STRENGTHENING THE ROLE OF LOCAL COMMUNITIES (*MJESNE ZAJEDNICE/MZs*) IN BOSNIA AND HERZEGOVINA, PHASE II

February 2020

Title: Strengthening the Role of Local Communities/Mjesne Zajednice in Bosnia and Herzegovina 2020–2024 (Phase II)

Project (Award) Number: BiH10 / 00093109, Outputs ID: 00097541; 00121396

Implementing Partner: United Nations Development Programme (UNDP) in Bosnia and Herzegovina

Start Date: 1 April 2020   End Date: 31 March 2024   LPAC Meeting date: 25 February 2020

Implementation modality: Direct Implementation Modality

Brief Description
By translating the publicly agreed MZ Vision into localised and institutionalised set of changes in their regulatory and strategic frameworks, local governments create pre-conditions for empowered and more confident MZs, at the front governance door for citizens' needs and ideas. A two-track efforts will enable effective enforcement of these new frameworks: on the one side, advanced capabilities of elected officials and municipal staff, and on the other – improved MZ-level organization and staff capacities. Only then, the MZs will be ready to exercise their new roles and become legitimate and sustainable community spaces that translate citizens' voice into improved services. By capacitating and giving a stronger accountability of civil society organisations in the process, ownership and capabilities for further action and replication of results will be vested in the non-government sector.

Linkage with SDGs: 16 "Peace, Justice and Strong Institutions"

Linkage with EU accession agenda: Digital Agenda for the Western Balkans

Linkage with UNDP Strategic Plan: Outcome 2. Accelerate structural transformations for sustainable development.

Outcome (UNSDCF/CPD): By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law.

Output ID (with gender marker): 00097541; 00121396; GEN2

Total resources required (USD):		**USD 10,699,184.93**
	Government of Sweden (Sida)	USD 3,222,095.43
	Government of Switzerland (SDC)	USD 5,155,000.00
	Government of Bosnia and Herzegovina	USD 2,269,296.00
	UNDP	USD 52,793.50
Unfunded (USD):		USD 2,269,296.00

Agreed by:

Steliana Nedera,

Resident Representative,
UNDP in Bosnia and Herzegovina

Date: 10 April 2021

Project name:	**Strengthening the Role of Local Communities/Mjesne Zajednice in Bosnia and Herzegovina 2020–2024 (Phase II)**
Key Result Area (Strategic Plan):	Sustainable and inclusive development
Implementing agency/ agencies:	UNDP
Key project partners:	Ministry of Human Rights and Refugees of Bosnia and Herzegovina, Ministry of Justice of the Federation of Bosnia and Herzegovina, Ministry for Administration and Local Self-Government of Republika Srpska, the Government of Brčko District, the entity associations of municipalities and cities; local governments, mjesne zajednice and civil society organisations.
Donors:	Government of Sweden (Sida)　　　　　　　USD 2,858,017.76 Government of Sweden (Sida)　　　　　　　USD　364,077.67 Government of Switzerland (SDC)　　　　　USD 5,155,000.00 Government of Bosnia and Herzegovina　　USD 2,269,296.00 UNDP　　　　　　　　　　　　　　　　　　USD　52,793.50
Total budget:	**USD 10,699,184.93**
Project Duration:	from　01/04/2020　to　31/03/2024
Management Arrangements:	Direct Implementation Modality
Expected CPD Output:	Citizens engage proactively in policy design and delivery
Project Brief:	The overall goal of the second Project phase is to improve the quality of life of the citizens of Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level. The Project focuses on encouraging community led local development and revitalising community governance through mjesne zajednice in order to achieve this goal. Mjesne zajednice is the smallest administrative unit for direct government engagement with citizens in Bosnia and Herzegovina. The goal of the first phase of the Project has been achieved with significant and measurable progress made toward achieving the three original Project outcomes and their related outputs.

I. CONTENTS

II. ABBREVIATIONS

BiH – Bosnia and Herzegovina

FBiH – Federation of Bosnia and Herzegovina

RS – Republika Srpska

BD – Brčko District

UNDP – United Nations Development Programme

EU – European Union

SDGs – Sustainable Development Goals

GDP – Gross Domestic Product

USAID – United States Agency for International Development

MZ – mjesne zajednice / local communities

LG – Local governments

AMCs - Associations of Municipalities and Cities

ICT – Information Communication Technologies

CSO – Civil Society Organisations

NGO – Non-Governmental Organisations

DRR – Disaster Risk Reduction

DRAS - Disaster Risk Analysis System

MEG - Municipal Environmental and Economic Governance Project

ILDP – Integrated Local Development Project

POPP - Programme and Operations Policies and Procedures

III. DEVELOPMENT CHALLENGE

Wider country context

Political context: Bosnia and Herzegovina is an upper middle-income country that achieved evident progress in recovery more than two decades after the end of the war, especially in terms of reconstruction and infrastructure. The country has been undergoing a slow transition from a **post-conflict society toward membership in the European Union** (EU) for nearly a quarter of a century. However, it is still struggling through post-war democratic transition and economic (re)development.

Bosnia and Herzegovina has been a **potential candidate country for EU accession** since 2003. Political deadlocks impeded smooth EU accession process for years. Formal application for membership to the EU was submitted in 2016 and in May 2019 the [European Commission issued its Opinion on Bosnia and Herzegovina's EU membership application](#) which outlines the key challenges for the country on its way toward membership and provides a set of priorities to be addressed before the country receives candidacy status.

Governance: There are many "system errors" in the governance system of Bosnia and Herzegovina, resulting from its constitutional set-up, highly-complex multi-tier governance structure, incomplete regulatory and policy frameworks and high politicization. Policy formulation and development management capacities in the public sector are weak, which results in failure to lift the country's growth potential. The country still **lacks a country-wide strategy** to address these wicked challenges and steer development. The **new Reform Agenda 2019-2022**[1] has just been adopted as a mid-term strategic document to lead the work of authorities following the October 2018 General Elections. The country is yet to finalize the government formation process. Importantly, authorities across all government levels have stepped up their engagement to nationalize the Agenda 2030 and develop the **Sustainable Development Goals (SDGs) Framework 2030 for Bosnia and Herzegovina** expected to be adopted as the common pathway for sustainable development.

Social contract: Many perception and analytical surveys depict different nuances of the societal reality in Bosnia and Herzegovina: inequality, lack of opportunities, a deficit of rule of law, poor governance and public services, loss of social values, lack of trust between citizens and their governments, an empty place where dignity, togetherness, vision and actions should be. As a result, people **increasingly opt to leave the country**, particularly the young and most educated. 250,000 citizens (out of a population of 3.5 million) left the country since 2013, 93,000 in the last two years alone. This trend affects mostly small, rural areas, where quality of life and opportunities in general are lower than these in cities or other countries. The legal frameworks are **not stimulating active citizenship** and secondary legislation is not yet fully aligned with the EU *acquis* on public participation[2]. Many other legal, political and social preconditions for meaningful participation are also missing in the current democratic landscape. **There is political hesitancy** to devolve decision-making power down to local governments and create enabling conditions for decentralisation and more pro-active citizen participation. **Citizens, on the other side, are not actively engaged in public life** mainly due to the lack of knowledge about participatory mechanisms and lack of belief that people can make a real difference in the way the governments work[3]. Democratic progress continues to be stifled by the instrumentalization of fear, the prevalence of patronage, the generation of political crises grounded in nationalist rhetoric, and continued challenges to the integrity of the state and country's stability, all of which deepen ethnic divisions. The war and subsequent dislocations have entrenched strong ethno-nationalist and ethno-religious tides that brought re-traditionalization and swept away decades of gender equality gains and advances of women in socio-economic life of Bosnia and Herzegovina. The number of **women occupying higher functions** in local politics remains defeating, even though women are increasingly acting as agents of change at their local communities and gradually stepping up to leadership positions. For example, a mere 5.2% of all MZ presidents in the country are women.

Economic context: The country's **Gross Domestic Product (GDP)** rate is projected to increase from 3.2% in 2018 to 3.8% by 2021[4], which implies that incomes will grow, and the economy will become more

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[1] The Government of the Federation of Bosnia and Herzegovina and the Government of Republika Srpska have adopted the "Joint Socio-Economic Reforms for 2019-2022" on 10 October 2019. The Council of Ministers of Bosnia and Herzegovina has adopted the "Action Plan for the Implementation of Priorities from the European Commission Analytical Report 2019-2020" on 16 October 2019. These comprise country's the mid-term development agenda.

[2] Analytical Report accompanying the Commission Opinion on Bosnia and Herzegovina's Application for Membership of the EU, 2019.

[3] Khan Mohmand, S., Mišić Mihajlović, S., 2016, "Integrating Informal Institutions in Local Governance: Does it Matter?", IDS Working Paper.

[4] Economic Reform Programme of Bosnia and Herzegovina (2019-2021), [European Commission Assessment](#).

competitive. However, this is still insufficient to ensure high quality of life for the population. With the *per capita* GDP at some 32% of the EU average, the pace of the country's convergence with the EU is among the slowest in the region. The overall business environment in the country remains weak[5]. While the **unemployment** rate has been falling (reaching an historic low at 18.4% in 2018), high inactivity and low employment rates continue. Despite a vibrant ICT sector and the fact that local expertise is equipped with state-of-the-art IT market skills, **digital transformation** of both private and public sectors has not yet commenced.

Local governance and local communities

Local-level paradox: Improving democratic processes and governance performance prove to be **most effective at the local level**. Local governments, with a certain degree of autonomy, decision-making power and resources, are generally more open to policy reforms and more efficient than higher government levels since they are closest to people's needs and directly accountable to their electorates. However, local governance is also hampered by incomplete or inadequate legal, institutional, fiscal and policy frameworks. The overall slow pace of reforms in the country is further exacerbated by the disconnect between higher and local government levels.

