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FINAL REPORT

EVALUATION OF STRATEGIC OBJECTIVE 2.3: PROMOTING MORE EFFECTIVE, RESPONSIVE AND ACCOUNTABLE LOCAL GOVERNMENT AND LOCAL INSTITUTIONS

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ACRONYMS

CFO	Chief Financial Officer
ELT	Elected Leadership Training
FMA	Slovak Financial Managers Association
FMT	Financial Management Training
GoS	Government of Slovakia
ICMA	International City/County Management Association
IPA	Institute of Public Administration
IR	Intermediate Result
KPM SR	Club of Town Mayors of the Slovak Republic
LSGAC	Local Self-Government Assistance Center
LTA	Long-Term Technical Assistance
NGO	Non-governmental Organization
R4	Results Review and Resources Request
RTC	Regional Training Center
SSAT	Slovak Stakeholder Advisory Team
SO	Strategic Objective
STA	Short-Term Technical Assistance
TA	Technical Assistance
TMA	Slovak Town Managers Association
TOT	Training of Trainers
TQMnT	Total Quality Maintenance Training
UHA	Union of Housing Associations
UM SR	Union of Towns and Cities of the Slovak Republic
USAID	United States Agency for International Development
VAK	Slovak State Water Authority
ZMOS	Association of Towns and Villages of Slovakia



CONTENTS

	Page
EXECUTIVE SUMMARY	i
I. INTRODUCTION	1
Evaluation Methodology	2
II. LOCAL GOVERNMENT ACTIVITIES (1992-1996)	3
Status of Slovak Governmental Reforms	3
Budgetary Shifts and Local Demand	6
Budgetary Uncertainty and Local Government Funding	7
Other Trends	7
III. USAID's LOCAL GOVERNMENT PROGRAMS IN SLOVAKIA	9
Developing Professional Organizations	9
Training Activities for Local Governance	13
Best Practices	17
IV. CONCLUSIONS AND RECOMMENDATIONS	25
General Comments	25
General Recommendations	25
The USAID Program in Slovakia	26
Program Recommendations	27

ANNEXES

- A: Persons Interviewed
- B: Evaluation Itinerary and Schedule
- C: Scope of Work



EXECUTIVE SUMMARY

In 1996, the Government of Slovakia (GoS) instituted administrative changes that established a new regional structure for State administration. Many saw this as a possible move to halt decentralization and reduce the authority of local government. The introduction of these administrative changes fueled a widely held perception that the current central government of Slovakia planned to retract authorities in an effort to recentralize. The perception was broadly enough held to warrant a review of the situation facing USAID's local government development program to determine if the Strategic Objective (SO) remained attainable, and to examine the critical assumptions underlying the strategic framework.

Given these events, it was deemed prudent by USAID/Slovakia to have a two-person team review the soundness of the original local governance design and the stated targets and indicators as well as to provide recommendations in those areas where changes were thought to be necessary for achieving successful outcomes. The report which follows presents the findings of the assessment team and their recommendations assuring that SO 2.3 is accomplished as originally envisioned while taking into account contemporary sociopolitical changes at the national level.

Specifically, the evaluation focused on reviewing the current status and conditions of local government in Slovakia; assessing the relevance of the USAID local government program, including demand for these activities; and, determining results to date and providing observations on the indicators and targets used in the results review and resources request (R4) documentation. The evaluation took place during a 3-week period from January 6 to 25, 1997, and was conducted through a series of interviews arranged by USAID/Slovakia in 10 cities throughout Slovakia.

LOCAL GOVERNMENT ACTIVITIES

Interviews with local elected officials and a review of research materials indicate that while the current GoS is not contributing to the development of strong local government, there does not appear to be a concerted effort on the part of the central government to thwart local government development. When confronted with choices, the GoS will opt for what is best for central government without regard to the consequences at the local government level. Often this will result in actions that seem to conflict with decentralization even though there is no evidence of an organized strategy of recentralization.

Several elected officials noted that one of the key issues to be decided in the 1998 elections is whether or not the central government will reclaim greater control over legislative and administrative authority. Apparently the political maneuvering on this issue has only begun. Unfortunately, the euphoria and consensus associated with the initial decentralization efforts has given way to distrust among political factions and general



uncertainty about the best policies to achieve transformation in a time of political, economic, and social instability.

While local government officials are disturbed by the geographic configuration of the new regional government structures, they are not much troubled by the regional administration of GoS programs. There is considerable concern over the role and responsibilities to be accorded the elected regional government. The relationship between the elected regional and elected local governments will be a key factor in the future for USAID/Slovakia's SO of effective, responsive, and accountable local government in Slovakia. USAID should track these developments accordingly.

Another critical factor will be the allocation of funds from the national budget to regional programs and how these funds are spent. Nominally under the Ministry of Interior, the funding of regional programs could become highly political and biased toward local governments supporting the parties in power at the national level. Local government financing is another critical issue facing municipal leaders today. Almost all local government units are covering operating costs from the sale of physical assets and borrowing. Because no relief is likely at the national budget level, local governments will have to take the initiative in reducing costs and trying creative approaches to raise revenues. While local governments favor having control of their own revenue base, there has been only one serious proposal made public to date and the GoS is not likely to adopt it.

USAID/SLOVAKIA LOCAL GOVERNMENT EFFORTS

The environment for local government development in Slovakia is still conducive to assistance provided through the USAID program. Local government is still vibrant and USAID assistance provides tools useful in fulfilling local government's promise. The assumptions underlying the SO are still good. It appears that elections will continue; no local government authorities have rescinded. (It will be important to watch as the roles and responsibilities of elected regional governments are decided.)

Although it is too early to measure impact on the SO (1996 targets in the R4 are zero), the program has produced significant results that give promise to success at the strategic level. The development of professional organizations is proceeding well. Both the Financial Managers Association and the Town Managers Association are actively engaged in agendas for improving local government. The Union of Housing Associations is playing a critical role in the transfer of housing to private ownership. All these organizations are providing dynamic leadership in their respective fields and will be influential in shaping local government in the future.



The Association of Towns and Villages of Slovakia (ZMOS) continues to be the dominant voice of local government in Slovakia, but there are perceptions that it is unable to develop positions on important and controversial issues. Its size and operating style are both its strength and its weakness. ZMOS must sort out its priorities and the role it will play in local government development in the future. A strategic plan is critical for a shared sense of direction within ZMOS itself and with ZMOS's donor partners. USAID should encourage ZMOS to develop its strategic plan and follow through on the basis of the priorities it sets.

USAID/Slovakia's local government training programs have been enthusiastically received. No strategic level results are expected at this early stage but participation in both the planning and training of trainers has been encouraging. Institutionalization is ongoing with the extensive involvement of Slovaks in planning and administering these training programs. Only a short time remains, however, before USAID assistance ends; many programs still have not been completed. USAID/Slovakia should concentrate on ongoing programs which are well-received and limit new programs to a minimum.

USAID/Slovakia's *best practices* program has some very important ongoing efforts and is working well. There is less than two years remaining to complete these efforts. In order to assure success in current activities, USAID should concentrate on well-received, existing programs.

USAID/Slovakia's results framework under SO 2.3 does not adequately measure the impact of the program nor accurately reflect what USAID/Slovakia is trying to accomplish. That is, the targets and performance indicators do not clearly specify the expected impact on local government. Instead the indicators either identify what USAID/Slovakia will provide (for example, training of local officials, instructing about *best practices*, *best practice* models developed, and specific new authorities/revenue sources given to local governments) or identify in a general way what local governments will be doing (for example, officials using enhanced skills, employing *best practices*, using improved financing capability, and organizing municipalities to lobby for local government interests). The revised set of targets and performance indicators should clearly identify the impact USAID/Slovakia's assistance will have, such as estimated numbers of municipalities implementing specific *best practices*.



I. INTRODUCTION

Consistent with its efforts to promote democracy throughout the areas of former communist dominance, the United States Agency for International Development (USAID) has been providing significant resources to newly independent states in Eastern Europe for creating "more effective, responsive and accountable local governments." To aid in the transition from authoritarian rule, numerous programs have been devised and implemented by USAID (and other international agencies) so that disenfranchised citizens can play a direct role in determining the role of government in their lives, and to help local governments respond effectively to citizen inputs.

Slovakia is one of Eastern Europe's newest countries, having severed its ties with the Czech Republic in 1993, which in turn had broken free from Soviet domination in 1989. USAID is strongly committed to assisting Slovakia's transition to democratic governance, fostering pluralism and promoting community-based problem solving and decision making. In 1990, while still part of Czechoslovakia, the Slovak Republic passed legislation creating a new structure for local self-government. There are approximately 2,800 Slovak towns and villages with their own democratically-elected mayors and council members. With the current efforts at self-governance less than seven years old, most Slovak municipalities are new to the process of developing their capacity to manage themselves. Nevertheless, against this backdrop USAID/Slovakia has committed U.S. \$8.425 million dollars for working with various organizations to promote decentralized decision making in Slovak society.¹ During the past year, legislative actions by the Government of Slovakia (GoS) to restructure the nation's regional infrastructure have some observers concerned that the GoS is trying to return to a more centralized/autocratic way of managing local municipal affairs.

It is still too early to draw firm conclusions about the impact of GoS actions on USAID/Slovakia's current efforts to empower citizen participation in local municipal governance activities, designated as Strategic Objective (SO) 2.3 in USAID's results review and resources request (R4) reporting format. Previous efforts to design the local governance initiatives had also assumed that decentralization was an ongoing trend not likely to be reversed. Given these events, it was deemed prudent by USAID/Slovakia to review the soundness of the original local governance design and the stated targets and indicators, as well as to provide recommendations in those areas where changes were thought to be necessary for achieving successful outcomes. This report presents the evaluation findings and recommendations to assure that SO 2.3 is accomplished as originally envisioned while taking into account contemporary sociopolitical changes at the national level.

