

POLICY ANALYSIS AND  
DIALOGUE ORGANIZATIONS  
BOSNIA AND HERZEGOVINA

QUARTERLY PROGRESS  
REPORT  
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## SUMMARY

The Urban Institute launched the USAID-funded Policy Analysis and Dialogue Organizations for Bosnia and Herzegovina in September 2003. The approach to the overall project was a flexible, step-by-step strategy for institutional development. We learned from hard experience not to “force the pace” of institutional development and worked to ensure a sustainable development of policy research and analysis in BiH, both in terms of research and analysis capacity building and in terms of organizational management.

Over the nearly four years of the project's life, including extension, project staff continued to maintain and expand contacts with various organizations and individuals from the NGO sector and government agencies.

In Quarter Fifteen, our project continued the extension period of its activities from September 30, 2006 – June 30, 2007. This extension had allowed us to move several project-end activities to the extension period, and to add new activities. Aside from the extensive project closeout administration and paperwork, many other key activities took place.

The project oversaw the completion of three final research grants with three partner PROs issued in the end of Quarter Thirteen, and six institutional grants with six organizations issued in this Quarter. In Quarter Fifteen, project staff continued to work closely with the PROs we partner with and with other government and CSO stakeholders. Through support from an institutional grant, a Public Policy Analysts Association in Bosnia and Herzegovina was set up and registered, and a follow-on grant was issued to the Association for launching its activities and services, with a launch retreat with key board members, the launch of the website, and a high-profile event hosted by the BiH Parliament and opened by President Komsic and Parliament Chairman Belkic. Furthermore, CEPOS completed an institutional grant and has now been trained as trainers of UI's flagship Policy Fellows course, and held its first successful session for participants in Quarter Fifteen. Institutional grants were issued to CSS, EIBL, EIS, VPI, and to the Association of Public Policy Analysts of Bosnia and Herzegovina, mainly for office equipment desperately needed and for website development.

The partnership of our PROs with the Council of Ministers' Directorate for Economic Policy (formerly EPPU) and Directorate for European Integration continued to develop and in addition to the large project outsourced to CEPOS by the EPPU (with DFID funding), both DEP and DEI have been open to further cooperation, and have awarded further projects to both CEPOS and EIS. The BiH Parliament's Research Center officially began outsourcing work from PROs during Quarter Fifteen, with small policy papers outsourced to organizations. This trend of outsourcing is expected to increase as the government now understands much more clearly the role and the level of the quality of work of these organizations and the importance of their work in the policy process.

CEPOS implemented visible management changes and now has a truly sustainable structure. After a long transition period, EIS has completed management and structural changes, and now seems to be fully on its feet with many projects flowing in. EIBL is another example of success, with an expanded research department and a sustainable overhead rate set. CSS still struggles with funding for some of its activities, but the project has helped greatly in improving CSS's analytic capacity, quality of work, and public profile as a respected PRO.

Annette Brown, the Project Director and Director of Urban Institute's International Activities Center, resigned at the end of Quarter Fourteen. Rebecca Lawrence has replaced Dr. Brown in oversight of this project, and Chas Cadwell replaced Annette Brown as Director of UI's IAC.

In Quarter Fifteen, the core project team consisted of the Chief of Party, Christopher Miller, the Project Director, Rebecca Lawrence, and Policy Analyst Kelly Kohagen. The team enjoyed a productive relationship with USAID Program Manager/CTO Selma Sijercic, with whom Mr. Miller met regularly to discuss achievements and to seek guidance and advice.



## **POLICY ANALYSIS AND DIALOGUE ORGANIZATIONS BOSNIA AND HERZEGOVINA FIFTEENTH QUARTER PROGRESS REPORT**

### **REVIEW OF BASIC PROJECT INFORMATION: THE WORKPLAN**

#### **Introduction**

Public policy research organizations (PROs) play a key role in the policy development process in many countries – identifying problems that require public actions, studying and analyzing options for dealing with them, and making their findings widely available to the public through their own dissemination efforts and through media and other NGOs. Their work improves the quality of government decision-making and equally importantly provides essential information to smaller political parties and NGOs to use in participating in the policy process. Information generated by PROs constitutes a key ingredient for constructive policy dialog.

BiH is a country with a uniquely challenging environment. The country is normalizing in many ways but the complexities of the structures of government set up with the Dayton Peace Accords in 1995 and a policy agenda driven by the international community are still very apparent. As BiH moves beyond the implementation of Dayton to create a viable system for sustainable development, one sees that in many cases the country's structure itself often holds back building a viable economy and civil society. Strong civil society organizations and local policy research organizations are needed to ensure a sustainable reform process and to ensure transparent, efficient, and accountable government structures.