Local governance system: There are **145 local governments in the country** - 80 in the Federation of Bosnia and Herzegovina, 64 in Republika Srpska and the autonomous Brčko District. Local governments vary considerably in terms of size of their population and territory, development status, urban or rural characteristics, etc. However, despite such differences, they all have **the same roles and responsibilities** as prescribed by the legal framework. Besides administrative services, local governments are responsible for communal services, including water supply, wastewater management, local roads, pre-school infrastructure, disaster risk reduction, heating, public transport, solid waste management, street cleaning and management of public surfaces, sports and culture, public lighting, green markets, etc. Limited municipal/city budgets to deliver financially demanding public services to the citizens, on the one hand, and vertically overlapping cross-government responsibilities on the other, result in *ad-hoc* and fragmented investment in capital infrastructure, underfunded services, and accountability gaps. In such a climate it is important to set priorities and carefully target the allocation of scare resources; working with citizens at the community/MZ level can be an effective way to do this.

The **local governance institutional framework remains unchanged for more than a decade,** since the adoption of the relevant legal framework. Hence, the Ministry of Administration and Local Self-Government is the main institution in charge of local governance affairs in Republika Srpska. The Ministry of Justice in the Federation of Bosnia and Herzegovina has oversight over the implementation of the local governance legal framework, while the actual responsibility for the management of local government matters rests with the ten cantons. Brčko District Government directly executes the local government jurisdictions.

The **legal framework for local governance** lies at the entity level, and also at the cantonal level within the Federation of Bosnia and Herzegovina. The principal legal framework comprises the Law on Local Self-Government in Republika Srpska[6] and the Law on the Principles of Local Self-Government[7] in the Federation of Bosnia and Herzegovina. These entity laws also define community governance. Therefore, local government legal frameworks and fiscal arrangements vary between the two entities and between the subordinate ten cantons. Implementation of the framework laws on local government has proven to be complex, characterised by unclear apportionment of functional responsibilities among entity, cantons and local governments, ultimately leading to inefficient service delivery at the local level.

Local governance reform push-factors: Local governance in the country did not undergo a comprehensive reform since the adoption of the founding principle laws in both entities. Because there is no stat-level competence related to local governance, this domain is governed at sub-national levels, which deepens regulatory disparities and hamper whole-of-sector reforms. Fiscal and functional decentralization topics have never been placed on the political agenda. These will continue to put a "glass ceiling" and hamper strong and

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[5] The World Bank Doing Business Report for 2019 ranks BIH as 89th out of 190 countries globally.
[6] The Law was adopted in 2016.
[7] The Law was adopted in 2006.

thriving local governance system in the country. Yet, certain positive reform momentum was created during the period 2017 – 2018, when the EU launched the [Local Government Initiative](#) in cooperation with USAID and the Embassy of Switzerland. As a result of country-wide consultations of local governments and other stakeholders, the initiative identified common challenges that hamper effective performance of local governments and developed the [Report on Consultations of a Joint Commission on Local Government](#), which offers summary of the findings, as well as recommendations for actions that are implementable in the short-term and under the current legal and institutional frameworks. For example, these cover the aspects of improved vertical and horizontal cooperation among governments; pilot approaches to regionalisation of public service delivery; establishment of a Local Government Ministry in the entity of the Federation of Bosnia and Herzegovina; reducing the burden for servicing of the external debt from local governments and shifting it to the entities only; changes in the revenue allocation system; advancement of the public finance management system at the local level. Regrettably, to date, these have not been embraced by competent authorities and translated into policy action.

Local communities/mjesne zajednice (MZ): The **pulse of citizens' needs is often channelled through grassroots structures** – in particular through the local community – **that connect citizens to the governments**. MZs are traditional, area-based structures that have a tremendous potential to vitalise citizen participation, encourage inclusive decision-making and promote improved, gender-responsive service delivery. There are 2,583 MZs in the country and the level of their activism, legal status, size, development level, volumes of financing and capacities significantly vary.

In majority of cases MZ staff are volunteers, hence – not part of the public apparatus. In addition to the principal legal frameworks at both entity and Brčko District levels, MZs' functions, representation mechanisms and financing are regulated to a great extent **through the local government regulatory frameworks** (e.g. statutes, rulebooks, etc.). *Mjesne zajednice* are defined by law in both entities, which empowers them to play a rather informal role in participatory government, somewhere in between that of a grass-roots civil society organisation and the formal representative government of an elected municipal council. There are some significant differences between FBiH, RS and BD, stemming from their legal frameworks. For example, the **Law on the Principles of Local Self-Government in the Federation of Bosnia and Herzegovina** makes the formation of MZs compulsory, though the establishment of each MZ must be initiated by citizens, by a citizens' association or by the head of the local municipality. They are established as legal entities and may raise funds from a variety of sources, including allocation by the municipality, service fees and donations. The selection of officials is not stipulated in the law, and in practice they are appointed by the municipality. MZs have a formal consultative role in the development and adoption of zoning plans and in general issues of development; they also have co-responsibility for caring for community members in need, for promoting sport and culture and involving young people, and for protecting the local natural and man-made environment, and allows individual MZs to include additional responsibilities in their by-laws. MZ Councils are elected following the regular local elections cycle, based on the Election Law in the Federation of Bosnia and Herzegovina. The **Law on Local Self-Government in Republika Srpska** (Art. 106 - 109b) states that the initiative to form an MZ must come from at least 10% of citizens registered within a locality, or by at least 1/3 of Municipal/City Assembly Members or the Mayor/s. The responsibilities given to MZs are to build and maintain community buildings, and to propose the subdivision or merger of local government units. MZs can also submit recommendations or objections to municipal proposals, as well as carrying out additional functions specified in their individual by-laws. MZ do not have a legal status. Each MZs has its MZ Assembly, with elected Chairperson of the Assembly, as stipulated in the Election Law of Republika Srpska. **Brčko District has a law dealing specifically with MZs,[8]** established as registered associations based on a citizens' initiative signed by more than 50% of adult residents. All adult residents automatically become members of an MZ once formed, though their participation is voluntary, and the MZ must hold a community meeting at least every six months. The objective of MZs is to improve the quality of life of residents through: facilitating communication between residents and the District; submitting recommendations to the District on issues such as infrastructure development, urban planning, reconstruction, economic development and assistance to socially vulnerable groups; and organising and implementing community projects. The law forbids MZs from involvement in election campaigns or funding and promoting political candidates. MZ funding sources may include membership fees, voluntary contributions from domestic and foreign sources, and income from economic activities of the MZ (funding from the municipality is not

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[8] The Law on Local Communities (MZs) was adopted in 2003 and amended in 2007.

listed). Each MZ, as a civic association, has an elected Chairperson and a Managing Board, as per the law on non-governmental organisations of Bosnia and Herzegovina.

An important development achieved in 2018 was the highly participatory design of the **MZ Vision**[9] – a manifesto that captures the new vision for a 21st century local community in Bosnia and Herzegovina, its roles, functions and place in the broader development landscape. The process demonstrated that there is a **need to empower local communities,** while the results from the pilot work in approximately 6% of MZs country-wide showed that targeted support to translate the broader vision into improved citizen participation mechanisms, people-centred public service delivery, democratic decision-making and capacitating MZ staff **can contribute largely to vibrant communities, responsive citizens and more accountable local governance**. This process **stimulated wider policy dialogue** at higher government levels regarding the stronger role of MZs in the country. Yet, these did not translate in renewed principal regulatory or institutional frameworks. Still, there has probably never been a better momentum to capitalise on the enthusiasm that was catalysed along the process of creation of the vision for MZs of tomorrow and further support improving the conditions for stronger MZs country-wide.

Citizens' voice in public life and decision-making are usually generated and represented to their governments by the MZ. Specifically, local governments organise law-binding public hearing and consultations – such as, for example, for discussion of the annual development plans, or the annual municipal/city budgets, or the revision/development of spatial documentation, etc. In these consultations, local governments should include citizens by reaching out to the respective MZ. In these occasions, MZs facilitate consolidation of suggestions and ideas by the residents and businesses and support their voicing to the local government. Specifically, based on the existing legal frameworks, MZ in both entities and Brčko District develop their annual plans, which contain priorities as raised by local communities. These plans are then reviewed by the local government and taken into consideration in the municipal annual planning and budgeting processes. However, there are significant gaps in terms of what has been raised as priorities through communities and what was implemented by the local government. This, in result, affects the level of trust among citizens and authorities, as well as their commitment to engage in public dialogue.

Stakeholders driving and restraining change (stakeholders' analysis)

The progress in community governance and decentralization is closely related to the overall democratic dynamics in the country where numerous stakeholders express their interests and, thus, either drive or restrain the developments. Here is the overview of the key stakeholders – drivers and restrainers – that is based on the detailed stakeholder analysis (more details available in *Annex II*).

Local communities (MZs) have the key role in community governance as intermediaries between citizens/ communities and local governments. If empowered and properly capacitated, MZs can become powerful drivers of change with a strong commitment and enthusiasm to catalyse community transformation and facilitate dialogue between citizens and their local governments. At the same time, MZ staff is engaged mostly on voluntary basis, which decreases their level of professionalisation. MZs staff and MZ Councils are often highly politicized and affect democratic choices and processes at the grass-roots level. In localities where MZs are motivated and lead local actions, a visible change in community engagement is in place.

Political parties also play an important role in the Project implementation, particularly from viewpoint of the intended policy/regulatory changes. While in general political parties in the Federation of Bosnia and Herzegovina are supportive of the proposed regulatory amendments and thus have a positive role, political parties in Republika Srpska are less engaged and supportive of the regulatory changes placed on the development agenda. Therefore, to capitalise on their positive power, the Project will not only have to continue discussing, informing and advocating among political representatives, but also include media to amplify messages and serve as bridges between citizens and policy-makers, towards translating the MZ Vision into policies/regulatory frameworks at all relevant government levels.