¹ These monies are being provided under the auspices of the Support for East European Democracy (SEED) Act—of which \$15 million has been designated for the Slovak Republic for Fiscal Year 1997.



EVALUATION METHODOLOGY

USAID/Slovakia determined that a 2-person team could assess the local government development program under SO 2.3 of the strategic results framework. The SO review, including interviews, was conducted from January 6 to 25, 1997. (Appendix A lists the persons interviewed; Appendix B contains the itinerary for the evaluation; and, Appendix C is the scope of work for the evaluation.) An interview schedule was developed in consultation with USAID staff, calling for individual and group interviews in 10 cities with 53 persons knowledgeable about local governance issues. Subsequently, each interview was arranged by USAID/Slovakia prior to the arrival of the evaluation team. Also reviewed were all relevant project documents on the intended objectives and implementation procedures of each project associated with SO 2.3.

USAID/Slovakia personnel from the Office of Democratic Transition were available for questions and follow up throughout this period and proved invaluable as additional sources of information. Unfortunately, due to the limited time schedule there was little time for follow up with non-USAID interviewees or for additional research. Given the early nature of work under this SO, it was difficult to find specific examples of progress on the strategic indicators. Information was sought that would provide a level of confidence in the validity of strategic assumptions and progress toward planned results. The conclusions and recommendations of this evaluation are based primarily upon the extensive interviews conducted by the evaluation team and draw on the observations and insights of the many and varied participants in USAID/Slovakia's local governance efforts regarding the design, implementation, and progress of the multifaceted projects.



II. LOCAL GOVERNMENT ACTIVITIES (1992-1996)

USAID has actively targeted assistance to Slovak local governments since 1992. Early work directed assistance to some of the immediate priorities of Slovakia's transformation from its socialist past, specifically, housing privatization and management of water and sewer systems. Assistance was also provided to support improved city management through regional cooperative agreements with the International City/County Management Association (ICMA) and the Institute of Public Administration (IPA).

Much of the work from these early interventions has generated significant results and continues to contribute to achieving the local governance program agenda. The Institute Byvania has been an important partner to both USAID and local governments in facilitating the transition in housing on a number of levels. The Institute is thought to be (by both city officials and citizens) an important source of expertise on current concerns and advice on new issues that arise as homeowners' associations confront the challenges and responsibilities of managing their properties. As housing privatization was perhaps the first and most urgent issue confronting newly established local governments, the knowledge and expertise provided through the Institute has been helpful improving and facilitating this ongoing process.

Early work also focused on water and sewer system assessment and improvement prior to privatization. This work has created experiences which contribute to local knowledge on what is essential to the management and operations of such infrastructure systems. USAID's relationship with the Association of Towns and Villages of Slovakia (ZMOS) began in 1993, disseminating this information on water systems through a working group comprised of ZMOS members. Technical assistance provided to both Banska Bystrica and Trencin provided the foundation for a recent workshop in Bratislava on similar issues. Although a shifting policy context may continue to impede progress, many cities have benefited from the impartial expertise provided and were relieved to learn that their predicament was not as dire as they had first believed.

Some of the early work directed to local governments has continued to influence program direction with the articulation of the program strategy in the USAID/Slovakia R4 document. Early indicators identified are similar to those currently used. Early technical assistance provided to individual municipalities is being assessed as an opportunity to generalize experiences under various *best practices* efforts. Where early program experience was not as successful, other strategies have been pursued to better meet Slovak needs. This is particularly true in the area of municipal management training.

STATUS OF SLOVAK GOVERNMENTAL REFORMS

In 1996, the GoS initiated administrative changes that established a new regional structure for State administration. Many saw this as a possible move to halt decentralization



and reduce the authority of local government. These regional State offices were given authority over responsibilities that had been discussed publicly as within the realm of future regional self-governments, such as regional planning, education, and economic development. Creating the new regional administration system is expensive and any further revision will incur additional costs. Moreover, once this new level of State administration is created with authorities, further devolution likely will be resisted by regional administrative bodies.

Today, local governments in Slovakia enjoy substantial constitutional freedoms. In 1990, while still joined together as Czechoslovakia, the Czech and Slovak Republics passed parallel laws creating municipal governments. The laws are identical with the exception that, in Slovakia, mayors are elected by popular vote; in the Czech Republic, they are elected by the city council. Despite this relative constitutional freedom, local governments in Slovakia today are facing a host of serious challenges, such as establishing formal relationships with the central government, managing the new phenomenon of debt, taking ownership of divested state properties, and privatizing essential services. As a result, local government leaders operate within a great deal of uncertainty. Amidst the regional restructuring, confusion over the national context is profound. Added to this is the growing perception that the GoS is trying to impede the continued development of local government.

Comments by Local Governments on Recentralization

Because a recentralization effort would have a significant impact on USAID/Slovakia's efforts to achieve its SO, this was a central issue of the evaluation. Nearly all of the Slovaks interviewed were asked if they perceived the GoS trying to reestablish centralized control over the government. If the response was positive, the respondents were asked to give examples of how the recentralization was taking place. Follow-up questions were asked to clarify the examples as appropriate.

Nearly all of the Slovak respondents who worked for either local government or non-governmental organizations (NGOs) reported that they perceived an underlying recentralization effort. Most often cited examples of recentralization included: the new administrative reforms of 1996, the 1997 budget, lack of adequate local government financing, significantly increased budget levels for the Slovak central intelligence organization, increased controls on foundations and NGOs, and slow approvals for water and waste water transformation proposals. Based on the interviews and review of available documentation, it seems clear that the GoS is not fostering local government. However, it would be difficult at this time to state conclusively that there is a concerted effort to reverse or halt decentralization. Rather it seems that politics is prevailing over policy and good governance.

The administrative reorganization of July 1996 authorized new regional structures for many of the central government's administrative functions. This was the first of a 3-step process of public administration reform. The second step is intended to create a middle level of government, or regional self-government, and, the third is to reallocate responsibilities among the central government, regional self-government, and local self-government. The second and third steps are expected to follow within the next two years. In the first phase, eight new regions were created and the number and make up of districts were changed. Government programs in the regions will now be administered through ministerial departments assigned to regional offices under the supervision of a regional administrative officer appointed by the Ministry of Interior. Many believe that this change will strengthen the central government's influence at the local level, whereas others reportedly view it as bringing decisions about central government programs closer to local communities.

Geographic Considerations

All of the local government representatives interviewed were critical of the new geographic configuration of regional government. Criticisms included the number of regions, splitting of traditional groupings, and groupings of odd partners (such as mining with agriculture). Each objection has some validity, of course, but the local government respondents seemed convinced that gerrymandering for the next national election was the real motivation behind the territorial decisions made. The central government's claims that territorial choices were made on the basis of population size, ministerial programs, economics, and exports were usually discredited.

Given these criticisms, it was surprising to find that local government representatives did not see the new regional administrative structure as necessarily threatening to local government. Because Slovakia's constitution calls for a regional level of government, everyone accepts its inevitability. The constitution, however, is silent on what that regional government should be, so questions today relate to its future authorities and structure. The issue that most concerns local officials is the relationship they will have with the elected regional government and how that elected level will relate to this new administrative structure. Since the GoS has not made public its plans on the regional political structure, there remains considerable anxiety at the local-government level.

Regional Government Elections

According to the Ministry of Interior, the GoS plans to present legislation to Parliament in May 1997 specifying the structure of elected regional government. Initial drafts call for a senior elected official on the order of a governor and an elected council of deputies, all to be elected for 4-year terms. The duties and responsibilities of the governor and deputies are still being defined and therein lies the key to the impact on local government.



At this point, it is too early to determine whether the new regional structures represent a retrenchment to central control. Local government officers seem most concerned with final territorial division. As ZMOS has often stated, "The tasks the new units will perform and the powers they will hold must be precisely determined in order to assess their relationship with local government." That would seem to be good advice. The impact of regional government on USAID/Slovakia's SO has not yet been determined.

BUDGETARY SHIFTS AND LOCAL DEMAND

Preliminary analysis of the most recent budget for Slovakia reveals that although local governments' share of central government revenues has fallen in real terms, many other State programs were decreased as well. The total budget is set at Sk \$208 billion for 1997, and the local government allocation is set at Sk \$6.6 billion (3.2 percent). This compares with an average local government allocation over the 1994-1996 period of Sk \$6.7 billion. Local government's share of the total budget (from a 1994 to 1996 average of 4.8 percent to 3.2 percent) did decline because of the increased spending in some categories. Still other programs received major budget reductions. The Ministry of Work, Social Affairs and Family had an 11.4 percent reduction; the Ministry of Culture had a 29 percent reduction; the Ministry of Education was reduced by 80 percent; and, the Ministry of Interior was reduced by 47.7 percent. The large decreases from the latter two ministries were used to fund the new regional administrations. How these budgets will be allocated at the regional level could have momentous consequences for local government and may reflect central government biases in that regard. Without a detailed analysis of the State budget and the pending regional allocations, it would be difficult to state that there is a clear signal here that the GoS has moved to halt decentralization.

A constant cry among local government officials is the need for increased funding. ZMOS makes the case that overall local government is short by up to one-third of needed funding. Based on the interviews and available materials, however, it appears that little has been done on the part of towns and villages to reduce costs. In many cases, town councils remain excessively large in terms of legal requirements. Similarly, in many municipalities, executive staffs are too large for village size. To this point, local governments have been using the proceeds from the sale of assets turned over from the central government and have borrowed to cover operating costs. There was no evidence that any towns or villages had taken serious steps to reduce overall expenses. In light of the continuing budget deficits at the State level and the limited inventory of saleable assets, local governments are unlikely to obtain additional funding from the central government. Again, there is no evidence to demonstrate a recentralization trend reflected in the shortage of funding available at the local level, but rather indications that local government authorities need to focus on cost reduction in a time of limited budgets.