Policy reform in BiH has been driven almost exclusively by the International Community (IC). OHR and various donor institutions divide responsibilities for areas of expertise and agree who will be responsible for the drafting of which laws. Most often, entire laws are drafted by foreign experts with only formal consultations within government ministry working groups. Politically sensitive reforms must often be imposed by the High Representative because government officials do not wish to take responsibility.

This situation has led to general passivity among the people of BiH in terms of reform and policy issues, as reflected in the poor turnout, especially among intellectuals and youth, for elections. This lack of motivation is also reflected in the area of policy development. There is a real lack of bona-fide PROs in BiH that play a true role in policy research, analysis, or advocacy. Only in the past couple of years, as donor assistance has declined, have some NGOs begun to shift their focus from delivering donor-funded humanitarian and post-war reconstruction aid to other activities, such as advocacy and lobbying, or economic development activities. The apparent inefficiencies of the Dayton structures, highly bureaucratic government administrations, and the donor and IC-driven policy agenda have not fostered the development of a pro-active civil society, entrepreneurial spirit, or organizations that do true policy analysis. The result is poor decision-making. According to the 2002 UNDP Human Development Report, "had the post-war governments been trying on purpose, they could hardly have made a less attractive environment for foreign direct investment or found a better way to prolong the social agonies of transition and ensure that the industrial capital of the country devalued in idleness, becoming a burden rather than an advantage."

The creation of the BiH Poverty Reduction Strategy (PRSP) Program Office, supported by the World Bank

and the IC as a whole, but officially a Bosnian government institution, helped to open the doors for a healthier dialogue to begin, as did the Bulldozer Committee, set up with OHR's support in 2003. These projects have attracted the attention of many, and both the citizens and government officials are responding in ways that show that they have "woken up" to realizing the importance of dialogue in policymaking. The PRO project is striving to take advantage of this new "dialogue climate" which is encouraging Bosnians to speak out on policy issues. Quality research can feed this process. In addition, the Economic Policy Planning Unit of the Council of Ministers, formed in late 2004, should take over the work of the former PRSP project and will be supported by the EC, DFID, and the World Bank. We are hopeful that this will provide an excellent partner and prospective government client for the PROs we are working with.

### **Project Objective from the Original Workplan**

The main goal of this project was to foster the development of Bosnian organizations so that they have the required professional expertise to perform rigorous policy analysis and effectively communicate the results of their analysis, while maintaining institutional independence and representing the interests of all Bosnians. Our approach was oriented to ensuring that the organizations focus their efforts on relevant policy issues and that government officials, as well as advocacy NGOs and the media, will be prepared to use the results of their analysis.

While not the primary project objective, the formation of genuine PROs/think tanks performing high-quality work stimulated by the project was certainly a welcomed outcome, as was the improved communication and interaction with key government clients and other stakeholders.

Successful execution of the project contributed materially to the Mission's achievement of its Strategic Objective 2.1, "A More Participatory, Inclusive Democratic Society," and two sub-objectives in particular,<sup>1</sup> by increasing the flow of information to citizens about key policy issues of the day and further empowering NGOs to participate in the policy process by increasing the volume of reliable information available on a timely basis.

### **Approach**

The Urban Institute's approach to the overall project was a flexible, step-by-step strategy for institutional development. We have learned from hard experience not to "force the pace" of institutional development. We are confident that we have done our best to improve the capacities and status of PROs in the country and to help ensure their sustainability now that the project has ended.

## **1. Fifteenth Quarter Activity Highlights and Key Accomplishments**

The achievements over the past three years and nine months have been impressive. The last quarter of the project's extension period saw much activity in both closing the project and in various activities helping to ensure the sustainability of the capacity building and other work we have done. During the fifteenth

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<sup>1</sup> IR 2.1.1.1 NGOs Effectively Represent Citizens and Influence Decision Making  
IR 2.1.1.2 Citizens Better Exercise their Rights and Responsibilities.



quarter (April 1, 2007– June 30, 2007), a variety of important activities took place. All partner organizations continued to work with policy clients on implementation of policy recommendations provided in the studies performed under current or previous research grants. The three partner PRO awarded their final research grants completed and successfully presented their policy studies to their policy clients and stakeholders. With support from the project, The BiH Association of Public Policy Analysts (AJP) was launched publicly at an all-day event hosted by the BiH Parliament and opened by President Komsic and Parliament Speaker Belkic. An AJP board retreat was held with key stakeholders in order to plan for development and sustainability of the association and its activities, and the AJP website was launched. The grant to CEPOS for the institutionalization of the Policy Fellows course in Bosnia and Herzegovina, was completed, with the Train-the-Trainer session and a monitored CEPOS-delivered course held in May. Institutional grants were also provided to EIBL, EIS, CSS, and VPI, mainly for much needed equipment and for website or other PR material development. In addition, a series of meetings were held with USAID Mission representatives and the Open Society Foundation in order to discuss and preliminarily plan further donor support to this area after completion of the project. Project office equipment and furniture was distributed to our closest partners at the close of the project.