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[9] The process was facilitated by the "Strengthening the Role of Local Governments in Bosnia and Herzegovina" Project financed by the Government of Sweden and the Government of Switzerland and implemented by UNDP in Bosnia and Herzegovina. The MZ vision set the following four main MZ roles and functions: (i) MZ as an advocate of community interests, (ii) MZ as a venue for service facilitation or service delivery, (iii) MZ as socio-cultural community center and (iv) MZ as a venue for citizen participation.

Community hubs[10] are public spaces and integrated community facilities where citizens can access information, socialise, network and cooperate, participate in decision-making, learn and acquire skills, and use other opportunities for social, cultural and personal progress as well as for civic activism. Having inclusive, accessible, secular spaces, free from commercial interests has been instrumental for forging action aimed at common good, especially for women and youth in partner local governments. Community hub, thus, plays an important role in creating an advanced, energetic and healthy community. If further capacitated, Community hubs can also contribute to community empowerment at the local level.

Local governments have a critical role in the creation of the conducive frameworks for MZ functioning as they are responsible for defining MZ competencies, local service delivery and infrastructure. Taking their high degree of decision-making power at the local level, local governments will be instrumental for effective engagement of MZs in the policy management cycle, as well as for endorsing MZ-related gender-sensitive municipal regulatory framework (MZ Statutes and Decisions). Mayors and local administrations play an important role in local development processes. However, in some cases, they may be reluctant to give away power and resources to MZs due to potential loss of political power and resources that may be shifted at the MZ level. In addition, municipal councils also play a very important role in empowering MZs and upholding local democracy. However, they are often highly politicized and engaged with their own political affairs, therefore placing less priority on the communities and MZs. Understanding the highly complex government structure, the MZs aren't being strengthened to create a new tier of government, but rather as legitimate channel for democratic and systemic voicing of citizens' needs and effectively communicating with local governments.

Civil society and community-based organizations are also an important stakeholder in local democracy, particularly in regard to promoting active citizens and voicing out the most vulnerable population groups. Partnerships between civil society organisations and MZs for local development are only emerging. Civil society organisations have knowledge and networks that can add great value to MZs' efforts to mobilise resources and implement community priorities. Women's groups and NGOs are an important project partner - being a stronghold of potential leaders, they represent an important conduit for affirming perspectives, empowering and diffusing voices of women in the mainstream community development discourse. Local organisations also have underdeveloped capacity to have a facilitator's role in connecting communities, governments, private sector in common initiatives. Importantly, civil society organisations have the potential to be engaged as partners in the Project implementation, thus increase civil voices and ownership over reform processes driven by the Project.

Private sector is an important and resourceful stakeholder at the local level. Local businesses often have strong social corporate responsibility and will to support their communities. Linkage and partnerships between local businesses and MZs will be encouraged, for public-private initiatives that not only diversify the source of financing for local development but offer various opportunities for local economic growth.

Citizens are among the most important stakeholders for local democracy and local development. On the one side, citizens need further capacity development and opportunities to engage in community life. On the other – human intellect is the most precious capital that can be empowered by knowledge, recognition and exchange of ideas. At the same time, citizens are demotivated to take part in public life and have lost trust in their governments. Experience of MZ project points out that citizens -particularly women, are very responsive when given a voice in public decisions, when action is centred around shared values and interests, and when given concrete opportunities to impact change in their communities by participating in local development planning and project implementation. The positive energy of success and community empowerment can serve as a main motivating factor to re-engage citizens in development of their communities. Of importance are women and young people.

State-level authorities do not have competencies regarding local governance. The **Ministry for Human Rights and Refugees** is the Project partner at state level. The Ministry has strong knowledge and experience in

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[10] A pilot model of revitalized community centers launched and affirmed by the Project phase 1.

working at the grass-root level, particularly with regards to sustainable return, and has a political leverage in policy-making processes.

Entity-level institutions are the primary policy-makers in the domain of local governance and community governance. These are the **Ministry for Administration and Local Self-Government** of Republika Srpska, as well as the **Federal Ministry of Justice** through its **Federal Institute for Public Administration**. The latter is a valuable partner for addressing the policy changes in the Federation. To a certain extent, the constructive work of the Institute for Public Administration counterbalances the slow decision-making process of Parliament. Due to the unfavourable political climate, slow policy-formulation and decision-making process; insufficient political will to introduce reforms; year-long gap with government in technical mandate following the October 2018 General Elections, etc. – entity-level institutions and policy-makers can have a restraining power in wider policy and regulatory changes related to local governance and empowerment of MZs. Their capacities to front-line policy dialogue and engage in reform-oriented actions to improve local governance need to be advanced.

Entity- level legislative bodies: Members of the **Parliament** of the Federation of Bosnia and Herzegovina actively participate in the Commission for the Implementation of the Local Communities Status in the Legislation of the Federation. The Commission for Local Self-Governance within the House of Representatives is also a very important player with direct legislating mandate. However, the level of political interest and awareness on the importance of community governance is limited and undermines wider reform initiatives undertaken by the legislative bodies. The **National Assembly of Republika Srpska** is also a powerful legislative body at the entity level. The political discourse has not been in favour of embracing legislative changes in the local governance domain in Republika Srpska. This is a restraint for the broader local governance reform and empowerment of MZs, especially having in mind the lack of legal status of MZs in that entity. Together with the **RS Ministry for Administration and Local Self-Government** and RS Working Team, the Project intends to initiate consultations that lead to changes and amendments to RS Law on Local Self-Governance.

Cantonal authorities have concrete responsibilities and mandate related to local governance and as such represent important links in the policy chain from community to entity level efforts in the federation of Bosnia and Herzegovina. Cantonal governments (except for three cantons)[11] miss local governance regulatory frameworks and if there is an opportunity and initiative to develop cantonal legal frameworks, this may present a gateway to encourage empowerment of MZs through cantonal principal legislation.

The Government of Brčko District holds broad competencies, responsibilities and resources with regard to local government. Brčko District is an important counterpart having in mind its unique for the country legislative portfolio regarding community governance. However, Brčko District authorities did not display strong political and institutional commitment to further advance their institutional capacities and MZ governance practices. With additional efforts and motivation, Brčko District partners can serve as excellent path-setters in contemporary community governance models. Project efforts will be oriented to institutionalisation of the MZ Methodology and analysis of implications of the current BD Law on Local Communities on activism of MZs along the four models defined by the MZ Vision.

Both entities' Associations of Municipalities and Cities have the mandate to legitimately represent the voice of local governments and play an important role in policy advocacy processes and mobilising actions from local governments. Both AMCs play an important role in facilitating exchange of good practices and solutions from the MZ-level work and supporting the MZ Network. However, their professional service departments lack sufficient human and technical capacity to perform advocacy functions in the most effective manner. Strengthening capacities of AMCs' expert bodies can enhance their advocacy capacity. The AMCs are expected to have a lead role in the "spill-over effect˝ of transferring good practices among local governments and MZs.

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[11]   Una-Sana Canton and West-Herzegovina Canton have Cantonal Laws on Local-Self Governance in line with FBiH Law, while Tuzla Canton adopted Decision to directly put into force the FBiH Law.

Key achievements of the "Strengthening the Role of Local Communities/*Mjesne zajednice* in Bosnia and Herzegovina" Project and lessons learnt as premise for further efforts in this area

Highlight achievements: The first phase of the Project, which is a joint project of the Government of Switzerland and the Government of Sweden, implemented by the UNDP, was launched in 2015. Its main objective was to improve the quality of life of citizens of Bosnia and Herzegovina through enhancing local services and increasing democratic accountability and social inclusion. The Project focused on **encouraging community-led local development and revitalising MZs as important players in local development**. It stimulated active citizens, facilitated stronger engagement of communities in governance matters, improved citizen-centred public service delivery and advanced the MZ capacities in 24 local governments (18% of all local governments) and 136 MZs (6% of all MZs in the country). These in turn contributed to restored trust among citizens to their governments and affirmed the believe that change is possible.

The central-piece Project achievement is the **development of the MZs Vision**, which is the legitimate foundation for potential reforms towards stronger local communities and a **springboard for future systemic changes** in the area of community governance. The MZ Vision set the following **four main MZ functions**: (i) MZ as advocate of community interests; (ii) MZ as venue for service facilitation or service delivery; (iii) MZ as socio-cultural community centre; and (iv) MZ as venue for citizen participation. Having in mind the specifics within each locality, in reality MZs take more of these roles at the same time and, at all times, serve as democratic spaces for the citizens, contributing to a more people-centred public service delivery and accountable local governments. Interventions aimed at involving **women as drivers of change** at the community level have proven as a particularly effective strategy for accelerating development and yielding transformational change. The Project has successfully facilitated the piloting of elements of this vision at the local level. In parallel, the **highly inclusive vision-setting process had traction at higher government levels**. The entity parliamentary commissions and Brčko District authorities started to consider potential changes in the existing regulatory frameworks to ensure that these are conducive for transforming the vision into practice. As a result, amendments to the Law on Principles of Local Self-Governance in the Federation of Bosnia and Herzegovina were drafted, while in the Republika Srpska recommendations for legal improvements were defined. Despite the emerging policy commitment, slow decision-making and insufficient political will slow down substantial reform to empower MZs. On the other side, there is a **momentum for a broader community governance reform** that can be utilised in the future, to **look at the aspect of strengthening the role of MZ as integral part of a broader local governance reform package** (as opposed to an isolated, stand-alone and project-led regulatory change). Further policy dialogue is needed in this regard, with stronger engagement of local governments, facilitated by the Associations of Municipalities and Cities and active engagement of citizens, organised civil society and network of MZs.