BUDGETARY UNCERTAINTY AND LOCAL GOVERNMENT FUNDING

Another important problem confronting local governments is the unpredictability of funding. There is no standard formula for calculating the level of total revenue that is passed on to local governments from year to year. The funding level is recalculated every year and local government appears to have very little influence in the matter. It is impossible to plan programs in this kind of financial situation. To date, there has been only one serious proposal regarding change in the structure of local government financing. On behalf of the Union of Towns and Cities of the Slovak Republic (UM SR), MESA-10, a Slovak non-profit, public policy institute, put forward a radical proposal on how local government should be funded. The proposal was developed under a Democracy Network grant from the U.S. Embassy's democracy commission. The heart of the proposal lies in creating opportunity for local governments to raise their own revenues through locally determined taxes. It calculated the cost of conducting local government business and proposed revenue generation possibilities to meet that need.

When it appeared, the proposal was heartily criticized both for its complexity and expectations. The basic premise, however, that local governments must control their own destiny through revenue sources under their own control is shared by almost all those in local government work today. The idea that equity and predictability are important elements of a good financial system is also widely accepted. ZMOS supports these concepts but discards the MESA-10 approach. ZMOS has not made public any comprehensive proposal of its own. Lacking any serious proposal acceptable to all factions of local government, current methods for municipal financing are unlikely to change significantly and, although there does not seem to be a serious effort to retard local government development, Slovak towns and villages will continue to be held hostage to that possibility.

OTHER TRENDS

Funding for the Slovak Information Service, the country's central intelligence agency, was increased by more than 30 percent in the 1997 budget. This is seen by many as a move by the central government toward recentralization of authority. Also, many view the Foundations Law, enacted in September 1996, as the first step in an attempt by the GoS to increase its controls over the registration and operation of foundations in Slovakia. It would seem the State does seek more control. However, at this early stage it is hard to judge what bearing these two occurrences will have on local government. Certainly local government leaders are uneasy over what the increased intelligence-gathering budget may imply but no specific effect on local government can be determined at this point. Similarly, the increased regulation of NGOs need not necessarily have a negative impact on local government development. These central government actions reflect, once again, a government



uncomfortable without controls and unconcerned with whatever consequences its actions might have on local government rather than a concerted campaign against decentralization.

Slow approval for projects transforming ownership of water and waste water facilities from State to local government is often cited as an indication of GoS backtracking on decentralization efforts. The cases reviewed during this evaluation do not necessarily support that conclusion. In the instance of the Poprad transformation project, it appears that municipalities have caused the delay. The effort to privatize the water and waste water system in the Poprad area necessitated agreement among all the local government units involved as well as each of the technical services companies and the State enterprise itself. With each organization having its own viewpoint representing its own unique circumstances (for example, some communities have their own water source, others do not), obtaining agreement from all the parties concerned has not been easy. The towns have not yet agreed on how to operate the system once they own it. It has been proposed that the municipalities form a joint stock company which will operate the system while assets remain titled to the municipalities. At this time not all municipalities have agreed to join. Since the water system is a unitary facility, the Slovak State Water Authority (VAK) is hesitant to turn over ownership without some agreement.

Also in Poprad, a waste water facility remains unfinished and construction has halted. The VAK was prepared to turn over facilities to the municipality on an "as-is" condition, but the city wanted the State to complete construction. The Mayor reported that the State was prepared to provide financing for completion of construction on the condition that the whole responsibility shift to the local level. The town was unable to agree on that condition. This lack of agreement among local government units unsure of how to best protect their interests may explain partially the slow pace on this transformation process, especially when taken together with the natural tendency of VAK employees to protect their own jobs.



III. USAID's LOCAL GOVERNMENT PROGRAMS IN SLOVAKIA

Throughout the country a considerable degree of enthusiasm was expressed by local officials for USAID's local governance efforts. Where these programs are responding to a genuine demand (or understood need) on the part of the participants, they are well received and creating results. Slovak counterparts spoke well of the USAID staff involved both at USAID/Slovakia and at the Local Self-Government Assistance Center (LSGAC). In measuring accomplishments against projected results in the R4 document, there were no targets to be achieved in 1996, so USAID/Slovakia will not be expected to report any this year. Since the R4 requires no results reporting this year (the targets were zero), it is worthwhile to report on the progress of the three major components of the program. This approach is taken because the indicators and targets at this level do not effectively measure achievement of the intermediate results statements nor do they accurately reflect the program being delivered.

DEVELOPING PROFESSIONAL ORGANIZATIONS

A key component of developing more effective, responsive and accountable local government is having a set of voluntary professional organizations to support local leaders. These organizations can serve local leaders in a variety of ways, including advocating public policies that support local government, developing and disseminating *best practices*, and developing and disseminating training for professional practitioners. The local government program has focused its support on four organizations: the Slovak Financial Managers Association (FMA), the Slovak Town Managers Association (TMA), the Union of Housing Associations (UHA), and ZMOS.

Financial Managers Association (FMA)

The FMA is a young, dynamic organization, and according to its president, the first of its kind in Eastern Europe. Formally established in September 1996, it currently has 90 members and is growing rapidly. The FMA serves as a vehicle for members to exchange information, share problem-solving experiences, and receive information from the State administration and from abroad. To do this, it will provide meetings, conferences, workshops, training courses, and publications. The FMA has prepared a position paper on income tax law and has submitted it to the national Parliament. The FMA has indicated that it will play an advocacy role in local government issues, but will limit that role to a professional perspective. It intends to collaborate with ZMOS on some legislative issues.²

² The FMA held a 2-day conference at the end of January 1997. The first day of the conference focused on networking and discussing pressing issues identified by the membership. The second day of the conference featured discussion of the MESA-10 proposal on local government financing and the work of the LSGAC.



The FMA president is participating in two *best practices: citizen participation in budgeting* and *capital program planning*. She is sharing information about these projects in FMA meetings. Thus, the FMA has already become an active participant in the dissemination of *best practices* and many FMA members have already begun applying these practices in their municipalities. The FMA is also directly involved in developing the financial management training (FMT).

Every member and person working with the FMA described the organization in enthusiastic terms. It holds much promise and is already meeting the needs of its members. The FMA appears to be well on its way to serving as a strong professional development organization and is preparing to play an advocacy role where appropriate for the fiduciary responsibilities of its members.

Financial managers also might be useful in helping to overcome the cynicism that some municipal leaders appear to have about strategic planning and other planning activities. This cynicism appears to stem from negative experiences with planning under the socialist system and because of the relative instability of the current social, political, and economic systems in Slovakia. The FMA president noted that progress on the *capital program planning best practice* had been halted temporarily because the city did not have a strategic plan. A strategic plan is currently under development in Lucenec with substantial citizen input. If local governments are to effectively manage and improve their facilities, they must become proficient in this type of planning; financial managers are key players in this planning process.

Town Managers Association (TMA)

The TMA was formed in 1992 at the suggestion of the ICMA. It has recently become the thirteenth city managers association to join ICMA as a national chapter.

It has 101 members and a 7-member executive board. As might be expected, most of its members come from towns. It has two committees—Finances/Legislation and Training—and no full-time employees. A study tour is planned for the spring of 1997, which will be implemented with the support of ICMA. The president and four other members are scheduled to be on the tour.

The TMA appears to be a dynamic organization with enthusiastic participation by its membership. It is developing professionalism among its members and is advocating policy positions in support of local government. However, two members reported being concerned about the TMA getting too involved in political issues, especially those of special interest to the TMA chairman. These members argued that the mayors should be concerned with



political issues while town managers should focus on issues directly related to the professional management of municipalities.

Union of Housing Associations (UHA)

The housing associations were formed to help homeowners resolve the special issues and problems that come with private ownership of property. In Slovakia, this is an excellent example of citizens rising to meet the challenges of the emerging private sector in Slovakia. Because citizens were having difficulty coping with the rapid transformation in housing and because the dynamic housing market varies from region to region, a system of regional housing associations began to form during the spring and summer of 1995.

A regional education and information center to support the development of private housing associations was established in Kosice in September 1995. It organized seminars and cooperated with municipalities to provide support and advice for new homeowners. The city of Kosice created a new office to work with homeowners. Four regional centers now have been created to support housing associations in Slovakia.

The UHA, created in September 1996, could be considered a *best practice* of citizens organizing to ensure that local government responds to their needs. The UHA provides a wide range of services to its members, including: representing homeowners on legislative issues; identifying resources and services needed by homeowners (for example, insurance, loan financing, and building repair services); and, providing guidance in the privatization process. The UHA also provides information to the general public in the form of informational meetings, published articles in regional newspapers, radio programs, and a weekly television program. The UHA has published a manual on how to create associations and work with bureaucracies; it is building a computer data base on privatization issues and public and private organizations that help homeowners. In the future, the UHA is planning to charge for its services to become self-sustaining.

Slovak Association of Communities and Towns (ZMOS)

ZMOS appears to be making progress toward becoming a useful, professional association for municipal mayors. However, in dealing with two major policy issues confronting municipalities, redistricting, and local control of finances, it has been unable to formulate and advocate clear policy positions. In fact, ZMOS's major strengths as an association—its size and diversity—make it difficult to formulate and advocate policy. This has produced a widespread perception among local officials that ZMOS is not doing very much to support the needs of local government, and that it may even be incapable of advocating a clear position on controversial or complex issues.



This perception is exacerbated by the fact that ZMOS prefers to negotiate privately and directly with the State government rather than taking public stands on issues. Apparently, in its negotiations, ZMOS has prepared a policy proposal on local government financing that has not been shared even with its general membership. Because negotiating with the government is becoming increasingly difficult due to growing distrust among the political factions and general uncertainty about the best policy in a time of political, economic and social transition, ZMOS may have a difficult time building a reputation as a forceful advocate for some of the complex issues confronting local government in Slovakia.