We continued to foster relationships between PROs and government officials working on policy issues, who have become more and more open to, and recognize, the importance of our objectives – the development of professional policy research and analysis organizations in this country. We continued to encourage cooperation with the Directorate for Economic Policy (DEP, formerly EPPU) within the State Council of Ministers, the Directorate for European Integration, and the Parliament of Bosnia and Herzegovina, among other ministries and agencies. In addition to the directorates, the BiH Parliament’s Research Center officially requested and received a pilot budget line to begin outsourcing work from PROs as well, and outsourced several small research projects to our partners. Mr. Miller also met with representatives of DEP and the new European Commission support project to the DEP, in order to ensure growing cooperation and further outsourcing of government policy work to external organizations.

## 1.1 Research Grants

Three Research Grants were awarded in Quarter Thirteen and completed in Quarter Fifteen.

Research grants active in Quarter Fourteen						
	Organization	Grant	Topic	Start date	End date	Amount \$USD
1.	CSS	2	Professionalization of MoFA and diplomatic corps	Dec. 2006	May 2007	22,500 USD\$
2.	CEPOS	4	Philanthropy in BiH	Dec. 2006	May 2007	24,360 USD\$
3.	EIS	4	Organic foods and rural development policy	Dec. 2006	May 2007	24,370 USD\$

### 1.1.1 Second Research Grant to CSS: “MORE EFFICIENT MINISTRY OF FOREIGN AFFAIRS AND DIPLOMATIC CORPS”

BiH foreign policy identifies two main priorities: EU and NATO integration. The Presidency of BiH is the

body responsible for tailoring the foreign policy, but the Ministry of Foreign Affairs should be the instrument for achieving the aims of that policy. The fact that the Ministry of Foreign Affairs (MFA) of BiH does not have an adequate structure to meet the priorities of EU and NATO integration regarding human resource, regulation and financial (budget) matters, necessitates research that will paint a realistic and critical picture of the work of this ministry. CSS's research will be oriented towards analysis of the technical matters involved in setting the foreign policy of the country, such as human resources, internal regulations and financial issues of the MFA and its diplomatic network. Subjects as «national key» issues will not be taken into the consideration regarding the political dimension. The former Minister of Foreign Affairs, Mr Ivanic, stated that BiH diplomacy is in need of serious reform. Similarly, the new Presidency of BiH announced that one of the main goals of their mandate will be reforming the Ministry of Foreign Affairs. There thus appears to be, at a high level, recognition of the challenges faced by the MFA and the urgency of addressing them. This study hopes to provide a thorough examination of the major factors resulting in inefficiency in the Ministry, and a preliminary action plan – in the form of recommendations – which can assist government in making the relevant organizational and policy changes.

CSS's research mentor, a professor of foreign policy at the University of Stellenbosch and Secretary General of the UN Association of South Africa visited Bosnia for a second time in April, spending a week working with CSS on finalizing their report. She is an expert in this area and has studied the efficiency and reorganization of the South African diplomatic/consular corps which copes with a similar quota/"national key" system like Bosnia.

CSS successfully completed this study and presented it at an event hosted jointly with the Ministry of Foreign Affairs at the Council of Ministers, which was opened by the Assistant Minister of Foreign Affairs for Diplomatic and Consular Affairs. The Ministry expressed gratitude for the analysis of its personnel system and staff set-up and that the study would be extremely useful for the ministry regarding budgeting and planning issues and in order to convince the Council of Ministers and Parliament to approve the much-needed changes required. In addition to representatives of the Ministry, DEI, and other agencies, the Foreign Policy Advisor to the Presidency and the Ambassadors of Germany, Hungary, and Sweden attended, as did a representative of OSCE. The study generated much interest from all sides and there was an extensive Q&A and discussion session after the presentation. Twelve media agencies were present, and several interviews were given to various TV stations which aired the results on the evening news.

#### **1.1.2 CEPOS Research Grant Four: "PHILANTHROPY IN B&H: POLICY IMPLICATIONS FOR THE GOVERNMENT AND NON-GOVERNMENT SECTORS"**

The major purpose of this study was to learn to what degree, how much, and to which non-government organizations and/or programs, and for what purposes do citizens and businesses in Bosnia and Herzegovina donate money, goods, services and their free time. In addition, the study will explore implications of current and proposed regulations of the non-government sector on philanthropy of citizens and business sector. CEPOS studied how the non-government sector is dealing with the significant decrease of international donor funds that have been their main source of funding in terms of shifting more fundraising toward domestic philanthropy.