Elements of the MZ Vision were piloted at the local level, which not only instigated more responsive citizens and local development based on communities' priorities, but also brought about **blueprints for its embedding within the local government regulatory and administrative frameworks**, without introduced reforms at higher government levels. This helped significant enhancement of MZs' operational, technical and organizational capacities, affirmation of vibrant and inclusive community forums as citizens' voices, establishment of community hubs as new spaces for community life and interaction, **improved access to basic services for more than 156,000 citizens (44% women).**

The table below provides a summary overview of priorities voiced by communities and implemented with support by the local government and the Project:

PROJECTS VOICED BY CITIZENS WITHIN MZs (BY CATEGORIES/SERVICES)			
Category/Service	Number of implemented projects	Projects budget (KM)	% of total investment
Asphalting/Road paving	60	1,416,130.51	23.30%
Water supply/Sewage/ Sanitation	21	459,488.88	7.50%
Public lightning	26	577,964.03	9.50%
Playgrounds/Fields	60	1,396,020.76	22.90%

PROJECTS VOICED BY CITIZENS WITHIN MZs (BY CATEGORIES/SERVICES)			
Category/Service	Number of implemented projects	Projects budget (KM)	% of total investment
MZ facilities (construction, adaptation)	75	1,578,475.67	26.00%
Procurement/other	29	666,365.53	10.90%

Experiences demonstrated clearly that **apathy doesn't have to be the default** and that local actions are possible in a constructive environment that encourages engagement, as soon as the enabling environment is in place and the connectivity between MZ and local government is facilitated.

Participation of women and young people in MZ Councils within partner MZs
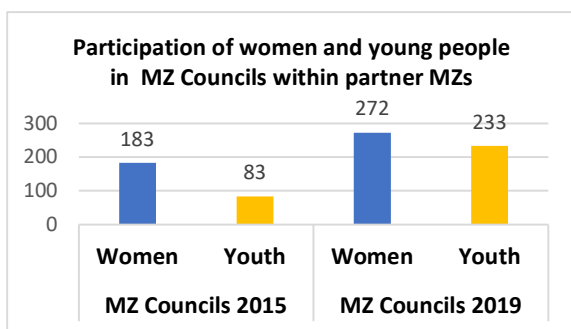
Another important achievement is related to observed positive trends in terms of strengthening women and youth empowerment measured by an **increased number of women and young people in MZ Councils** in Project localities. Into consideration were taken last two elected MZ Councils from partner MZs. Data shows that compared to the last MZ elections in target localities, women membership in MZ Councils increased by nearly 50%, while the number of young people increased by 180.7%. The Project has identified the "whys" and the "how's" of **utilizing gender equality principles** for securing more active citizenry, thus resulting in a pool of women leaders in each local community who are able to carry forth the gender responsive agenda. This pool of women leaders and their men allies will be the key resource for carrying forward the envisaged societal transformation.

Initial efforts in 124 MZs demonstrated clearly that systemic efforts, participatory decision-making mechanisms and empowered communities can positively affect upward pressure by citizens to their local government, resulting in more focused support to the most acute citizens' priorities. For example, **financial allocations from municipal/city budget to MZs' priorities** have increased on average by more than 57% in 2019 compared to 2015 when the Project started, which in absolute figures means an increase from BAM 32,391,445.80 BAM in 2015 to BAM 50,942,686.45 in 2019. The figure below illustrates this positive change:

Overview of allocations from local government budgets to MZs (in Project partner local governments)
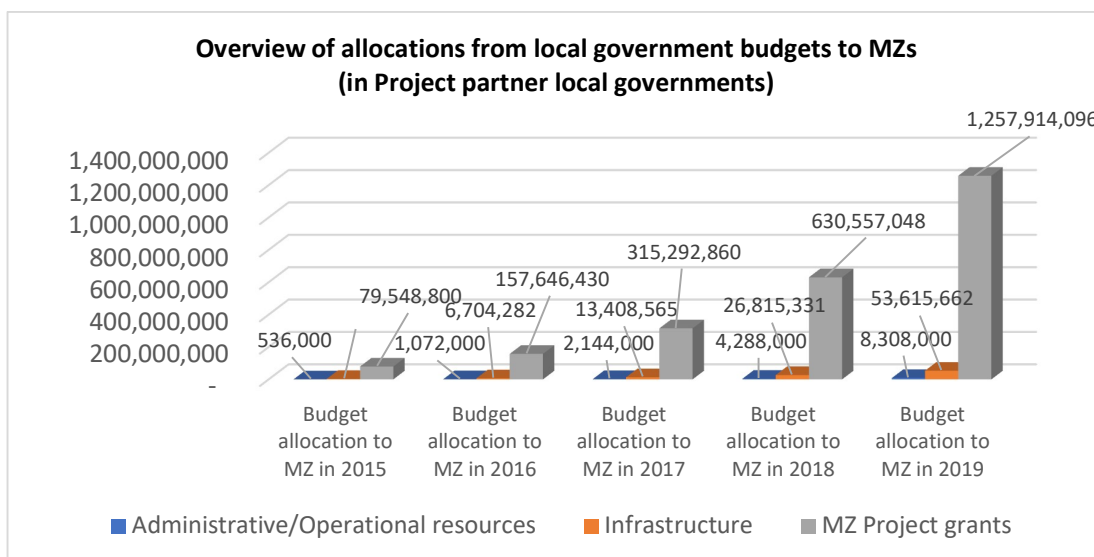
Moreover, more accountable local governance and active MZs in partner local governments positively affected citizens' satisfaction with local service delivery.

have translated into a marked decrease in citizen dissatisfaction, with the general public acknowledging an upgrade in service delivery across the targeted sectors

The Project initiated the **country-wide MZ Network** – expected to further grow **-** that brings together more than 136 MZs and aims to share best practices in the area of community governance, as well as play an advocacy role in policy processes.

The **Project Independent Evaluation** conducted in 2019 confirmed that the Project interventions were relevant for strengthening of community governance in the country. All project beneficiaries[12] claim that citizens in partner MZs became more active and more aware of their rights and duties than the non-partner MZs. Ultimately, this led to improved citizen participation and service delivery.

Lessons learnt informing the impact hypothesis:

The Independent Evaluation findings and the rich experiences gained during the implementation of the Project **Phase 1 yielded important observations and lessons learnt that inform the future efforts** in this area. These include:

> *"Engaging mjesne zajednice activated their agency" and "their opinion matters."*
> **Mayor of Zenica, interview with external evaluators**
>
> *"Citizens became more active, … more alert and awake."*
> **Mayor of Pale-Prača, interview with external evaluators**

➢ The Project timeframe (4 years) **was too short to facilitate whole-of-system** changes and make sure that the MZ-focused efforts become part of a wider local governance reform and mindset transformation at community level. Efforts so far helped build a strong commitment by higher government levels and support the inclusive vision-setting process, which is still immature for comprehensive local governance policy reforms. For example, there seems to be a lack of united front among local government leaderships in relation to the concrete direction of potential MZ-related legal reform. However, there is a good momentum to build on this commitment and further support policy dialogue towards systemic improvement of the role of MZs in the country.

➢ Based on the emerging examples of the MZ Vision translated in MZ models at the local level, **more local level changes and grassroots successful transformations are needed to demonstrate that the revitalised community governance practices lead to positive changes** in the democratic and governance arena. The broad MZ Vision should be translated into more customised MZ models and horizontally replicated for wider bottom-up change.

➢ **Stronger focus should be placed on nurturing innovation and re-imagining of local communities** for accelerating development change, with stronger utilisation of both technology and human talent.

➢ **Community governance can be successfully upgraded by creating a more encouraging institutional and regulatory framework at the local level** since, in accordance with valid laws, local governments have sufficient autonomy to enable smooth functioning of MZs and amplify the good practices at the community level.

➢ **Citizens recognize and value the great unexploited potential of empowering and revitalising local community and MZs.** Achievements so far showed that empowered MZs, with adequate resources and competencies, are more successful in transforming the local decision-making agendas and serve as forums for civic participation, advocates of community interests, social and cultural hubs and service facilitators. About 85% of surveyed citizens living in the target MZs are "extremely satisfied" or "satisfied" with the improved infrastructure in their MZs.

➢ MZs continue to be highly **dependent on politics and funding from local governments**. Therefore, financing mechanisms need to become more transparent and development-oriented, coupled with adequate funding incentives.

The Project first phase played an **instrumental role in reviving and giving a voice to communities in partner local governments** and reinstating connections between MZs and local governments. This in turn brought **important contribution to local governance changes**, as well as showed **potential to positively affect the wider public administration professionalisation process**, particularly from viewpoint of transparent, accountable local governments and citizen-centred public service delivery. The second Project phase will take advantage of the positive processes and build upon the momentum among all stakeholders to further advance the quality of life for citizens in Bosnia and Herzegovina.

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[12] Statements of the focus groups participants documented in the External Evaluation Report.

Relevance of Intervention

The depth of structural and political complexities in Bosnia and Herzegovina combined with the deepening democratic decline-clearly calls for a continued commitment to improving democratic accountability and governance.

The Project goal is in line with the needs of Bosnia and Herzegovina identified both at the national and micro level. The Project objective*: to improve the quality of life of the citizens of Bosnia and Herzegovina through enhanced local services and strengthened democratic accountability and social inclusion,* fully corresponds to local and national priorities and the EU accession process, which it was designed to respond to strategically. Given the fragmented governance structure that has led to a loss of direct engagement between different levels of government and citizens, an external project focused on encouraging community led local development and revitalising community governance through *mjesne zajednice* is both timely and highly relevant. The Project fills a critical gap within the system of local self-governance, which has been weakened by the complexity of the multi-layer government structure and continuous democratic decline in Bosnia and Herzegovina. This problem is evident in all countries in the Western Balkans.