However, since ZMOS represents approximately 95 percent of the municipalities and nearly all of the political factions in Slovakia, it is an important advocate for a strong and independent local government, and it has taken on the role of representing its members in direct negotiations with GoS. ZMOS serves its members in other ways, including training elected leaders through its training foundation and educating its members as well as the general public through its newsletter and articles in other publications.

It is clear that ZMOS has had numerous accomplishments. After developing a strategic plan, ZMOS should demonstrate some improvement in its ability to develop and advocate policy on issues important to local government, perhaps even the issue of local government financing. However, it is important to recognize that the same characteristics which make it an effective professional association—its size and the diversity of its membership—limit its ability to respond quickly and forcefully on complex, controversial issues.

A major source of the difficulty in policy development is the relatively large number of small villages and towns compared with the small number of large municipalities. This results in mayors with small constituencies having relatively more influence in ZMOS than mayors with large constituencies. On many issues the needs of small municipalities are different from those of large ones, and large municipalities are better able to handle more complex financial and administrative activities than small towns.

Some mayors perceived ZMOS to be weakening its support of local government under pressure from the Meciar Administration. Therefore, in early 1994, they formed the Club of Town Mayors of the Slovak Republic (KPM SR). At a constitutional congress held on April 29, 1994, KPM SR established the UM SR which was registered officially on May 12, 1994. Its membership currently includes 24 members, including 16 municipalities that are also members of ZMOS.

UM SR has contributed to the public debate on the development of local government in Slovakia in a variety of ways, such as disseminating information through the media (for example, press conferences, news releases, etc.), inviting domestic and foreign experts to speak, and preparing position papers on ways to improve financing of local government,



redistricting, and other issues. Although some of those interviewed thought UM SR presented an extreme position on the financing issue, for example, this position paper was useful in raising the issue and providing some structure to the debate.

ZMOS, UM SR, and KPM SR represent different constituencies and complement each other in their contributions. For example, UM SR can develop, advocate, and experiment with a variety of policy options quickly, while ZMOS can pursue a course of negotiation and compromise to shape the policies that are most acceptable to the broad range of Slovak municipalities.

With more than one voice representing local government there is an obvious danger of the central government taking advantage of disagreements that arise from time to time. However, if only one voice represents local government, there is some danger that this power will lead to its corruption. The fact that a competitor to ZMOS has emerged so quickly appears to be a sign of the political vigor of elected officials.

TRAINING ACTIVITIES FOR LOCAL GOVERNANCE

Leaders in the training field reported that LSGAC provided much needed financial resources, ideas, training materials, and energy at a point at which the Slovak training community was somewhat demoralized and having financial difficulties. The British Council Know-How Fund invested more than \$3 million in developing a cadre of Slovak management trainers, but lacked a set of tested and refined training materials to use in training Slovak municipal leaders and managers. Originally developed for the United Nations Centre for Human Settlements by one of the LSGAC resident advisers and used extensively in Latin America, the elected leadership training (ELT) materials were well received by the Slovak training community. Furthermore, the responsive, action-oriented nature of the training is designed to meet the perceived need of shifting the thinking and behavior of local officials from those developed in the controlled, socialist system to the multifaceted, proactive approach needed for effective, responsive local government.

Developing the delivery system for the ELT provided the model and the leverage (that is, access, trust, and respect) needed to develop the FMT and the total quality maintenance training (TQMnT). Although final training materials are not available for these training programs yet, the delivery system is in place, including highly motivated and dedicated Slovak trainers who are experienced in marketing, and professional associations capable of assisting in the development, adaptation, and delivery of training.

In the course of developing this training delivery system, LSGAC has enhanced the capacity of the Slovak training community by giving Slovak counterparts important responsibilities early in the process of developing training materials, training of trainers



(TOT), and conducting the training. If this capacity continues to grow, especially in the areas of needs assessment, marketing, and tailoring training to areas of market demand, the Slovak training community could be considered an “institutional legacy” left by the Mission.

Given the uncertainty of demand in the local government sector, the training centers need to consider broad marketing strategies. For example, the training centers might market to the NGO sector (some NGOs have access to foreign funding) and to public officials working for State and regional governments.

Elected Leadership Training (ELT)

ELT consists of 11 modules and is designed to help the individual leader improve his/her skills in various community leadership roles. The modules focus on these roles, including policy maker, decision maker, communicator, leader, facilitator, negotiator, enabler, overseer, financier, power broker, and institution builder. Individual workshops will provide training in at least two modules. To have an impact on behavior as well as to provide knowledge, leaders are asked to develop personal action plans in areas in which they want to improve their performance. Participants are expected to show progress on these action plans before they receive training in new modules.

Because the only part of the ELT course that has been implemented is the TOT portion, all of the people interviewed about the impact of ELT are trainers and/or officials who will be directly involved in implementing this training. There was no opportunity to interview people who had participated in some training but were not participating in the implementation. Apparently none of the officials interviewed about other aspects of the program attended the marketing workshops.

Trainers and elected officials reported a high degree of satisfaction with the training and respect for the USAID contractors implementing the training. Most respondents reported special satisfaction with certain characteristics of the training, such as the new, interactive nature of the training (“theoretical knowledge followed by immediate active involvement in the training”). Some respondents noted that this was the “first training offered by foreign trainers that fits our needs,” and that the implementers made a special effort to understand local conditions and to adapt the training to these conditions.

When asked how the training helped them in job performance, the elected officials tended to identify process changes, such as thinking about things differently, learning how to improve communication with people, becoming aware of negative tendencies, and learning how to improve presenting information. When asked the specific question of whether they implemented the “personal action plans,” officials were able to identify results-oriented



effects, such as improvement in conducting meetings and in teaching subordinates to lead meetings.

Currently, there is high demand for this training; for example, nearly all of the initial training sessions of the ELT are full. The real test of demand and willingness/ability to pay for training will occur when the current two-thirds subsidy of training is reduced to one-third in six months and then eliminated next year. Of course, when quality training courses like ELT are not full, it is difficult to determine whether this is a result of a lack of demand or lack of ability of governments to provide funding for the training. Therefore, it is important to ask participants to evaluate each module, both for course improvement and for an assessment of the perceived relative value of each module.

Both trainers and elected officials involved in implementation believe there will be demand for the training after USAID support of the training is discontinued. Generally, this belief was based on the perceived high quality and need for the training which one would expect from the sample of leaders who will be implementing the training. Another reason offered for the viability of ELT was that elections will be held in 1998 and most elected officials want to be re-elected. One trainer reported concern about whether local governments would have enough money to pay for the full cost of the training.

It is possible that other training demands may interfere—both those demanded of regional training centers (RTCs) and because of other donor-subsidized opportunities. This suggests that Slovak training capacity is also important to consider in evaluating the sustainability of training programs. The Slovak training community appears to be quite dynamic and proactive in both developing its capacity and expanding its market. For example, within the regions served by ZMOS's training foundation RTCs, clusters of towns and villages are creating small independent training centers that serve specific training needs and which are easily accessible to local leaders and citizens. Also, members of the Slovak Association for Management Training and Development are expanding their capacity by marketing to international public and private organizations.

Financial Management Training (FMT)

Because of the increasing complexity of local governments' financial practices, Slovak finance officers and other municipal officials identified a need for FMT. LSGAC conducted a survey of all Slovak municipalities with a population over 5,000 to determine their perception of FMT needs from the perspective of five different local government roles (mayor, chief financial officer [CFO], city manager equivalent, chairperson of council finance committee, and operating department head). Responses on the 170 returned questionnaires (25 percent response rate) were used to identify the financial management



functions to be covered and priorities for training. The general design and strategies for training were developed in an intensive 4-day planning work session.

This needs assessment has resulted in outlines for a series of 13 training modules designed to train Slovak financial managers in specific types of financial responsibilities: fiscal policies, financial management information systems, financial planning, purchasing/contract management, revenue generation/cost containment, operating budget preparation, proposal preparation and evaluation, performance measurement, debt management, cash management, capital programming/financing, financial condition analysis, and citizen participation in budgeting.

It is too early to evaluate the impact of FMT because the training materials are just now being completed and the official training program has not begun yet. However, a financial management workshop was conducted in October 1995 for public officials from four medium-sized cities: Lucenec, Presov, Rimavska Sobota, and Ruzomberok. The 2-day workshop was designed to train a team from each city—mayor, CFO, and two or three other senior staff—in methods to improve budgeting processes, strengthen the management of financial resources, and prepare city action plans for improving the budget process. Although there was no formal assessment of the outcome of this training, Lucenec is currently a leader in its efforts to improve its budgeting and financial management procedures. In fact, Lucenec is developing *best practices* in several areas: *citizen participation in budgeting*, *strategic planning*, and *capital programming*. (Budgeting and financial management issues were not addressed in the Ruzomberok interviews.)

This workshop also was useful to LSGAC staff and USAID contractors in helping them assess their strategies for developing the FMT program. USAID contractors and LSGAC staff have had many other meetings with experts in Slovak financial practices and local government officials to tailor the training to the current needs and conditions of Slovak municipal government. The Slovaks interviewed who participated in the planning and design of the training are convinced that these financial officers will find the training useful and rewarding. Given the more direct, tangible application and specific focus of this type of training, it is potentially more sustainable than ELT.

Although the training materials were not reviewed, outlines and interviewees give the impression that it is very thorough and deals with several complex, advanced issues. Because there is little time to implement and adapt this training, and because local officials have little discretionary time and money, it is important that the most essential and demand-driven modules be developed first. When surveyed, financial managers were unanimous in responding that they needed training in identifying ways for the municipalities to increase their financial resources and to manage the new phenomenon of municipal debt.



Proper financial management is a professional *best practice*. Some of the *best practices* overlap with FMT modules (for example, fiscal policies, financial planning including citizen involvement in planning, and capital programming/financing). Financial officers will be an important part of the dissemination of *best practices*. It is important that relevant aspects of *best practices* be included in FMT and that the FMA be included in plans for disseminating *best practices*.