Dr. Jean Tesche, a former US Treasury advisor to Bosnia and Herzegovina, now based out of Sarajevo, was their research mentor and provided advice and guidance to CEPOS on this topic throughout the research and analysis process.

CEPOS presented its very interesting findings at a large event hosted by the Center for Promotion of Civil Society where many NGO and government representatives were present, along with members of the media. The study was extremely well-received and generated much discussion on both the implications and recommendations for more concerted actions by the NGO sector as well as in terms of policy recommendations to government to facilitate and encourage philanthropy. CEPOS's Dino Djipa was also invited as a guest speaker on Hayat television's primetime political broadcast to talk about the study and its results and policy implications.

### **1.1.3 Economics Institute Sarajevo Research Grant Four: "ORGANIC AGRICULTURE – GENERATOR OF RURAL DEVELOPMENT"**

The fact that organic agriculture is booming globally, alongside the much talked-about potential of BiH in this sector were the main reasons that EIS decided to embark on this research. The worldwide area of organically farmed land was about 31 billion hectares, employing 662,000 farmers in 2006. The same trend is seen in Europe, but in Bosnia this production is only emerging. Organic agriculture employs so far only 0,01% of arable land and 122 farms in B&H.

Development of organic food production is driven by growing market demand. In Europe in 2004 there were 264 billion organic food consumers of which 22% were loyal and 78% were occasional consumers. According to some estimates, in 2009 there will be 353 billion organic food consumers of which 27% will be loyal.

The value of world wide organic food market in 2006 is estimated on 33 billion of US\$ with annual growth rate of 9%. The most important markets are North America (47% of world market and with annual growth rate of 14%) and Europe (49% of world market and with annual growth rate of 5%). The existing consumption imbalance (domestic consumption/production) in those regions results in increased import of organic food.

Generally speaking, BiH has very good environmental conditions for the development of organic agriculture, but this production is just emerging. Up to now, the development of organic agriculture was driven by the NGO sector and supported by different internationally funded projects. In spite of the fact that the government has recognized the importance of organic agriculture for rural development, sector development was not supported by any organized, systematic government action. The BiH administration (all levels) was not able to create a regulatory framework necessary for the development of a quality assurance system (certification and accreditation) and proper labeling of organic food that will protect both consumers and producers in Bosnia and in the EU, alongside policies and incentives promoting the development of organic agriculture.

If a harmonized regulatory framework acceptable to the EU is developed, organic agriculture could become an additional generator of rural development and growth in BiH, opening up possibilities to develop value-added products, ensure sustainable employment, create export orientation, and attract FDI.

Dr. Karin Hook, a Swedish national with extensive experience in the organic foods sector and in academia, was selected to be research mentor and spent a week with EIS in January 2007, and continued to provide advice and comments on their work via email throughout the process.

EIS presented the results of its study together with the Assistant Minister of Economic Relations of BiH responsible for Agriculture at an event hosted by the Foreign Trade Chamber of BiH. Over fifty representatives of government agencies, NGOs, farmer associations, food and agriculture industry, alongside FIPA, USAID LAMP, and other donor agency representatives attended the event. The presentation also generated much media interest, and fourteen media representatives attended, including four television stations covering the event for the evening news and requesting attendance of EIS representatives at broadcasts and further interviews on this topic.

#### 1.1.4 Research Mentoring

For each research grant, an international expert research mentor was selected jointly by the partner organization and PRO project staff. Mentors were selected on the basis of their expertise on the topic under analysis.

Research mentors were scheduled to visit the organization once (sometimes twice) in Bosnia, at the time deemed most appropriate by the project staff, grantee, and mentor, either:

- ❑ after the grantee produced a detailed analysis plan for the project, so that the mentor could help shape the overall research and communication plans, and/or
- ❑ when the empirical analysis produced its first results, so s/he could check the methodology, help draw out the policy implications and provide guidance in writing up the results.

If deemed necessary, mentors traveled twice to Bosnia. Mentors were also in full touch with the organizations and provided advice and consultations remotely.

In addition to the research mentors, staff of Urban Institute headquarters provided oversight and mentoring on methodology, analysis, quality control, and other issues during the entire grants process, along with guidance to their topical mentors as well.

## 1.2 Institutional Development Grants

Seven institutional grants were active in Quarter Fifteen, five of which were awarded and completed within the same quarter. Several of the grants which were mainly for providing much needed technical equipment were formally issued as in-kind grants, while the activities for the Association of Public Policy Analyst's approved grant were paid directly by the project because the new association's bank account and tax number had not yet been issued. For most of these grants, development assistance was focused on enabling and strengthening of the organizations to fulfill project obligations efficiently, as well as intensifying



promotion/PR, and visibility on local and international levels, which is very important for ensuring the long-term sustainability of these organizations.