During the final external evaluation of the first phase of the Project, all interviewed Project stakeholders agreed with this assessment that the Project is indisputably relevant to the political, social and institutional context of Bosnia and Herzegovina. The Project is oriented toward addressing the need for interventions that directly engage citizens and is designed in such a way that enables the bypassing of politicisation and control by political parties. The depoliticisation of governance is one of the main needs in Bosnia and Herzegovina.

Support for local development is the backbone of the Project design, both at the policy level and in terms of assuring access to and the delivery of essential public services. The development process can be observed through two broad driving processes: the commitment to achieve the Sustainable Development Goals and the reform process driven by the EU accession agenda.

IV. STRATEGY

Impact hypothesis:

The second Project phase adopts a theory of change that draws on the achievements of the previous phase, charting the vision for further systemic consolidation of efforts.

By **translating the publicly agreed MZ Vision into localised and institutionalised set of changes in their regulatory and strategic frameworks, local governments** create pre-conditions for empowered and more confident MZs, at the front governance door for citizens' needs and ideas. A two-track efforts will enable effective enforcement of these new frameworks: on the one side, advanced capabilities of elected officials and municipal staff, and on the other – improved MZ-level organization and staff capacities. Only then, the MZs will be ready to exercise their new roles and become legitimate and sustainable community spaces that translate citizens' voice into improved services. By capacitating and giving a stronger accountability of civil society organisations in the process, ownership and capabilities for further action and replication of results will be vested in the non-government sector.

By supporting local governments and MZs to **put the new institutional MZ models into life** via renewed civic engagement in priority-setting at the community level, increased financing of MZs from municipal budgets, enhancing MZs' staff and councils' capacities to be at the centre of community life, local governments and MZs will systemically improve citizen-government trust and have tangible effect on local quality of life. At the same time, while these processes will empower women participation and induce irreversible changes in the social contract.

The growing number of democratised, empowered and gender-sensitive communities will serve as basis for **horizontal replication country-wide**, thus contributing to the creation of a critical mass of local governments and vibrant MZs that are ready for change, positioning MZs at the nexus between local governments and citizens as facilitators of local development social inclusion and active communities. Better capacitated civil society organisations will be equipped to support further replication and knowledge-sharing in other localities in the future. **These positive grassroots experiences will be the basis for evidence-based policy dialogue** and serve as a testbed for policy-makers to further advocate for and formulate, in collaboration

with all relevant stakeholders, the policy reforms towards a whole-of-system change that strengthens the role of local communities country-wide.
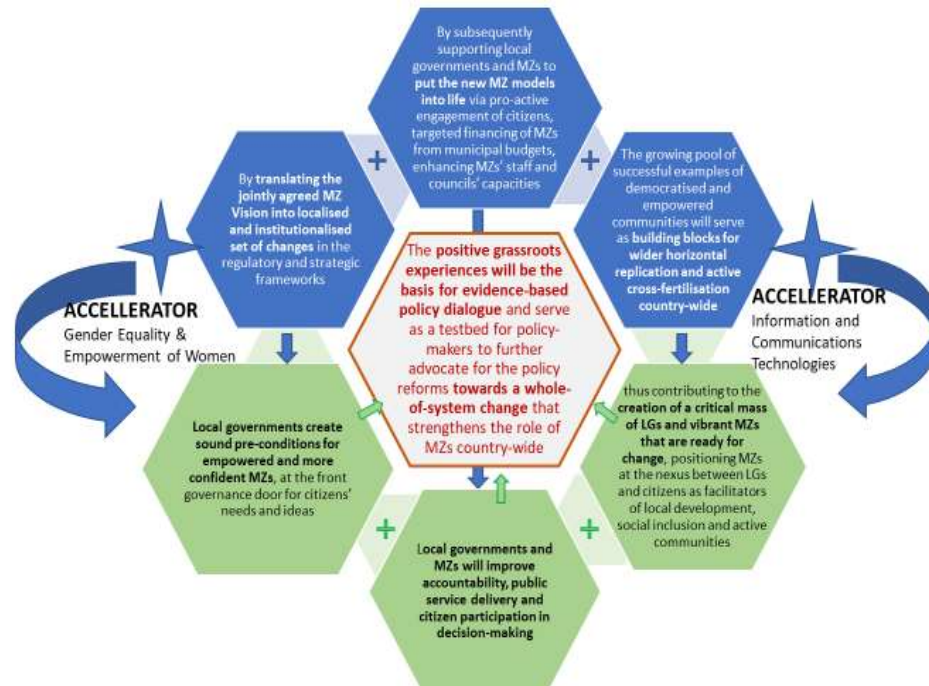
The **critical mass of positive local-level and community practices and experiences is expected to further increase the bottom-up pressure towards legal and policy changes at the higher levels of government**. MZ network will foster horizontal replication and knowledge-sharing across MZs countrywide. This work will generate enough evidence and leverage for improvements of the legal acts and policies. In response to this bottom-up action, taken that political will is in place, the higher-level authorities will formulate new inclusive policies and initiate reform dialogues for institutionalization of the successful MZ-empowerment models. These steps in improving community governance will be the basis for future broader changes in the local governance frameworks, i.e. for the whole-of-system reform of local governance.

All elements of this theory of change are built into the Project's intervention strategy and end-of-Project vision, implying that after all Project's phases no further external assistance will be necessary to MZs to perform as vibrant, gender-responsive, participatory spaces in partnership with local governments.

Links to national and international strategies and frameworks

Coherence with national strategic frameworks: The need to continually amplify the positive energy and improve the social contract at the local level is articulated in the **Strategic Plans of the Associations of Municipalities and Cities,** as well as by the **RS Strategy for Local Self-Government Development 2017–2021**. In the Federation of Bosnia and Herzegovina there is no strategic framework that steers local government or local community development.

Nurturing local democracy is also an important push-factor for the country's faster democratisation and convergence with the EU**.** While neither the Reform Agenda 2019-2022, nor the Public Administration Reform Strategy explicitly specify the need for improved community governance, both documents assume and impose the obligation of authorities to conduct reforms through broad public consultations that can be realized only with vibrant communities and active citizenry.

Coherence with international development frameworks: Such efforts also contribute to realization of the **Agenda 2030 and to localization of the Sustainable Development Goals (SDGs),** primarily SDGs 5, 6, 11, 16, that are all related to specific aspects of the community governance – gender equality, equitable service provision. The Project efforts will also contribute to preparing local governments for forthcoming **localization and implementation of the SDGs based on grass-roots action**.

- *o SDG 5. Achieve gender equality and empower all women and girls*
- *o SDG 6. Ensure availability and sustainable management of water and sanitation for all*
- *o SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable*
- *o SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*

Further support to community governance and accountable municipal performance is a priority within the Democratic Governance, Municipal Services, and Justice Domain of the **Swiss Cooperation Strategy 2017-2020** to Bosnia and Herzegovina, as part of a mutually reinforcing portfolio of local governance interventions.

The Project is complementary to the Results strategy for **Sweden's reform cooperation with Eastern Europe, the Western Balkans and Turkey 2014 – 2020,** result 2 "Strengthened democracy, greater respect for human rights and a more fully developed state under the rule of law", with sound contribution to the gender equality efforts.

The Project is in line with the **UNDP Country Programme Document 2015-2019**, specifically with its priority area aiming to foster good governance and social inclusion. Moreover, the Project is fully in line with the emerging development priorities for UNDP until 2025, specifically regarding support to people-centred governments and inclusive policies, as well as societal transformation.

An important mechanism to ensure donor coordination with regard to this Project, is the existing **Local Government/Local Development Donor Coordination Group**, engaging all international organisations and cooperation agencies working in the area of local governance in the country. The Donor Coordination Group is jointly led by the UNDP and the Swiss Cooperation.

Hierarchy of objectives

Overall goal: **The overall goal of the second Project phase is to improve the quality of life of the citizens of** Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level**.**

This Project alone cannot directly create democracy, make local governments more service-oriented or mobilize community members to start working together. What it can do is catalyse the change – create the conditions, convene stakeholders, show the way, empower leaders, motivate people and provide incentives and opportunities. This is what the Project second phase will continue to do by placing a **stronger focus on triggering change at scale, as well as gradually shifting growing responsibility, facilitating stronger engagement and seeking to increase the scope of partnerships for implementation of Project activities with domestic stakeholders**.

The **quality of life** of the citizens in the country will improve as a result of collective action by governments at all levels and by active citizens who co-own development processes. The central theme of this endeavour is **empowerment of local communities, with changes envisaged at system level** (improvement of the local government regulatory framework, rulebooks and practices, emerging policy and regulatory changes at the higher level) and **behavioural** change (change in attitude, perceptions within communities; change in traditional gender roles and stereotyping, critical thinking community representatives, pro-active engagement in local public life, use of technologies for socially constructive purposes, restoration of trust in government and hope that change is positive). A combination of these transformations is a pre-requisite for durable changes once MZs become agents of local change.

On the side of the governments, systemic changes, coupled with increased management responsibility and political will for more efficient and accountable work, lead to inclusive decisions in line with people-centred performance. Only then, the MZs will be empowered and perform as important catalysis of democratic transformations at the local level that also ensure a bottom-up collective action towards realization of SDGs.

Outcomes: The focus of the Project phase 2 will shift towards wide horizontal upscaling and replication of successful legislative and institutional approaches, as well as maintaining the policy dialogue that help empower MZs at the local level. Hence, efforts will be channelled along the following three outcomes:

Outcome 1: Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development.

Outcome 2: MZs as legitimate and sustainable community spaces translate citizens' voice into quality, gender-responsive and inclusive services and use MZ networks for replication of successful MZ models countrywide.