Total Quality Maintenance Training (TQMnT)

TQMnT provides the local officials responsible for maintenance of municipal facilities with special skills and techniques necessary to manage maintenance services. The training consists of two different 5-day workshops. In the first workshop, participants learn from their own experience and the experience of others by sharing specific operation and maintenance problems. In the second workshop, the participants serve as a team of consultants helping a host municipality solve an operation and maintenance problem or set of problems.

The training has been field-tested in Romania and currently is being adapted to conditions in Slovakia. Again, it is too early for a valid assessment of the impact of this training. TQMnT has more direct, tangible applications than ELT, and thus, may be more sustainable. If the TQMnT is applied successfully, it should yield measurable impact, such as reduced maintenance costs or lower failure rates for equipment.

BEST PRACTICES

Best practice is a term used in the USAID/Slovakia strategy to describe an improved system (administrative, operational, or policy) or financial mechanism that, if used, can lead to more effective, responsive, and accountable local government. The USAID/Slovakia strategy targets the development of 16 such *best practices* by 1999. A *best practice* is to be developed by working with a municipality characterized by strong local leadership, a commitment to change, and an interest in developing a specific *best practice*. USAID works with these selected communities to ascertain what works best in the Slovak environment and then disseminates these *best practices* through a variety of means, including written materials, training programs, and conferences.

Over the course of the evaluation, individuals were interviewed representing five of the *best practice* activities; findings on those five are detailed below. There does not seem to be a coherent vision for the *best practices* as a group but an ad hoc grouping of ideas.

With one exception, it is really too early to determine the impact of any *best practice* application. In most cases, the *best practices* are either being developed or have just recently

been developed. Only the *best practice on housing management and maintenance*, initiated prior to SO 2.3, has actually been put into use. In relation to the strategic indicators, there were no targets set for this period. In three cases, however, there is convincing evidence that the *best practices* will be used as expected and have significant impact on USAID/Slovakia's SO.

Best practices are being used specifically to achieve two of USAID/Slovakia's intermediate results (IRs): *Improved Administrative, Operational and Policy Systems* (IR 2.3.2) and *Increased Local Capability to Finance Local Needs* (IR 2.3.3). The successful ones will likely contribute to achievements in the other two IRs as well: *Enhanced Technical, Managerial and Governance Skills* (IR 2.3.1) and *Increased Decentralization and Rationalization of Authority and Resources* (IR 2.3.4). However, there should be concern about successful institutionalization of many of these *best practices* given the time remaining before the USAID/Slovakia program ends. Full institutionalization of any improved practice takes time. In the time remaining, none of the *best practices* will have been in use for more than one or two cycles before U.S. assistance will be completed. U.S.-funded technical assistance (TA) will no longer be available to ease the transition to a *best practice* and locally available TA is in no way assured. Therefore, it is important that USAID/Slovakia focus its implementation on the *best practices* that are most important and viable; there may not be enough time and resources to implement all of them.

Capital Improvement Programming

Originally, this *best practice* was to be carried out in Lucenec and Spisska Nova Ves; however, the officials in Spisska Nova Ves discovered that they were interested in minimizing the borrowing burden rather than in a capital programming system. Assistance on this *best practice* has thus been concentrated in Lucenec. This *best practice* is being conducted in coordination with the president of the FMA and appears promising.

The intention of this *best practice* is to create an effective method for Slovak municipalities to program and budget for capital projects within their communities. Considerable effort had gone into the development of this *best practice* when the participants in the exercise concluded that a capital budget could only be effective where the local government had developed a strategic plan that laid out what the community hoped to accomplish and set priorities against which to make decisions. The participants have now prepared a development strategy for the town of Lucenec and are moving to complement it with a capital budget. The financial manager estimates that this *best practice* will be completed in about a year and a half.

While no formal decisions have been made on how best to disseminate this *best practice* once it is complete, it is already being adopted by other financial managers interested in



using it in their work. This is a case where demand drives the product and, given the level of interest and enthusiasm on the part of financial managers, it can be expected to make a strong contribution to improving the effectiveness of local government.

Citizen Participation in Budgeting

The purpose of this *best practice* is to develop new budget formats and supporting documentation which improve the transparency of the budgeting process and budget decisions. A model budget format has been developed, also in Lucenec, providing activity-based information (such as demand, workload, and cost) and performance/benefit measures (such as efficiency and effectiveness). The new format has been applied to several elements of the actual 1997 Lucenec budget with some sensational unanticipated results. The financial manager in Lucenec reports that city council deputies have changed the way they review the budget. Previously, a deputy saw his role as ensuring that the needs of his constituency were met. Now, with costs and benefits presented in understandable terms in the new budget formats, deputies have a broad perspective on each budget line item and are looking at expenditures across the budget. In some cases, deputies and city officials have used the new budget format to explain to citizens how the money is being spent and why. The finance manager viewed this as a significant change.

It will be another year or two before this *best practice* is considered complete so that it can be applied to the complete Lucenec budget within either one or two more cycles. However, as with the *capital budgeting best practice*, this one is already being started in other localities. Presented at the financial managers' meeting last month, it has generated considerable interest and a number of financial managers have already begun implementation despite the extra work that entails.

Again, this *best practice* is a demand-driven effort. The financial managers view this as a useful tool for improving financial management performance in their respective local government units. It responds to a clear perceived need of the customers; it is well within reason to expect it to significantly impact USAID/Slovakia's SO.

Strategic Planning

Although USAID/Slovakia has only begun to initiate this *best practice*, the experience in Lucenec suggests that the *strategic planning best practice* has significant overlap with both the *capital improvement programming* and *citizen participation in budgeting best practices*. That is, Lucenec officials found that they needed to have a strategic plan to conduct capital improvement programming, and that it was useful to have citizens participate in the development of the strategic plan. Since Lucenec officials and members of the FMA will be involved in the development and dissemination of these *best practices*, it would be useful



to develop a plan for coordinating these efforts. Given the early stages of this effort, no attempt was made to review relevance and results of this *best practice*.

Housing Management and Maintenance

This is another of the successful *best practices* with an unintended but impressive result. Work on this *best practice* indirectly led to the establishment of the UHA. Considerable TA was provided, helping the cities develop a manual for management of municipal housing and a series of written materials being used by the VICs to educate cities and citizens about privatization. The draft manual was prepared in July 1995 with the expressed purpose of helping municipalities carry out their responsibilities as residential property owners. The manual delineated the role of owner, manager, and tenant.

This manual was the precursor of the “Yellow Book,” a guide for the home buyer and a handbook for the homeowner, which was developed with USAID assistance. While the earlier manual was directed at the municipal staff responsible for housing, the “Yellow Book” is directed at the individual home purchaser and owner. The “Yellow Book” was cited as a key element in improving the role of homeowners and their acceptance of home ownership responsibilities.

The new UHA, operating in Kosice, recommends the “Yellow Book” to homeowner associations as the guide for operating. The UHA grew out of the increasing interest of homeowner associations both to improve property management and to coordinate their efforts. In Kosice, the representatives from the Housing Education and Information Center and the principal officers of the UHAs indicated their enthusiasm for the project. This *best practice* is basically completed but it will continue to have a major impact on USAID/Slovakia’s strategy.

Asset Management

This *best practice* has focused on Spisska Nova Ves, which is interested in non-housing property management, improving the city’s budget analysis capability, developing policy on assistance to businesses for economic development, and comprehensive budget management.

The finance manager in Spisska Nova Ves indicated that the LSGAC was assisting the city with the creation of an inventory of commercial properties within the city. The inventory will include detailed information on the condition of city property. Rents for commercial property are not controlled by the State as are residential properties so the city has some flexibility for adjusting rents in accordance with the value and condition of the property. The financial manager believed that this could be a significant source of income for the city in the future. As a part of this property cataloging, the city set a policy for



selling off those commercial properties requiring considerable rehabilitation because the city will not have the resources to carry out extensive rehabilitation work.

While the level of enthusiasm on this *best practice* was not as impressive as that of the financial management ones above, it does seem to be responding to a genuine need in this community. Other cities are quite likely going to be interested if Spisska Nova Ves succeeds in creating a substantial and dependable income source in commercial property.

Service Delivery Transformation

This *best practice* was intended to have two components. The first would deal with the transformation of normal city services, such as road maintenance, trash collection, and street lighting. This component was designed for application in the town of Trencin. The second component was to take place in Ruzomberok and included as well those services associated with managing and maintaining residential properties owned by a city. (Because of scheduling difficulties, it was not possible to conduct a site visit to Trencin.)

Discussions were held with the city manager of Ruzomberok regarding the work taking place in that town covering service delivery transformation. Ruzomberok had requested USAID assistance in the transformation of its housing stock and the maintenance and operations roles that would result. Following a series of TA visits, a methodology for conducting cost analysis was developed, solid waste performance measures were identified, information was provided on vendor pre-qualification methods, and some inventory of physical assets was carried out along with assessments of condition. The town, however, decided not to follow through on USAID-funded TA recommendations. Activity is, in effect, now on hold.

Nevertheless, USAID assistance was deemed very beneficial by the city manager. Assistance made them aware of many aspects of the problem that they had not considered under the previous socialist regime. The city manager indicated that the decision not to proceed with the USAID-developed recommendations was based on the city's desire to go slowly rather than to rush and to avoid difficult personnel decisions which would have been required implementing the recommendations.

The proposed *best practice* is certainly relevant to USAID/Slovakia interests in more effective, responsive, and accountable local government as it is intended to provide towns with a methodology for improving efficiency in the management of privatization and subsequent operations and maintenance of housing, a major local government responsibility in Slovakia. Given the reluctance of officials in Ruzomberok at this time to continue, pursuing this *best practice* any further should be reviewed.