Institutional grants active in Quarter Fifteen						
	Org	Topic	Grant Type	Start	End	Amount
1.	AJP	Association launch activities	Costs paid directly by project	05/07	06/07	\$10,655
2.	CEPOS	Policy Library and Information Center	Institutional	05/05	05/07	\$8,041
3.	CEPOS	Policy Fellows ToT and Course	Institutional	03/07	05/07	\$21,069
4.	CSS	Technological and staff capacity	Institutional/In-kind	05/07	06/07	\$6,100
5.	EIBL	Sustainability and Visibility	Institutional	05/07	06/07	\$5,000
6.	EIS	Visibility and Efficiency: Website and Database	Institutional	05/07	06/07	\$4,830
7.	VPI	Audio recording equipment	Institutional/In-kind	05/07	06/07	\$2,800

### *Association of Public Policy Analysts of Bosnia and Herzegovina*

At the beginning of the extension period, a small grant was awarded to Media Center (in collaboration with CEPOS) to launch and register a new Association of Public Policy Analysts of Bosnia and Herzegovina. During Quarter Fourteen, key people were identified from PROs, NGOs, and government to join the Association's board, and the Association was registered successfully. Reuf Bajrovic was elected as the Association's President, and Dino Djipa (CEPOS) as the Vice President. Other key board members include Azra Brankovic, Head of the BiH Parliament Research Center, and Azemina Vukovic, Director of the Program Implementation and Monitoring Unit of the Directorate for Economic Planning. ACIPS Center, which nominated Mr. Bajrovic, agreed to "host" the association and provide logistical support. The association grew out of the BiH Policy Network, a group mailing list and website for the BiH Policy Community, established in 2005 with support from the project.

After completing its launch, the Association applied for, and was awarded, a follow-on grant for start-up activities of the association, at the end of Quarter Fourteen. Due to bank account and other technical issues, the activities planned within the grant were, in agreement with USAID, financed directly by the project rather than issuing a grant formally. The activities included setting up a website, planning the benefits and services to be offered by the association to the policy community, and organizing a sustainability and objectives retreat for stakeholders, held in Jahorina in early June. The highlight event was the public launch of the association, hosted by the Parliamentary Assembly of BiH in their "White Hall" and opened by Parliament Chairman Beriz Belkic and President Komsic. Moderators included Azra Brankovic, Head of the BiH Parliament Research Center, and Azemina Vukovic, Deputy Director of the Directorate for Economic Policy of the Council of Ministers. Representatives for all partner organizations made presentations. Many parliamentarians, NGO representatives, and government officials attended. Board members and senior government guest speakers promoted the association and the importance of increased use of PROs in policy development, while several parliamentarians promised to do their best to establish budget lines within ministries for outsourcing evidence-based policy research to organizations.

Both government officials and PRO presenters expressed their deepest gratitude to USAID for funding the Policy Development Project and for the great impact the project has had on the quality of their research and analytical skills, their management capacities, their relationship with policymakers and networking skills, their public visibility/communications skills, and the drastic overall improvement of domestic evidence-based policy development over the past four years.

The AJP website ([www.ajp.ba](http://www.ajp.ba)) was also launched and is accessible while it is being expanded and while its database is under construction.

The below is an excerpt from the statutes of AJP:

*The Association of Public Policy Analysts of BiH is a voluntary citizen association. Association is non-partisan, free and voluntary association founded to serve the interests of its members. Main goals of the Association are:*

- *Promotion and protection of professional, social and intellectual interest of its members;*
- *Promotion of ethic standards and professional integrity;*
- *Improvement of working and social conditions of the members of the Association;*
- *Education of the members;*
- *Harmonization of activities of organization and individuals who deal with analysis of public policy of government, International Community and key decision-makers;*
- *Setting up and facilitation of common advocacy, lobbying, and PR activities among individuals and organizations in the area of public policy;*
- *Establishing high standards of research and analysis of public policy;*
- *Improvement of legal framework for the functioning of organizations and individuals who deal with public policy analysis in BiH;*
- *Establishing and promoting the Association as the most relevant source of information, facts, reports and analysis for public policy researchers/analysts as well as decision makers in BiH;*
- *Promotion of discussion and debate within the BiH public policy research community;*
- *Contributing to development of fact-based policy in BiH;*
- *Establishing cooperation with foreign and international organizations and institutions in the sphere of public policy analysis as well as monitoring the international trends in this area;*
- *Contributing to exchange of experience and best practice among organizations and individuals who work on public policy analysis in BiH;*
- *Education of the public in general, and especially key decision-makers on the importance and role of research and analysis of public policy;*
- *Improvement of the image of the profession and the experts in the area of public policy.*



### ***CEPOS Policy Library***

CEPOS received two institutional grants from the project. In 2005, the project awarded a first institutional development grant to CEPOS, which needed limited support in upgrading its library and creating an Information Center open to the public. A grant was made to CEPOS for this purpose, which completed its extensive library, early in Quarter Fifteen. Staff was hired to set up the library both physically and electronically, software was purchased, hundreds of documents were imported or scanned into the database, and many journal subscriptions were made. CEPOS also invested proprietary funds beyond the amount of the grant in both subscriptions and staff time. The web-based policy library is a publicly accessible at <http://www.cepos.org/katalozi.htm> and by the end of June 2007, already had recorded 15 million hits!