Outcome 3: Higher government authorities take responsibility and act in response to increased citizens demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level.

Overall Goal: improve the quality of life of the citizens of Bosnia and Herzegovina through empowered, gender-responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level.

Outcome 1	Outcome 2	Outcome 3
Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development	MZs as legitimate and sustainable community spaces translate citizens' voice into quality, gender-responsive and inclusive services and use MZ networks for replication of successful MZ models countrywide	Higher government authorities take responsibility and act in response to increased citizens' demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level

Outputs

1.1. Localized MZ vision models are agreed as a result of joint dialogue engaging local governments, MZ and communities	2.1. Localized MZ vision implemented jointly by LGs and MZs by an integrated LG-level customised package of capacity and financial assistance	3.1. Strong analytical ground to support and influence inclusive policy dialogue based on emerging common localized MZ vision legal models
1.2. Gender-sensitive local government regulatory frameworks for enhanced MZ functioning and representation based on the localized MZ Vision drafted in a participatory process and adopted	2.2. A performance-based incentive scheme is developed and applied for all participant LGs and their MZs ad best performers awarded	3.2. AMCs, academia, civil society organisations and citizens supported to become strong promoters of the MZ Vision and advocates for improved public policies
1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led, gender-responsive local development	2.3. More MZ country wide embrace MZ practices based on modern digital platform and human interaction	3.3. Gender-sensitive legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability and greater functionality
	2.4. Localized MZ vision transferred/scaled up to additional local government	

Outcome 1: Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development.

Under this Outcome, the Project will localise the MZ Vision through local government frameworks and create conducive environment for community-led, gender-responsive local development. Firstly, efforts will be placed to **transform the shared MZ Vision into local-level-grown institutionalised community governance models** that are customised to the legal, social and territorial circumstances in the target local government and its MZs. Changes will be embedded, to the extent possible, in the existing municipal regulatory acts (statutes, rulebooks, decisions, etc.). This process will be open, inclusive and gender-sensitive, where communities, authorities, civil society (including those who are excluded), local businesses, media together will create their own, localised MZ model inspired by the common MZ Vision.

However diverse, the MZ models will have several **standard minimum elements** that mirror the spirit of the MZ Vision, as follows: (i) interaction between MZs and local government and MZs' engagement in decision making; (ii) transparent and effective financing of MZs by local governments; (iii) information services provided by MZs[13]; (iv) gender-equality, social inclusion and community hubs; and (v) citizen participation mechanisms. Based on the lessons learned in Phase 1, it is envisaged that for this first-line policy work, it is possible to institutionalise the basic MZ models based on the existing local governments' competencies, without amendments of the principal legal frameworks. Each aspect of the MZ model will respect the principles of equality and transparency, leaving no one behind. The successful products and approaches (such as gender-sensitive methodologies for amendment of municipal statues, managing community hubs, organizing citizen forums, etc.) accumulated so far will be utilised to speed up the process. Each MZ model will be fully institutionally, financially and legally anchored within the respective local government framework, serving as a blueprint for system-wide replication. In that process, the Project will facilitate stronger engagement and

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[13] Experiences from the first Project phase demonstrated that at this stage, as MZs are not a level of government, supporting provision of public services by MZs proves inefficient, mainly due to lack of capacities, quality assurance mechanisms, as well as adequate technical and financial resources. MZs capacity will be further enhanced to provide mostly information services to their communities.

committed support by Municipal Councils, especially in review and adoption of the new regulatory/policy frameworks that institutionalise the MZ-vision. In addition, the voice and supportive role of mayors and senior local government staff will also be critical, to ensure democratic enforcement of the new frameworks.

All emerging institutionalised MZ models will be captured by the Associations of Municipalities and Cities in the form of a practical tool that guides local governments through the regulatory changes to accommodate the MZ Vision. This "codification" of approaches will be shared with local governments country-wide, alongside with awareness raising on the benefits from assigning MZs a more democratic role. Main stakeholders under Outcome 1 are local elected officials (mayors/city mayors and councils/assemblies), local government administration (particularly MZ municipal officers and MZ focal points/operational teams), MZ Councils/Assemblies and local communities. By outsourcing works and services, the Project will continue to invest in capacity development of civil society organisations/community-based organisations in the areas of community development, citizen engagement in public life, social inclusion, thus ensure local ownership and sustained ability of these stakeholders to carry forward similar processes/services independently in the future. In its second phase, the Project will work with approximately **40 local governments** (24 old and 16 new partners) as direct partners, covering 28% of local governments in the country, and **200 MZs**[14] (8% of all MZs in the country).

Outcome 2: MZs as legitimate and sustainable community spaces translate citizens' voice into quality, gender-responsive and inclusive services and use MZ networks for replication of successful MZ models countrywide.

Under this Outcome, the Project will empower MZs to be citizen-centred, reliable and more financially independent community leaders. Once institutionalized by the local government, the MZ models will be **gradually "brought into life"** through inclusive activities at the community level, working to implement the MZ model in its full range. The insight and experience of women will be an important resource for contextualising models to be operationalised under Outcome 2. That process will be stimulated by **performance-based financial incentives** unlocked for MZs when all elements/functions of the MZ model are in place and effectively "living". Hence, the Project will further build MZs as powerhouses with the capacity, ambition and creativity to transform local areas by mobilising human capital and energy and strengthen the bridges between people and their local government. Local government's efforts to implement the MZ frameworks will be accelerated by **use of technology and innovation**. The scope of activities will be strategic, "deep-dive" and focused explicitly on the desired results, engineered in a way to fuel enthusiasm and work in the citizens-MZs-local governments nexus and directly contributing to the affirmation of the renewed MZ model in each community. The Project support to partner local governments, MZs and communities will be determined entirely by each localised MZ vision. Focus will be placed on encouraging behavioural change within communities. As a result, MZs will be affirmed as spaces where citizens come together to interact and involve, to identify and solve problems, and to transmit their concerns to the local government and participate in the ways it makes its plans, spends public money and takes decisions that affect people's lives. The emerging MZ models can be enriched with **basic benchmarks, which can help measuring to what extent the models are proving as democratic and effective, thus promoting a good community governance model**. This process is also characterised by intensive observation and capturing successful approaches and weaknesses of the MZ models. The risk of politization of decisions and priorities within target localities will be mitigated by deploying clear rules, procedures and approaches agreed from the outset with local governments and communities.

The **main stakeholders** in this activity package will be mayors/city mayors and councils/assemblies, local government administration (particularly MZ municipal officers and MZ focal points/operational teams who will serve as knowledge management points), MZ Councils/Assemblies and local communities. In that process, by outsourcing services and works, the Project will enhance capacities of a pool of national experts/civil society organisations to support inclusive community development, translate the MZ vision into local results and support local stakeholders through each step of the process. In addition, local governments will be assigned a stronger role to directly manage procurement for realisation of priority community projects, thus enhancing their effectiveness and transparency, as well as increasing their ownership over the process. This will be coupled with capacity development in the areas of integrity, ethics and transparency in

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[14] 120 new MZs will be selected in the 24 old partner local governments and 80 MZs will be selected from the 16 new partner local governments.

public procurement. The 136 old partner MZs that will have an important role in transferring the experiences and tested approaches from Phase 1 to Phase 2 partners, grass-root civil society organisations, private sector, media and volunteers who support the community activism, Associations of Municipalities and Cities.

As part of the efforts to ensure **horizontal scaling up** the Project will facilitate the expansion of the MZ Network and peer-to-peer exchanges, support the use of digital platforms for exchange of information and ideas, recognise MZ champions and encourage replication of good practices in non-partner local governments and MZs. Thus, the Project will seek wider rooting of the MZ Vision at the grassroots level throughout the country, which generates bottom-up policy action for wider community governance change in Bosnia and Herzegovina. By horizontal upscaling of the working institutionalised MZ models in other (non-partner) local governments and MZs, the Project will support the creation of **a critical mass of close to 50 local governments (34% of all local governments in the country) and approximately 1,195 MZs (46% of all MZs)** that embrace the frameworks for empowering MZs.

Outcome 3: Higher government authorities take responsibility and act in response to increased citizens demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level.

Under this Outcome, the Project will foster inclusive dialogue to formulate policy reforms that translate the Vision of MZs into a whole-of-system policy framework in Bosnia and Herzegovina. All locally driven efforts implemented under Outcomes 1 and 2 will culminate into a set of institutionalised MZ models that together provide solid ground **and evidence for the inclusive dialogue bringing together higher government level representatives and citizens to discuss and agree on the broader scope of the policy reform**. Citizens and socio-economic stakeholders will be actively engaged in the policy formulation processes. The renewed policy frameworks can be in the form of draft amendments to the principal local governance laws (i.e. Laws on Local Self-Governance in both entities)[15] and/or amendments to the secondary legislation (municipal acts and regulations, statutes, decisions, etc.), thematic policy papers adopted by entity governments, segments of strategic frameworks at entity/cantonal government levels (i.e. Local Self-Government Development Strategy in Republika Srpska, etc.), strategies and position papers by the Associations of Municipalities and Cities, etc. However, these drafts will be in concert with wider local governance reform processes and policy consultations, not exclusively Project-driven and Project-limited. Therefore, both Associations of Municipalities and Cities will have a very important role in consolidating local governance-related emerging regulatory changes, as much as possible, into a sector-wide reform.

Ultimately, the full regulatory and institutional policy reform that strengthens community governance in Bosnia and Herzegovina will be facilitated and enacted in the third, consolidation Project stage.

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[15] The Project does not envisage changes to the MZ Law in Brčko District.

V.   RESULTS AND PARTNERSHIPS

Outputs, activities and expected results

Towards fulfilment of the three Project outcomes, it is envisaged to implement several work packages grouped per outcome and output. In addition, a group of preparatory activities is designed to kick-off the Project and prepare the stage for implementation.