Water/Waste Water Operation and Management

Although substantial work has been conducted on this *best practice*, the evaluation did not focus on it because of time constraints. No officials were interviewed who were directly responsible for water/waste water operation and management. The following observations are based on background materials and general information obtained in interviews with town managers, mayors, and vice mayors. Most of the work on this *best practice* has been in the form of short-term technical assistance (STA) on interrelated issues for different clients:

- Although the specific requests for assistance from Poprad and Trencin are slightly different, the general purpose is to develop a model for sharing control and financial resources among political/administrative entities in operating a water/waste water system.
- Banska Bystrica and Trencin are requesting the assistance of a sanitary engineer in developing new waste water systems.
- Rimavska Sobata has requested assistance in the analysis of waste water treatment plant capacity and associated economic impact.
- Bratislava is seeking assistance on a complex set of financial and physical system issues.

No current information was available for Rimavska Sobata. Banska Bystrica was afraid to take on a big project of building a new system, and received assurance from other experts that they would be able to handle current water purification problems quickly and easily. Creating complex arrangements of sharing financial resources and control envisioned by Poprad and Trencin are problematic, so this type of work is on hold. The Bratislava effort does appear to be making progress but because its issues are unique (for example, large city, complex power relationships), it may have more limited value as a *best practice*. The source of the problems in the power/finance-sharing situations is difficult to unravel. As noted above, the State government can be expected to try to maintain its power base. However, in the current state of uncertainty, local governments, especially smaller municipalities, do not appear to be particularly eager to take on new responsibilities.

USAID/Slovakia has an important decision to make in determining whether it wants to pursue the *best practice* of developing a model for sharing power and financial resources in the operation of integrated water and/or water waste systems. It would be an expensive, high-risk endeavor with potentially high returns. Unless an unusually favorable situation exists, such a project should use a minimal amount of STA activity. In the current policy environment in Slovakia, to be successful would probably require a complex mix of STA,



long-term technical assistance (LTA), conferences, mediation and, most likely, at least one study tour. On the other hand, a good, financially successful model would represent a challenge for municipalities throughout Slovakia. Some local government officials reported dissatisfaction with the lack of preparation and lack of significant contribution of some of the STA, especially in the beginning of the program.

Fiscal Condition Analysis

The finance officer in Trnava has worked with other finance officers to develop a preliminary model and training materials for disseminating information on how to perform the analysis. However, she thought the analysis would be useful only to finance officers in large cities. Also, she felt the approach would have to be modified to fit different kinds of budgeting practices; for example, some smaller cities have 7-page budgets, while others have 40-page budgets. Given the early stages of this effort, there was no attempt to review its relevance and results. However, given all of the work that has been performed in preparing this module in the FMT and the relative strength of the FMA, this *best practice* could yield significant impact with minimal additional USAID/Slovakia resources.

Citizen Participation Techniques

LSGAC has undertaken preliminary discussions as the first phase in design of this *best practice*. However, Lucenec has already had experience in using citizen input in its strategic planning and budget preparation. This direct experience combined with the work completed on the FMT probably will shorten the delivery time and the implementation cost of this *best practice*. Considering the incipient level of this effort, there was no attempt to do an in-depth review of its relevance and results.

Public Procurement/Land Tender

Although much work has been conducted on this *best practice*, no materials were obtained and no interviews were conducted. Therefore, it is not possible to evaluate the relevance and results of this work.

Project Finance

The *project finance best practice* will incorporate work from the December finance workshop, the Lubica feasibility study, the Trencin utility rate model, and the construction cost data base developed under the housing work. Since work on preparing this *best practice* will occur later in Fiscal Year 1997, no attempt was made to review relevance and results of this *best practice* at this time.



Real Property Development

Work on this *best practice* has begun in Ruzinov. However, given the early stages of this effort, no attempt was made to review relevance and results of this work.

Financial/Organizational Feasibility Regarding Solid Waste Disposal

A feasibility study was completed in December 1996. The *best practices* methodology is to be developed soon. Because of time constraints, no site visits to Lubica were conducted.

Land Use Planning/Development Controls

Preliminary discussions have taken place on this *best practice*, but nothing is ongoing.

Central Heating Plant Operations

Little work has been conducted on this *best practice* to date; no effort was made to assess its relevance and results.

Performance Indicators

Work on this *best practice* is planned for later in Fiscal Year 1997. Therefore, no effort was made to assess its relevance and results.



IV. CONCLUSIONS AND RECOMMENDATIONS

GENERAL COMMENTS

The Slovak central government is not directly encouraging local government development. When confronted with choices it will opt for what is best for central government without regard to the consequences at the local government level. Furthermore, the GoS is uncomfortable without controls, which is a normal proclivity of those who believe in strong central government and do not want to take risks in new ways of organizing government. Local governments must be prepared to stand up for their interests.

Although recentralization does not appear to have occurred yet, administrative reform decisions likely to be made by the GoS over the next few months will determine whether or not it does occur. In May 1997, the Ministry of Interior is planning to present a plan for the structure and operation of regional governments. Then responsibilities (or competencies) will be reallocated among the three layers of government—central government, regional self-government, and local self-government.

Nearly all of the local government officials interviewed were disturbed by actions taken in the first step of administrative reform—creating new regional structures and boundaries for administration of GoS programs. They expressed dissatisfaction with how boundaries were drawn and resources were reallocated. Although local government officials were not troubled by the new regional administration of GoS programs, they were concerned about the roles and responsibilities of the regional elected government in relation to elected local government.

GENERAL RECOMMENDATIONS

USAID/Slovakia should continue in its efforts to ensure that the interests of local government are represented in the course of the remaining steps of administrative reform and that officials designing the new Slovak political/administrative systems understand how similar systems work in the U.S.

To do this, USAID/Slovakia should work with the key stakeholder groups (primarily Parliament, the Ministry of Interior, ZMOS, UM SR, TMA, and FMA) to organize conferences and study tours and to take other appropriate action. Having salient knowledge about the U.S. approach to integrated government is important because government officials reported having more exposure to local government in Western Europe (for example, Holland, France, Great Britain, and Germany) than the U.S. Some of these Western European governments are quite centralized (for example, France).



Local government financing is one of the critical issues facing municipal leaders. Sales of physical assets and borrowing have provided the funds needed to cover local government operating costs to date, but these avenues of financing will cease to be options soon. Local governments favor having control of their own revenue base but there has been only one serious proposal made public and the GoS is not likely to adopt it. Another critical factor will be how the money allocated to regional programs in the national budget is spent. There is some concern that under the Ministry of Interior, the funding of regional programs could be highly political and biased toward those local governments supporting the parties in power at the national level.

USAID/Slovakia should continue in its efforts to help local governments develop local sources of revenue and to develop revenue transfer policies which are supportive of local governments.

USAID should ensure that TA advisers are thoroughly briefed and provided with the most current information before they provide training; as much as possible, USAID/Slovakia should only use TA consultants with experience in Slovakia and the CEE region.

THE USAID PROGRAM IN SLOVAKIA

Although it appears that there will be considerable administrative reform activity through the 1998 elections, the current environment for local government development in Slovakia is still conducive to the assistance provided through the USAID program. Local government is vibrant and USAID/Slovakia assistance in the form of building associations, training, and *best practices* provides tools useful in fulfilling the promise of local government. Furthermore, the assumptions underlying the SO are still valid. It appears that elections will continue; no local government authorities have been rescinded yet. Although it is too early to measure impact at the SO level, the program has produced significant results that give promise to success at the strategic level.

There is much overlap among the USAID activities designed to support *best practices*, the development of professional organizations, and the training of local government officials. For example, the organizations and the training delivery systems are both important vehicles for developing and disseminating *best practices*. USAID/Slovakia's SO 2.3 team is not an active body in the management of the results framework. While the team exists on paper, it does not function in the context of reengineering expectations.



PROGRAM RECOMMENDATIONS

USAID/Slovakia should consider using the full SO team for management of this important SO, along with managing all three components of the portfolio together, rather than managing LSGAC as a separate unit.

Developing Professional Organizations

The efforts by USAID to develop professional associations are progressing well. The FMA is both vibrant and actively engaged in an agenda for improving local government financial management. The TMA is also doing well but may be extending itself into issues of a political nature beyond its scope as a professional association. USAID/Slovakia should monitor the positions advocated by the TMA to ensure that USAID assistance is used to promote activities and issues relating to professional development and the management of municipalities rather than partisan political issues. The UHA is another USAID success.

USAID should continue its institutional development role with those organizations with whom it is currently working and should consider increasing its involvement with UHA.

ZMOS continues to be the dominant voice of local government in Slovakia and for that reason should be a significant partner in USAID/Slovakia's local government program. However, there are perceptions that it is unable to develop positions on controversial issues. Its size and operating style are both its strength and its weakness.

USAID should continue to work with ZMOS on a local government agenda; however, this should not be to the exclusion of other organizations, such as the UM SR, where such assistance would be appropriate. USAID should encourage ZMOS to develop its strategic plan and follow through on the basis of the priorities it sets.

Initially, these organizations should be supported in doing what they do best. For example, UM SR appears to be most effective in developing policy positions on complex or controversial issues and communicating with the media. ZMOS, on the other hand, provides a means for a very diverse set of local governments to come to consensus and negotiate with the central government on important issues. ZMOS should continue to sort out its priorities and the role it will play in local government development in the future. A strategic plan, including a business plan that addresses the organization's financial stability, is critical for a shared sense of direction within ZMOS itself and with ZMOS's donor partners.



Training Activities

USAID/Slovakia's local government training programs have been enthusiastically received to date. No strategic-level results are evident at this early stage but Slovak participation in planning and TOT is encouraging. Only a short time remains, however, before USAID help draws to an end, yet many programs have not been completed. Care must also be given to not overloading the institutional capacities of the training institutions.

USAID should concentrate solely on existing training programs and should limit new programs to a minimum.