### ***CEPOS- Institutionalization of Policy Fellows Course in BiH***

CEPOS was awarded a grant in Quarter Fourteen to have CEPOS staff trained as trainers for Urban Institute/Institute for Urban Economics (IUE) flagship Policy Fellows course. After three extremely successful, well-received courses held under the project, and with urging from various government agencies on the need for such a course to be able to be offered in Bosnia in local language, CEPOS decided to request a grant from the project for this purpose. In May representatives of Moscow's IUE came to Sarajevo and held a train-the-trainer course for four trainers (three CEPOS staff and the Director of the BiH Parliament Research Center) who were trained successfully on presenting the course and the trainer methodology. The ToT was led by Marina Shapirova, Executive Director of IUE, who has delivered the training over 100 times, including three in Bosnia, as well as several other ToT courses. After the ToT session, the eight-day course was successfully delivered to eight course participants by the new trainers, with support and oversight from the IUE trainers.

### ***CSS – Improving technical and staff capacity of CSS***

The institutional grant provided CSS with much needed equipment, as well as staff development. CSS received two laptops, a digital camera, a scanner, a fax machine, and a network printer. The office equipment they had up to now was old and very unreliable. They also received staff training in financial management and in Corel/Photoshop. This will greatly enhance their capacity for normal daily work, as well as saving money spent paying for external production and formatting of reports, graphic design of their covers, etc. Funding was also given for the development and printing of promotional leaflets on CSS. Furthermore, funds were provided for two round trip tickets for 2 key staff members to visit key partners on mini study-tours to Paris (OECD) and London (Saferworld) for becoming better acquainted with these organizations and the key partners there. CSS covered all other costs aside from the actual plane tickets.

### ***EIS – Improving EIS's Visibility - [www.eis.ba](http://www.eis.ba)***

This grant supported the development of a dynamic Web page for Economic Institute Sarajevo based on contemporary portal Web technologies. The portal will be used not only for the presentation of the Institute on the Web, but for supporting its research activities as well. In addition, the site contains a database of Institute's research projects, studies and other products and services. Staff time was used to prepare

policy briefs and various pages for the site so that documents would be web-friendly. Documents were also translated so that the site would be fully functional in both English and local language.

***EIBL- Support to Efficiency, Visibility, and Sustainability - [www.eibluka.org](http://www.eibluka.org)***

EIBL was awarded with two laptops both for replacing old and problematic computers, and to ensure the ability of staff to travel and work at the same time, alongside providing reliable machines for making external Power-point and other presentations outside the institute. EIBL also received funds for designing and printing PR materials and brochures, and for the development and translation of their functional (but local language-only) website in English, which is important for foreign partners and international donors when determining which partners to work with.

### ***VPI (Foreign Policy Initiative) – Conference recording equipment***

This subgrant supported the institutional development of VPI, through the purchase of technical equipment for audio recording of focus-groups and meetings which are key to their research. With funds provided both by the project and from their own funds, VPI purchased interactive conference and recording equipment and a sound mixer desk system, along with a hard disk recorder and ten desk microphones. This is the type of equipment that VPI was forced continually to rent externally, costing approximately 1000 KM daily. VPI also agreed to allow other organizations to use this equipment and to only pay for the time of their technician and other actuals when using it.

## **1.3 PRO Management and Communications Mentoring**

The project's Chief of Party, Christopher Miller continued to work closely with EIS, and CEPOS, as well as with CSS and EIBL, and with the newly formed Association of Public Policy Analysts, on management activities, structures, and communications tools and capacities. Mr. Miller discussed in depth with the partner PROs, USAID, and other donors, including Soros Open Society Foundation, UNDP, and Swiss Development Cooperation about identifying additional funding opportunities from both local and international clients and donors for ensured sustainability when the project ends.

### **1.3.1 CEPOS**

CEPOS is truly a star performer which has absorbed all possible support and advice from the project with great results. Constructive criticism and advice was met as a positive challenge, and they have excelled in developing an organization known for standing behind the high-quality work it does and with a sustainable management structure.