Preparatory activities:

The first activity in the preparatory stage will be the **official launch of the Project.** It will be organized as a public event with the purpose to announce the start of the second phase, refresh the contacts with local governments, MZs and higher government level partners, as well as promote the call for selection of the new cohort of partner local governments and MZs. Thereafter, the **selection of partner local governments and MZs** will be conducted and the Project team will visit all partner localities (both "old" and "new" partners). At this stage local governments will also **confirm/designate MZ focal points/teams**. Thus, the organisational "infrastructure" for the Project implementation will be in place within all local governments, enabling learning and capacity development along the entire process. In parallel, with the establishment of the basic institutional structures, the Project team will **meet with all key institutional stakeholders** to present the Project and its future work. Specifically, orientation meetings, i.e. joint events will be organized for representatives from all partner local governments (MZ focal points) and for partner MZs staff. At this stage, the Project will also launch the process of competitive selection of partners responsible for implementation of specific outputs (e.g. civil society organisations/consortium of organisations), as per the timeline specified in *Annex V*, alongside with the required qualifying capacity assessments. A **Gender Strategy** will be produced in first six months of Project implementation in order to maximise impact of interventions and to operationalise the **gender mainstreaming** across board.

Outcome 1: Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development.

Expected achievements under Outcome 1 are related to localization of the MZ vision models through participatory dialogues, upgrading of the local government regulatory frameworks for enhanced MZ functioning and building capacities of local-level stakeholders for effective implementation of the new frameworks in all partner LGs.

Output 1.1. Localized MZ vision models are agreed upon as a result of dialogues engaging local governments, MZ and communities

Localization of the MZ vision models will start with inclusive **local dialogues** to familiarize local governments and MZ representatives with the MZ vision and discuss options for localising the vision. Dialogues will be facilitated and supported by local thematic experts – respectively legal, financial and local development management experts. **Local facilitators** will be engaged from the pool of MZ representatives trained mainly during the first phase, while additional training of trainers will be organized upon need. The local dialogues will bring together local leadership, municipal/city officers, municipal councillors, MZ Councils, civil society organisations, private sector representatives, media. This process will be driven by interests of local stakeholders expressed in public events and other forms of consulting citizens on their vision for the future MZ in their locality. At this stage, the Project will conduct baseline survey to capture perceptions and attitudes from citizens in target localities, along the main indicators in the Project logframe. The results of these dialogues will be a framework **document with a customised outlook of the MZ vision for each partner local government, representing the collective thinking and capturing the future MZ functions, roles and capabilities**. The final stage of the local dialogues will be the **validation of the localized MZ visions** by MZs within each local government. Gender mainstreaming of the process and outcome is to be secured by Project gender specialist.

Assistance under Output 1.1. will be offered in the form of analytical and expert support. Facilitation of local dialogues will be conducted through engagement of local facilitators wherever possible, with backstopping of the Project team. The citizen perception survey will be entrusted to a competent service provider.

Output 1.2. Local government gender-sensitive regulatory frameworks for enhanced MZ functioning and representation based on the localized MZ Vision drafted in a participatory process and adopted

Based on the achievements of the Output 1.1., the thematic experts will draft recommendations in each local government for **improvement of the local regulatory frameworks of local governments, towards an enabling environment for a renewed role and function of MZs**. In this process, the local experts will identify the most appropriate ways to **embed the MZs' voices in the annual planning and budgeting cycle**. Along this process, the Project will strive for the **full synergy with the achievements and methods existing[16]**, especially with regards to improvement of the institutional set up of local government **financing instruments to support MZ needs** and priorities, including the potential for applying on-budget support within partner local governments. Legal experts will offer **advisory and mentoring support** to partner local governments and MZs in defining a roadmap that describes the necessary regulatory changes for implementation of the localised MZ visions, with focus on instituting MZs within the local development management cycle, as well as introducing municipal/city financing mechanisms that support MZs' work and contribute to the realisation of community-defined priorities.

In relation to the municipal **financing instruments**, the Project will explore the following main financing streams as ways to reinforce sustainable financing for MZs' priorities and MZ work by the local government budgets:

(i) **"Permanent" budget lines:** introduce targeted, "permanent" annual budget line to: support selected implementation of MZ-level priorities legitimately identified through the citizen forums; to offer development-oriented financial support to the least developed MZs within the local government.

(ii) **Competitive Public Calls for Proposals:** introduce thematic financing schemes which may be different each year depending on the priorities or opportunities. Such schemes may be, for example, inter-MZ initiatives; award best performing MZ champions (based on the MZ vision localised set of indicators);

At all times the **Project financial support will be delivered on-system**, contributing directly to the affirmation of some of the publicly local financing mechanisms, to ensure ownership and sustainable investment in the public system.

Local governments will be supported in presenting the draft comprehensive gender-sensitive legal reform packages to their municipal councils. Then, the Project team will monitor the political dialogue around the formal adoption of the proposed legal packages in each partner local government.

Assistance under Output 1.2. will be provided as a combination of legal and financial expert advice and mentoring support. The Project team will provide gender expertise, the light facilitation and necessary logistical support.

Output 1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led gender-responsive local development.

Implementation of the new regulatory framework will be equally ambitious for local governments and their MZs. Therefore, new knowledge and skills will be provided to the local staff and MZ representatives through **practical and interactive trainings on digital skills and skills of the future**: critical thinking, innovation and leading change within communities. The capacity-building efforts will also be aimed at familiarising local governments and MZs with the MZ vision and acquiring skills for moderation of citizen forums for prioritization of community needs. In line with the needs' assessment, technical and administrative equipment will be provided to new partner MZs to support efficient implementation of their activities. As a result of these efforts, local governments and MZs will acquire sufficient technical capacities, tools and skills for steering people-centred local development.

Assistance under Output 1.3. will be provided through interactive events and in line with partners' preferences. Classical trainings and ex-cathedra lectures will be avoided. Instead, the Project team will support creation of adaptive tools and inspiring learning environment. ICT tools will be used as much as these are of interest and can be absorbed by the participants.

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[16] Primarily utilization of the methodological and knowledge frameworks generated and affirmed by the Integrated Local Development Project, which is financed by the Government of Switzerland and implemented by UNDP in Bosnia and Herzegovina, as a flagship intervention in the area of development planning and management in the country.

For outcome 2: MZs as legitimate and sustainable community spaces translate citizens' voice into quality, gender-responsive and inclusive services and use MZ networks for replication of successful MZ models countrywide.

The heart of this Project lies in the grassroots spaces that citizens should be given the possibility to transform for own activities, needs and interests. In line with this concept, the expected achievements of Outcome 2 will tap into the energies raised within communities under Outcome 1. Primarily, it is expected that partner local governments and MZs will fully implement the localized MZ vision and that positive experiences will be spilled over to non-partner localities. Such achievements will be possible by incentivising the performance of partner local governments and MZs (through a performance-based grant scheme) and by ensuring broad use of the modern digital platform and human interaction among partner and non-partner MZs in the whole country.

<u>**Output 2.1. Localized MZ vision implemented jointly by local governments and MZs by an integrated LG-level customised package of capacity and financial assistance.**</u>

Once the new municipal regulatory frameworks are in place, the Project will ensure that they are **implemented, resulting in real-time benefits for communities**. The Project will develop a **set of basic indicators** that will help measure the implementation of the localised MZ vision. Assistance will be provided to each partner local government and MZs to implement the localised MZ vision, enabled through the improved regulatory framework.

The **Project will have a facilitative role in this process, while bringing on board (through competitive procurement) interested local and regional stakeholders as facilitators and supporters of translating the localised MZ vision into a series of actions and results** with tangible change for communities. This entails early identification and assessment of local and regional organisations (civil society organisations including women's groups, community organisations, development agencies, capacitated community hubs, etc.) in target localities (one of the selection criteria) who can serve as facilitators of implementation of integrated assistance to a group of local governments and their MZs. Thus, the Project utilizes an approach to invest in capacity development of local organisations who can lead similar processes in the future on their own. The organisations will be procured in a competitive manner, but with the special condition that the service provider is based and operates in the respective local government/region where the Project provides support. The Project assistance will be delivered in the form of an integrated package offering technical support and facilitation in the annual policy cycle and will cover the efforts of the local governments and MZs not only to implement in practice the newly-adopted legal frameworks, but also to start intensive community work to prioritise, voice out and then implement community priorities. The support package will be customized per specific local needs. One service provider may support more than one local government. The main building blocks of the assistance will include but may not be limited to: (i) support to the organization of the citizen forums (in terms of the timing, these forums should be organized in the first quarter of the year, to ensure the results from the community discussion will feed into the annual implementation plans of local governments and will subsequently serve as platform for the annual budget. In the implementation, the service provider will ensure that the regulations and instructions regarding MZ participation are incorporated in the annual development management cycle. In that process, the Project will explore the possibility to apply on-budget support approach, based on relevant levels of capacity of local governments and due diligence; (ii) systemic handing over of community priorities to local governments; (iii) support to strengthening capacities in specific MZ functions, as described in the localized MZ vision; (iv) support to development of community regeneration/transformation project into project proposal based on collective re-imagining of a decayed/abandoned public space into a new modern community space; (v) facilitation of the interaction and representation of MZs in local-level discussions and processes; (vi) develop and launch ICT solutions for citizen participation and/or communication of MZs with citizens/local governments.

Specifically, support will be offered to each local government and its participating MZs in the form of integrated work packages by a local/regional organisation, so that vital capacities for community empowerment are enhanced and vested at the local level.

