> <p>The discussion covered policy issues, national political dynamics, municipal fiscal capacity, local borrowing and good practices.</p>
March 21, 2007	<ul style="list-style-type: none"> ✓ Jean-Luc Horisberger, GTZ Land Administration Project (LAP) in BiH, <i>et al</i> ✓ Anders Hedlund, Sida, <i>et al</i> ✓ Thomas Gihring, GAP STTA, <i>et al</i> ✓ Approximately twelve more persons representing World Bank, ADA, EC, TARA and SPIRA. 	<p>The meeting was requested by the Team Leader of the Land Administration Project in order to better coordinate between projects and donors that are involved in urban or spatial planning or have a need for information related to this sphere.</p> <p>It was decided that the larger group would continue to meet at least twice yearly and two focused working groups (on IT and legal issues) would meet more frequently.</p>

Date	Attendees	Substance or Purpose
March 27, 2007	✓ Daniel Hammer	Mr. Hammer called at the suggestion of Kristine Herrmann for a briefing on GAP in connection with his interest in democracy promotion and civil society in BiH. Mr. Hammer is a doctoral student in Anthropology at the University of Pittsburgh.
March 28, 2007	<ul style="list-style-type: none"> ✓ Mitar Zarić, Mayor Municipality of Lopare ✓ Coordinator for GAP, Municipality of Lopare ✓ Subhija Ponjavić, GAP ✓ Esad Smajlović, GAP Municipal Coordinator ✓ Meliha Memišević, GAP ✓ Zoran Ereiz, GAP Grants Coordinator ✓ Nikica Lubura, GAP 	Discussions with the Mayor concerned continued cooperation with GAP to the end of the current project.
March 29, 2007	<ul style="list-style-type: none"> ✓ Leo Quinlan, Team Leader EU Project for “Capacity Building of the Ministry of Finance and Treasury in Decentralization System in BiH” ✓ Ray Yates, Long Term Expert ✓ Garry Renders, Long Term Expert ✓ Darinka Cuk, Project Assistant 	The EU Project team requested the meeting in order to provide a briefing on their terms of reference and receive a briefing on GAP activities.
March 30, 2007	<ul style="list-style-type: none"> ✓ Zdravko Krsmanović, Mayor Municipality of Foča ✓ Tatjana Muhić, GAP ✓ Jagoda Ljuboja, GAP Interpreter 	The discussion focused on the continuation of GAP activities in the municipality and the Mayor’s plans for improving the economy of the area, including his interest in tourism.
April 2, 2007	<ul style="list-style-type: none"> ✓ Radomir Kezunović, Mayor of the Municipality of East Sarajevo and President of the RS Association of Towns and Municipalities ✓ Denisa SarajlićMaglić, GAP ✓ Slaviša Šučur, GAP Municipal Association 	The meeting was held with Mayor Kezunović in his capacity as President of the RS municipal association. The meeting covered a wide range of the Mayor’s opinions, discussion of GAP plans and specifically the near term GAP schedule for public procurement workshops in the RS.
April 5, 2005	<ul style="list-style-type: none"> ✓ Drasko Popovic, Financial Advisor RS Association of Towns and Municipalities ✓ Anesa Šehalić, GAP 	A briefing was provided to Mr. Popovic on the various technical assistance packages offered by GAP.

ANNEX F: CONFERENCES AND OTHER EVENTS ATTENDED BY CoP

DATE	EVENT
January 22, 2007	Together with municipal officials and external participants, signed an action plan to implement the urban pilot project the City of Banja Luka.
January 22, 2007	Attended a vendor demonstration of Inova urbanism software in the City of Banja Luka. The product was being considered by the City administration following a tender process.
January 25, 2007	Attended the opening of the Citizen Service Center in Kalesija.
January 25, 2007	Attended the opening of the Citizen Service Center in Živinice.
February 28, 2007	Attended the opening of the Citizen Service Center in Bugojno.
March 6, 2007	Attended the opening of the Citizen Service Center in Gradiška.
March 6, 2007	Represented GAP and spoke (on behalf of donors) at the ceremonial opening of three community development projects implemented in the Municipality of Srbac.
March 14, 2007	Attended the opening of the Citizen Service Center in Gradačac.
March 22, 2007	Attended and addressed the Second General Assembly of the Federation Association of Municipalities and Cities held in Gradačac.
March 28, 2007	Represented GAP and spoke (on behalf of donors) at the ceremonial opening of a water filtration community development project implemented in the Municipality of Lopare.
March 29, 2007	Represented GAP and spoke at the opening of the urbanism pilot project in Novo Sarajevo.
March 30, 2007	Represented GAP and spoke (on behalf of donors) at the ceremonial opening of a pedestrian bridge community development project implemented in the Municipality of Foča.