CEPOS now has a fully established system of electronic timesheets, annual staff performance evaluations, and a set overhead rate. They are making full use of the overhead, financial management, and HR management tools provided by UI through trainings and mentoring. They are also implementing a Quality Control and review system for policy work they produce and have improved their website and marketing/promotional materials. They performed their first staff performance evaluations in 2005, for both CEPOS and Prism staff, based on the system introduced in Ray Struyk's book "Managing Think Tanks" and subsequent relevant trainings (HR Management and IUE Study Tour –Moscow).



In addition to the 200,000 KM contract for the Data Map Policy Project for EPPU that was completed successfully, they were awarded another 30,000 KM project for secondary analysis of the Household Budget and Labor Force Survey data, also for EPPU, which they completed successfully. Several new research projects are currently being developed with government clients. Extensive work is being done for various donor organizations on a regular basis.

### 1.3.2 Economics Institute-Banja Luka

EIBL became our partner in Year Two with the approval of their research grant. They have been dedicated participants at every training we have offered since the project launch, and the staff has improved their analytical skills. They also performed very well in organizing the round table discussions related to their grant, and have improved their presentation skills. An EIBL senior staff member also participated in the study tour to Moscow.

EIBL has greatly improved its policy research department and is performing much more work for both government and donor clients. Due to extensive external work being performed mainly for government clients during the project's extension period, EIBL decided not to overload itself and apply for this last round of research grants. This is seen as a great success by project staff. Through work with the project staff, EIBL has also seen their reputation improve and in addition to core macro- and microeconomic expertise and issues related to local governance, they have profiled themselves as experts in both the energy sector and health-sector finance and management, which are now growing issues in BiH.

### 1.3.3 Economics Institute-Sarajevo

In Year Three, the management structure and strategy of EIS were resolved and Dr. Anto Domazet was formally appointed as EIS Director, with a four-year term. It is clear that structural and management improvements are underway and that EIS is now becoming a sustainable, competitive organization. EIS initiated market expansion and institutional development. EIS plans to have five researchers (of which 4 have managing positions) – director, deputy director and 2 managers of the centers, 1 administrative worker and 3 support staff. EIS now acts as a compact organization with management and core research functions in-house, and outsourcing represents a way of recruiting additional research staff from the Economics Faculty in Sarajevo. In the following years, the plan is that the core of the Institute will become stronger and a greater number of young researchers will be recruited to EIS in a sort of transformation of EIS toward a think-tank organization that will strengthen its own potentials for around 15 new researchers which will also be capable of generating and implementing its own projects (although it will still hire experts as needed from the Economics Faculty and elsewhere).

EIS has seen a continued improvement in its image, reputation, and business, partially thanks to mentoring from PRO project staff on management, quality, and analytical capacity, and through the work done on the studies funded through the project.

EIS has greatly expanded its market and is continually growing, with much work for government agencies at the national, entity, and local level, as well as for industry clients and donors.

### 1.3.4 Center for Security Studies (CSS)

CSS has shown dedication to development of both management and analytical capacities. They have attended our trainings diligently and have also made strides to improve their sustainability and established excellent and constructive relations with their research project mentor during Quarters Fourteen and Fifteen. CSS also hired an expert intern in Quarter Fourteen to augment their team who has now become a staff member; Ms. Sanja Mihajlovic, MA in Politics, Security and Integration, School of Slavonic and East European Studies, University College London.

CSS continues to work extensively with NATO, EUFOR, and Saferworld, among other international organizations. CSS is also the host and implementer of the EU Information Centre (EUIC) in Sarajevo and EU Information Points (EUIPs) in Foca, Zenica and Gorazde. The EUIC, managed by CSS, was opened in March in Sarajevo by the Ambassador of the EU to BiH.

## 1.4 Government Relations

The project continued to develop the highly productive relationship it established with the Economic Policy Planning Unit of the BiH Council of Ministers, which formally became the Directorate for Economic Policy (DEP) in Quarter Fourteen. From the outset, Mr. Miller developed and maintained excellent contacts and open channels of communication with the management and staff of the DEP. In addition to over ten staff members attending various trainings, three DEP staff members, including the Head of EPPU-PIMu (the Mid-term Development Implementation Strategy), Azemina Vukovic, attended the 8-day Policy Fellows course and was a moderator at several retreats and conferences supported by the project. Igor Blagojevic, former EPPU Director-General, also attended the 2-day Policy Retreat in Jahorina and was an active participant and networker, as were Osman Topcagic, Director of the Directorate for EU Integration (DEI) and Darija Ramljak, Head of DEI Strategy. Furthermore, Azra Brankovic, Head of the BiH Parliament Research Center, attended the retreat, the AJP launch retreat and several trainings, and has been an active supporter of our project and PROs, and has arranged events for them at the BiH Parliament, including the half-day presentation of the campaign briefs and the launch of AJP. She also placed a line in the 2007 parliament budget for beginning outsourcing policy work to the PROs our project supports, and expects those amounts to be augmented in the future.