All three types of training (ELT, FMT, and TQMnT) should be provided. However, not all of the modules may be equally useful and valuable. For example, USAID should reassess the number and priorities of the modules included in the FMT series and focus on those most in demand. The upcoming FMA meeting would be a good opportunity to begin the assessment of need and demand. The selection of specific ongoing training activities should be made on the basis of four criteria: (1) demand/need, (2) direct links to the strategic framework, (3) capacity of the training institutions, and (4) the Mission's legacy.

Best Practices

USAID/Slovakia's *best practices* program has some very important ongoing efforts as well as others which have just begun or are beginning to overcome initial start-up problems. There is less than two years remaining to complete these efforts. Except in very broad terms, there seems to be uncertainty on how each of the *best practices* will be disseminated.

In order to assure success in ongoing activities, USAID should concentrate on those existing, well-received programs. *Best practices* not fully implemented at this time should not be pursued further. Planning on how to disseminate each of the successfully developed *best practices* should begin now.

Selection of ongoing activities should be made on the basis of criteria similar to those identified above: (1) demand/need, (2) direct links to the strategic framework, (3) amount of work needed to develop the *best practice*, (4) resources available to perform the work, and (5) the Mission's legacy.

The *best practices* which appear to have the most enthusiastic support among Slovak counterparts are *capital improvement programming, citizen participation in budgeting, strategic planning, housing management and maintenance, public procurement/land tender, and asset management*. *Service delivery transformation* is an important *best practice*, but encountered some difficulty in the implementation phase.



USAID/Slovakia should consider using its excellent training delivery system and network of associations to aid in the selection of the specific training and *best practices* to be implemented. That is, the USAID/Slovakia SO team could create a Slovak stakeholder advisory team (SSAT) from key players involved in developing training modules, *best practices* and supporting associations to assist in making important program decisions.

If planning and decision making are facilitated properly, these stakeholders/counterparts could be very helpful in identifying the types of training and *best practices* that would be most useful to Slovak local governments. Of course, the SSAT role is only advisory while the SO team is charged with managing the project.

Strategic Objective 2.3 Results Framework

USAID/Slovakia's results framework under SO 2.3 does not adequately measure the impact of the program nor reflect what USAID/Slovakia is trying to accomplish. For example, the IR targets and performance indicators either identify what USAID/Slovakia will provide (such as training of local officials, instructing about *best practices*, *best practice* models developed, and specific new authorities/revenue sources given to local governments) or identify in a general way what local governments will be doing (such as officials using enhanced skills, employing *best practices*, using improved financing capability, and organizing municipalities to lobby for local government interests).

USAID/Slovakia should revise its IRs and related indicators in the next R4 exercise.

For R4 IR statements and indicators to be both meaningful and realistic requires an extensive SO team effort. The SO team needs to review the performance indicators and associated targets for this component of the USAID/Slovakia results framework. Performance indicators and targets should be formulated to reflect what the Mission is attempting to accomplish and to provide a meaningful measure of progress.

The revised set of targets and performance indicators should clearly identify the impact of USAID/Slovakia's assistance. For example, the *best practices* of *capital improvement programming*, *citizen participation in budgeting*, and *strategic planning* are interrelated, appear to be operating well, and have strong support from key professional organizations (FMA and TMA) so that possible targets for IR 2.3.2 (towns employing *best practices*) could be the number of towns that are expected to implement each of these *best practices*. The specific *best practices* to target and the expected impact needs to be determined by the SO team with advice from Slovak counterparts. As noted above, a Slovak advisory group may be quite useful in doing this type of planning and decision making. These specific targets provide structure and guidance to USAID/Slovakia programs (for example, the types of



training which should be emphasized, the professional associations which should receive assistance, etc.).



ANNEXES

A: PERSONS INTERVIEWED

B: EVALUATION ITINERARY

C: SCOPE OF WORK



ANNEX A

PERSONS INTERVIEWED

(As Received from USAID/Slovakia)

Dr. Fred Fisher	Resident Training Advisor, Local Self Government Assistance Center (LSGAC)
Mr. Kennedy Shaw	Resident Advisor, Local Self Government Assistance Center (LSGAC)
R. Kim Kiley	Senior Financial Advisor, HIID
Jaroslava Zapletalová	Director, Inštitut Bývania
JUDr. Terézia Páliková	Director, Local Government Training Foundation
Ing. Branislav Kalina	Chairman of the Board, West Slovakia Association for Management Training and Development
PHDr. Silvia Púchovská	Training Manager, Jagers Training and Consultancy
JUDr. Stanislav Bečica	Director, Office of Ministry of Interior
Peter Berčík	Governmental Advisor, Ministry of Interior
Anna Rosinská	Governmental Advisor, Ministry of Interior
Michal Sýkora	Mayor of Strba and President, Association of Towns and Villages (ZMOS)
Dr. Alexander Thurzo	Executive Director, Association of Towns and Villages (ZMOS)
Ing. František Ježík	Mayor of Trenčianska Turna and Vice President Association of Towns and Villages (ZMOS)
Ing. Ondrej Csanda	Mayor of Nové Zámky and Executive Committee, Member, Association of Towns and Villages (ZMOS)
Ing. Dušan Šimka	City Manager of Nováky and Executive Committee, Member, Association of Towns and Villages (ZMOS)
Ing.arch. Vladimír Libant	Mayor, Nitra
JUDR. Helena Spišiaková	Deputy City Manager, Nitra
Margita Švarcová	RTC Secretary, Nitra
Ivan Tóth	Apprentice Trainer and Deputy Mayor, Šurany

Ivan Mikloš	M.E.S.A. 10, Bratislava
Ing. Viktor Nižňanský	Expert Advisor, Union of Towns and Cities
Ing. Hana Dienerová	Head of the Economic Dept., Trnava
Mgr. Štefánia Hrivňáková	Lead Trainer, Faculty of Pedagogy, Trnava
Andrea Nemcová	RTC Secretary, Trnava
Ladislav Briestenský	City Manager and Chair of City Managers Association, Pezinok
Ivan Pessel	Mayor, Pezinok
PaedDr. René Bílik, CSc.	Deputy Mayor, Pezinok
Ing. Eubomír Mosný	City Manager, Ružomberok
Jozef Rizman	Director Slovak Chamber of Commerce and Industry, Ružomberok
Danuša Beláková	RTC Secretary, Štrba
Ing. Štefan Kubík	Mayor, Poprad
Ing. Vladimír Pastorek	VAK Director, Poprad
Juraj Beňa, Dr.	Vicemayor, Spišská Nová Ves
Ing. Eubomír Pastiran	Deputy Mayor, Spišská Nová Ves
Ing. Rudolf Schuster, CSc.	Mayor, Košice
RNDr. Rudolf Bauer	Vicemayor, Košice
Ing. Helena Cibul'ová	Chief Financial Officer, Košice
František Javorský	Member of Parliament
Dipl. Ing. Soňa Hurná	Director, Education and Info. Center for Privatization and Improvement of Housing, Košice
Doc. Ing. Ján Kaňuch, CSc.	Technical University, Košice
PhDr. Igor Liberko	Department Chair, Faculty of Mechanical Engineering, Technical University, Košice

Ing. Jozef Schurger	VAK Director, Košice
JUDr. Jozef Sotolár	Faculty of Law, University of P.J. Šafárik, Košice
Doc. Ing. Emil Spišák, CSc.	Dean, Faculty of Mechanical Engineering Technical University, Košice
Pani Hurčaková	Union of Housing Associations
Danka Zdenká	Union of Housing Associations
Michal Kravčík, Dipl. Ing. PH.D.	NGO People and Water, Košice
Ing. Jerrod L. Davis	NGO People and Water, Košice
Ing. Eva Balážová	Finance Officer and President of Managers Association, Lučenec
Jozef Murgaš	Mayor, Lučenec
Ing. Soňa Čapková	Director of IROMAR, Banská Bystrica
Chuck Hirt	Project Manager, National Democratic Institute
Peter Lačný	Deputy Mayor, Banská Bystrica
Juraj Mesík	Director, Environmental Partnership for Central Europe/Slovakia



ANNEX B

EVALUATION ITINERARY

(As Received from USAID/Slovakia)

S.O. 2.3 Evaluation Team Schedule

Week 1 of 3; January 6-12 (1/5 - in transit)

	Monday 6	Tuesday 7	Wednesday 8	Thursday 9	Friday 10
8:00-8:30	Slovak holiday. Orientation w/USAID staff.				
8:30-9:00			Meeting with Terezia Patikova of Training Foundation @ ZMOS	Meet with Jaroslava Zapletetova, Housing Institute	
9:00-9:30					
9:30-10:00					Meet w/ Niznansky and MESA 10
10:00-10:30		Briefing with USAID staff		(Travel to Nitra - 1hr)	
10:30-11:00					
11:00-11:30			Meeting with Association of Trainers		
11:30-12:00				Meet with Mayor Libant	
12:00-12:30					
12:30-13:00		Briefing with LSGAC staff at Center			
13:00-13:30			Meeting with Ministry of Interior	Meet with District Prednost	Travel to Trnava (45 mins)
13:30-14:00					Training meeting w/ A. Nemcova; Maria Ploszekova, EL trainer and
14:00-14:30					Hana Dienarova (Fin. Officers Assoc and Indicators)
14:30-15:00				Meet with Training contacts	
15:00-15:30				H. Spisakova, M. Svarcova, Ivan Toth (Surany)	(Return to Brat.)
15:30-16:00			Meet with ZMOS Exec. Committee		
16:00-16:30				(Return to Brat.)	
16:30-17:00	(Team arrived at office; flight delayed)				
17:00-17:30					
17:30-18:00					
18:00-18:30					Beer with Kim Kiley (HIID); Dinner with Williams et al.
18:30-19:00					
19:00					

1/11 Saturday: Prep for field visits. Read.