As the DEP and DEI are key policy clients of our PROs, our project is coordinating closely with all involved to encourage them and all government agencies to support the outsourcing of policy work to capable PROs. We believe that this is important to the sustainability of such organizations in BiH, and equally important to the government as a client, who can expect to have high-quality partners for policy development from the civil society sector.

Our highly cooperative relationship was one in which the PRO Project and our PROs were seen by the DEP representatives as key partners in their development and future work. This positive and friendly relationship led to constructive amendments being made to project plans. The DEP, like the Parliamentary Research Center, plans to favor and support the outsourcing of organizations over the outsourcing of individual consultants for policy work, and clearly understand the importance of the institutional development of such



PROs that can be their partners in creating sound socioeconomic policies for the country as it aspires to join the EU, reduce poverty, and jump-start the weak economy.

## 2. Actual Performance vs. Goals

### 2.1 Fifteenth Quarter Work Plan Goals (Milestones) Status

The schedule for the Fifteenth quarter according to the work plan is given in the table below. The implementation schedule milestones were revised in accordance with the project's CTO when the project was extended and original close-out activities were moved to the end of the extension period.

#### Extension Period (Quarter Fifteen) Implementation Schedule

Activity	Status
<i>Post election research grants completed</i>	Completed
<i>Issue Institutional Development Grant(s)</i>	6 issued and completed
<i>Hold final networking event</i>	Completed (together with AJP)
<i>Mentoring and institutional development continued</i>	Continued through project end
<i>Office close out</i>	Office closed June 30

The original schedule was revised in Quarter Thirteen, in agreement with USAID, in order to provide better mentoring and management of the project; the project office remained open and the project's CoP continued to remain full time on the project throughout the extension period, therefore allowing final events and other work to take place in Quarter Fifteen, and not requiring remote work and occasional trips. All planned goals were achieved during the fifteenth quarter of the project's life and the successfully completed all project activities planned before closing the office on June 30.

### 2.2 Performance Indicator Achievements

Indicator	TARGETS			
	Year 1 Goal	Year 2 Goal	Year 3 Goal	Accomplishments to date (end Q15/Extension)
Objective: Increased capacity of CSOs to be involved in the policy development process				
# of CSO organizations trained in policy research or communications techniques	8	14	20	39
# of persons trained in policy research or communications techniques	40	70	100	182
# of organizations implementing management improvements	2	5	8	9+*
Objective: Increased influence of Bosnian policy research on policy development in BiH				
#/type of policy research conducted by CSOs to influence government views on a particular issue	2	8	16	25+*
#/type of public policies/laws change in line with CSO recommendations	--	3	8	13+*

# of PROs in Bosnia <sup>2</sup>	--	1	2	6
Objective: Increased public awareness on particular policy issues				
% of general public that is knowledgeable about a particular issue that affects the general population	10	20	30	33 <sup>3</sup>
# of media representatives attending dissemination/dialogue events held by selected CSOs on policy options (PROs only)	4	20	40	46 <sup>**</sup>
Degree of media coverage of particular policy development work (PROs only)	2 <sup>4</sup>	4	6	8
Objective: Increased openness of public institutions/government to CSO involvement in the policy process				
# of government officials attending events on policy research and policy options	6	25	70	100+ <sup>**</sup>
#/type of new, formal consultative mechanisms established <sup>5</sup>	--	2	6	7 <sup>***</sup>
CSO/other's views of willingness of public institutions to accept Bosnian policy research as useful input into policy making improves by 25% over life of project	--	--	Y/N	Yes, greatly improved

\*numbers obtained by interviewing our partners

"+" indicates that we are confident that there are more by this time but that exact numbers cannot be estimated

\*\* These numbers are reflected in government, parliament, and media attending events organized by the PROs or on their behalf.

\*\*\* there are new socio-economic councils now established at the State and Entity levels, DEP has a system for consulting with NGO sector, The BiH parliament now invites organizations to present on topics at public hearings, and also has created a budget line for outsourcing research

### 3. Problems or Delays

No relevant problems or delays have occurred in Quarter Fifteen and all activities were successfully completed before closing the project. A final report will be delivered to USAID by September 30, 2007.

<sup>2</sup> A PRO is an organization whose primary focus is conducting policy research and working to have it used in the policy process.

<sup>3</sup> No valid citizen survey information available on this point, but 8 CSOs surveyed believe that on average about one third of the population knew about a prominent issue on which they work

<sup>4</sup> This is the average number of outlets covering stories of interest.

<sup>5</sup> Includes public hearings, other forums for meeting with CSOs and PROs, etc., for both the legislatures and Administrations at the State and Entity levels.