S.O. 2.3 Evaluation Team Schedule

Week 2 of 3; January 13-19

	Monday 13	Tuesday 14	Wednes. 15	Thurs. 16	Friday 17
8:00-8:30	Depart for Pezinok (1 hr.)	Travel to Ruzomberok (2 hours)	Travel to Poprad (1 hr.)		
8:30-9:00	Meeting with Briestnsky		Meet with Mayor Kubik		
9:00-9:30	Meeting with Mayor Pessel				Meet with Sonja Hurna of VIC and Union of Housing Associations
9:30-10:00		Meeting with City Manager Mosny	Meet with VAK dir. Pastorek		
10:00-10:30					
10:30-11:00					
11:00-11:30		Meeting with Josef Rizman, Chamber of Commerce and Industry			
11:30-12:00					
12:00-12:30			Travel to Spisska N.Ves (1 hr.)		
12:30-13:00					
13:00-13:30		(Travel to Strba - 1hr.)		Meet with finance Officer Cibulova	
13:30-14:00					
14:00-14:30			Meet Dep Mayor Bena and Finance Director Pastiran	Meet with Mayor Schuster and Vice Mayor Bauer	
14:30-15:00		Meeting with Mayor Sikora and D. Mayor Belakova			
15:00-15:30				Meet with NGO People for Water and Andre Steiner (ETP)	
15:30-16:00			Meet with Parl. Javorsky		
16:00-16:30					
16:30-17:00					
17:00-17:30			(Travel to Kosice - 2 hrs)		
17:30-18:00					
18:00-18:30					
18:30-19:00					
19:00		Overnight in Strba	Overnight in Kosice	(in Kosice)	(in Kosice)

1/11 Saturday: Synthesize and de-brief. 1/12 Sunday: Travel to Lucenec (3 hrs).

S.O. 2.3 Evaluation Team Schedule

Week 3 of 3; January 20-26

	Monday 20	Tuesday 21	Wednes. 22	Thurs. 23	Friday 24
8:00-8:30	(in Lucenec)				
8:30-9:00					
9:00-9:30	Meet with Finance Officer and Fin. Assoc. President Eva Balasova				
9:30-10:00					
10:00-10:30		Meet with Vice Mayor Lacny and Juraj Meseck of Env. Partnership			
10:30-11:00	Meet with Mayor Murgas				
11:00-11:30					
11:30-12:00					
12:00-12:30					
12:30-13:00					
13:00-13:30		Return to Brat. (3 hr.)			
13:30-14:00	Travel to B. Bystrica (1.5 hrs)				
14:00-14:30					
14:30-15:00					
15:00-15:30			De-brief with Pat Lerner, EEUD and Roy Grohs		De-Brief with USAID/Slovakia
15:30-16:00					
16:00-16:30					
16:30-17:00	Meet with Sonja Capkova				
17:00-17:30		Meet with Alexander Thurzo, ZMOS Exec. Director			
17:30-18:00					
18:00-18:30					
18:30-19:00	Meet with Chuck Hirt and NDI Community Organizers				
19:00	Overnight in B Byst	Dinner with K. Shaw and F. Fisher, LSGAC			

1/25 Saturday: Return to Washington, DC



ANNEX C
SCOPE OF WORK

USAID/Slovakia
SO 2.3 IMPACT EVALUATION
Delivery Order to ENI Evaluation Indefinite Quantity Contracts

Objective: Obtain services of international development evaluation specialists to review program assumptions, targets and impact of USAID/Slovakia's Strategic Objective 2.3, "More effective, responsive and accountable local government."

Purpose: The Mission is seeking information on the return on investment from the activities of SO 2.3. The evaluation will be used in the "Results Review and Resources Request" (R4) update process, informing the Mission on the appropriateness of initial assumptions, targets and indicators and providing recommendations for revision where needed.

Background: USAID/Slovakia has committed significant resources to increasing the management skills and clarifying the policy responsibilities of Slovakia's 2,800 towns and villages. As a result of national self-governance legislation passed in 1990 and provisions in Article 67 of the Slovak Constitution, each of these polities has its own democratically elected mayor and council, with extensive powers and responsibilities. But because the tradition of locally elected officials is only about five years old and many of those currently in office were elected in 1994, most officials do not have the skills to fulfill the responsibilities associated with leading and managing municipal affairs in an effective, responsive and accountable manner. The Mission's strategic objective was designed in recognition of the crucial role local governments play in a healthy and functioning democracy when local government leaders are capable of successfully articulating and pursuing interests and managing in ways that win citizens' confidence and respond to their needs.

USAID/Slovakia's strategic objective vis-a-vis local government is articulated in the Results Framework as Strategic Objective 2.3, "More effective, responsive and accountable local government." USAID/Slovakia's local government activities support SO 2.3 by contributing to the following intermediate results:

2.3.1 Enhanced technical, managerial and governance skills.

The program work under this intermediate result is designed to produce training modules in a broad range of skill areas and to build indigenous capacity for delivering such training.

2.3.2 Improved administrative, operational, and policy systems.

This intermediate result consists of identifying and encouraging adoption of "best practices" in a range of areas which will improve the efficiency, effectiveness and responsiveness of municipal managers and the management systems they use.

2.3.3 Increased decentralization and rationalization of authority and resources.

Through association building designed to strengthen local government lobbying capability, this intermediate result focusses on policy reform and devolving authorities which allow municipalities to manage more effectively.

2.3.4 Improved local capability to finance local needs.

Also based on "best practices", this intermediate result will lead to adoption of cost controls and new and enhanced use of revenue sources.

A series of contracts providing short-term technical assistance contribute to these intermediate results. USAID provides program oversight through a US PSC. Two long-term advisors coordinate these efforts, working out of the Local Self-Government Assistance Center (LSGAC) opened in March, 1996.

Scope of evaluation:

One of the two assumptions critical to USAID/Slovakia's current program approach is that authority which has been delegated to the local level is not retracted either in form or substance. Recent legislative and political actions suggest that the Government of Slovakia is moving toward greater centralization, but the impact on authority at the local level is not yet clear. This issue needs further exploration to assess if initial assumptions are still valid, in preparation for the USAID/Slovakia R4 update.

Also in preparation for the R4 update, the targets and indicators of the local governance program need to be reviewed to determine the program's impact to date, what results can reasonably be expected from USAID's work in this sector over the next two years, and what legacy USAID's work in this sector will or could leave as assistance is phased out. This evaluation is needed to assess if and where changes in approach might yield greater impact.

The evaluation should address the issues outlined above and provide recommendations for revisions to targets and indicators if needed, given the goal of "More effective, responsive and accountable local government."

Statement of Work

The contractor shall prepare a report that addresses all of the tasks listed below and will present results to the USAID Representative to Slovakia. Each of the issues described shall be analyzed qualitatively and quantitatively. A workplan outlining how this will be accomplished should be developed immediately following award of the delivery order and provided within four working days.

Task 1. Review of the status and conditions of local government in Slovakia

Identify status and key developments in the legislative, regulatory and institutional environment which present new opportunities or pose new constraints for local government given political developments such as the administrative redistricting of Slovakia.

Task 2. Assess Relevance and Results of USAID/Slovakia assistance

Clarify progress to date on "best practices," training modules for municipal management and association building activities under SO 2.3's intermediate results. Assess level of demand for various program components and analyze how this will affect program indicators and targets. Review indicators and targets for correlation with program design and assess if these or other indicators and targets would more appropriately capture program impact and desired results.

Task 3. Provide summary conclusions

Based on the above, prepare summary conclusions about the current needs and potential of the local government sector and how USAID's work is addressing these. Develop this information in a format conducive to updating the R4.

Methodology

During field work, the Contractor shall conduct extensive review of the work done to date in local governance. This review will include meetings with the USAID staff and staff of relevant contractors/grantees, meetings with recipients and host country counterparts including local and central government officials and meetings with a representative sample of training recipients.

The team will debrief the USAID Representative before leaving Slovakia. A draft report will be due to USAID/Slovakia before departure from Slovakia. USAID/Slovakia will take approximately three weeks to make comments on the report. The contractor will then have one week to finalize the report.

Team Composition and Qualifications

USAID will provide oversight and coordinating assistance to the team, devoting a full-time professional staff person to the evaluation while the team is in country. In addition, two international development specialists are needed:

One Senior Level Evaluation Research or Strategic Planning specialist, with experience in democratic local governance; and

One Senior or Mid-Level specialist in Rapid Appraisal and/or Survey Research; Performance Measurement and/or Economic Analysis and Institutional Analysis.

For both specialists, work experience in Central and Eastern Europe, preferably with USAID, is also desirable.

Schedule

Week 1: Travel to Slovakia to arrive at USAID offices by Tuesday morning, November 12.

Finalize workplan with USAID staff. Briefings in Slovakia with USAID, Contractors, Grantees, Local Government Officials.

Week 2: Continue research and interviews.

Week 3: USAID Representative briefed. Draft report submitted to USAID before departure.

Week 4: USAID reviews and comments on draft.

The final report will be submitted to USAID/Slovakia by December 31, 1996.

Level of Effort

Total LOE under this delivery order is 40 days, which will allow for one of the two contracted team members to stay in country, if needed, to draft the report.

Contacts and Information Sources

USAID Staff

LSGAC Staff (US and Slovak)

LSGAC Partners: Training Foundation; ZMOS; Finance Officers Association; City
Managers Association

Union of Towns

Club of Mayors

Union of Spa Towns

IRI and NDI

Study tour participants

Municipal Officials where best practices are taking place

Mayors and officials who are not direct clients of various program components

USAID/Slovakia's R4 Strategic Framework for SO 2.3, 2.1 and 3.3

LSGAC Workplan

ZMOS Assessment (by Clay Wirt)

ZMOS application to the UNDP (by Richard Kobayashi)

Elected Leaders Training Materials

Financial Management Training Module outline

Contract scopes of work for long-term and short-term assistance

Study tour trip reports

Contractor trip reports (ICMA; RTI; EHP)

Law on Territorial-Administrative Division of Slovakia

Law on Organization of Local State Administration

Prepared Law on Regional Self-Government