The support will be provided in several annual cycles, where the level of assistance will decrease with each next annual cycle. The main aspects that each local government and the MZs will go through in their "local

MZ vision lifespan" entail community forums and prioritisation of needs/opportunities by the community; embedding these priorities into the annual local government plans and budgets; leveraging municipal financing instruments and targeted assistance to implement these; strengthening the capacities of MZs to perform the other functions and roles, as embedded in the localised MZ vision; enhancing capacity of the MZ focal points/teams. It is envisaged that **financial support by the Project to co-finance local priorities will be on- system**, complementing the emerging financing instruments applied by the local government. In order to ensure the Project investment is on-system and sustainable, support (in parallel or on-budget) will be matched with the implementation of financing mechanisms/schemes for MZ priorities. The main criteria for the community projects include (but may not be limited to):

1) The project contributes to the achieving of the localised MZ vision;

2) The project is a common priority legitimately agreed by the Citizen Forum;

3) The project will positively affect quality of life for communities, especially the socially excluded citizens;

4) The project will be implemented by mobilising wide community actions and voluntary work;

5) The project contributes to achieving Agenda 2030 and the Sustainable Development Goals.

At first, these will be piloted primarily for partner MZs. Later, the financing mechanisms (competitive grant schemes, direct grants for priority projects, incentives, etc.) will be applied by local governments as municipal-wide public support mechanism, supported by relevant by-law and administrative framework and sustained in the municipal/city practice in the long-term. The investments by the Project will be specifically channelled to the partner MZs only.

In each partner local government, the Project will support the joint identification of a brownfield/decayed public space for which the community will collectively re-imagine a transformative change, which will then be turned into project document ready for financing.

Furthermore, an important segment of the localized MZ visions will be the MZ role as a social and cultural centre. Adequate support will be provided for **advancement and modernisation of community hubs** in new partner local governments. Importantly, the Project will ensure that the community hubs are energy efficient[17] and accessible for all citizens including persons with disabilities.

Assistance under Output 2.1. will be conducted by local/ regional organizations. The Project team will draft the mandates and fine-tune them in the spirit of partnership with relevant organizations – natural (on system) providers of capacity-building services for local governments and MZs.

Output 2.2. A performance-based incentive scheme is developed and applied for all participant LGs and their MZs and best performers awarded.

During the second annual cycle, the Project will introduce **performance-based approach**, developed in consultations with local governments and MZs. The indicators will be entirely based on the key aspects of the localised MZ vision, with one-year performance period to measure progress and achievements.

The Project will, as much as possible, seek to ensure that this performance-based financial support to best-performing MZs is not only Project-driven, but handed over to partner local governments and potentially – institutionalized as a regular incentive financial tool through which local governments support development-oriented and democratic performance of MZs. The Project will co-finance the financial awards to the top 1 MZ performers from each partner local government with a financial contribution for development priority amounting to max. USD 17,400. Knowledge awards may be considered for second-ranked performers from each LG (study visit, learning opportunity abroad, etc.). The objective evaluation of MZ performance will be conducted by the Project Team at the beginning and at the end of the one-year period, while the likelihood of success will be fostered through the ongoing technical assistance. The best performing MZs will be awarded as per pre-defined and transparently announced criteria. Monitoring of awarded projects and documentation of the most successful experiences will be conducted with view of future dissemination and learning.

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[17] Potentially, community hubs may be connected with the Energy Management Information System (EMIS), which is owned by respective entity ministries and is an important tool to manage energy efficiency in public buildings.

Assistance under Output 2.2. will be conducted in a similar way as Output 2.1. Either same or other relevant local/ regional organizations will be backstopped by the Project, as necessary, to improve capacities of local governments and MZ and increase their likelihood of success in the awarding process.

Output 2.3. More MZ country wide embrace MZ practices based on modern digital platform and human interaction

The **MZ digital platform**, created in the first phase, will be advanced and promoted among partner and towards non-partner MZs. The access to all registered members of the MZ digital platform will be enabled country-wide. Experiences and lessons learned will be regularly analysed and documented to serve as the basis for discussion and peer-to-peer exchanges among MZs at the **annual MZ Network meetings** as well as other events or platforms. Documentation will be organized through various channels, including printed, audio and visual media, but primarily through the **bi-annually MZ newsletter**. It is expected that the lessons learned, and successful experiences will be used to inform, sensitize and engage the MZ Network in policy formulation processes, so to prepare the ground for activities anticipated under Outcome 3. In the mid-term Project review, the Project team will assess the feasibility to support formal registration of the MZ Network as a civil society organisation, or identify a relevant existing organization, that would act as the Network's Secretariat and sustain its future work.

Assistance under Output 2.3. will be conducted by providing adequate technical expertise for functioning of the MZ digital platform and MZ Network, primarily related to ICT tools, analytical and documentation support as well as the Network facilitation. Relevant technical experts and local/ regional organizations will be assigned with mandates to implement these activities, while the Project team will ensure conceptualisation, stakeholder consultations and coordination of activities in this package.

Output 2.4. Localized MZ vision transferred/scaled up to additional local government.

With view of scaling up the positive experience country-wide, **the Project will reach out to non-partner** local governments. A public call for expression of interest of municipalities/cities will be announced in order to offer expert support to localise and introduce MZ visions into adequate regulatory frameworks. Up to 15 new local governments will be selected and supported in organizing public dialogues and adaptations in their regulatory frameworks to empower MZs. The local governments will be incentivized to apply since their **experiences will be documented and promoted as best practices throughout the country**. Within the enlarged pool of partners, the Project will design and conduct the **exit citizens perception survey**, that will be used for Project monitoring as well as for indication of new needs of communities.

Assistance under Output 2.4. will be provided by local trainers from partner local governments/MZs. Association of Municipalities and Cities will have an important role in promotion of the public call for application and dissemination of experiences. Upon need, a stronger expertise or facilitation will be provided to the trainers or the Associations by the Project. The citizen perception survey will be entrusted to the relevant agency.

Outcome 3: Higher government authorities take responsibility and act in response to increased citizens demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level.

Under Outcome 3, it is expected to achieve progress in the dialogue among higher government authorities, Associations of Municipalities and Cities, academia, civil society organizations, media and citizens for institutionalization of the MZ vision primarily entity levels[18]. The evidence for such a dialogue will be built from the emerging localized MZ vision models throughout the country. New pieces of gender-responsive public policies and legislation will be drafted, and the process of formal adoption monitored by the Project.

Output 3.1. Strong analytical ground to support and influence inclusive policy dialogue based on emerging common localized MZ vision legal models

Changes in the policy and legal frameworks of the higher levels of government with view of strengthening the MZ work have been rather slow and are part of a very ambitious Project endeavour. The evidence base,

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[18] Brčko District will be engaged as a local level government in all outcomes.

therefore, needs to be compiled based on **analytical assessment of emerging local governments' regulatory practices** (i.e. achievements under Outcomes 1 and 2) that will inform wider systemic reforms related to MZs and local governance. At all times, the entity commissions for MZs, established in the first phase, will be engaged reckoning on the expertise and political influence of their members. The **results of the assessment and its recommendations will be shared** with policy makers, all stakeholders and the wider public to facilitate broad engagement in reforms.

Assistance under Output 3.1. will be provided primarily through the expert work of the entity MZ commissions' members. The assessment will be conducted with additional expert support, as required. The Project team will work in partnership relations with members of the MZ commissions and join the expertise, the evidence and the political leverage for policy influence at the higher levels of governments.

Output 3.2. AMCs, academia, civil society organisations and citizens supported to become strong promoters of the MZ Vision and advocates for improved public policies.

Recommendations of the assessment will be the basis for the public dialogue and advocacy for policy and institutional reforms. The key policy actors and allies in the advocacy process will be AMCs, academia and civil society organisations. The general public – citizens will also be engaged in ensuring the broad support and bottom-up pressure for changes. The initial step assumes **sensitization and awareness-raising of the key policy actors on the MZ vision**. The public and social media will be exploited for the long-term nation-wide campaign. Appropriate **media thematic coverage** of MZ issues will be ensured and broadcast to the wider public. In parallel, the most relevant and interested policy actors will be capacitated for advocacy process. **Interactive workshops on advocacy planning and carrying out the evidence-based campaign** for reforms will be organized for the most involved representatives of AMCs, academia and CSOs. As a result, they will be capacitated to run the advocacy activities anticipated under Output 3.3.

Assistance under Output 3.2. will be provided through media coverage, social media experts, PR experts, advocacy trainers and public policy experts. The key policy actors (AMCs, academia, interested CSOs) will be supported directly by the Project team in carrying out specific advocacy actions, upon expressed need.

Output 3.3. Gender-sensitive legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability and greater functionality

Counting on the agency of the sensitized and capacitated policy actors (Outcome 3.2.), the Project team will support **development of a detailed roll-out plan for the policy dialogues** in each entity and Brčko District. The role of AMCs will be of utmost importance and they will be considered as organic partners for the policy dialogues. The Project team will coordinate and support (e.g. with logistics and facilitation) **advocacy meetings and public consultations** country-wide to ensure participatory formulation of regulatory/strategic frameworks related to MZs and to local governance in general. The advocacy for adoption of draft frameworks will be supported as much as possible within the availability of Project resources and within the prevailing political context at the time when such processes happen.

Assistance under Output 3.3. will be provided in the form of advisory support and technical expertise to the key policy actors, primarily to the AMCs, to prepare a detailed plan for policy dialogues and run the advocacy process. The Project team will coordinate and support these processes, while taking up the political leverage of UNDP when appropriate.

End-of-Project vision

As an end result of all planned activities and fulfilled objectives of all Project phases, **the end-of-Project vision** will be realized in the following way: The community governance in Bosnia and Herzegovina is legitimately defined and enable a critical mass of MZs – as the main building block of a governance system, to be drivers of local development and function as democratic units capable of adequately responding to and representing citizens' needs in front of local and higher government levels. To that end, MZs will be financially and technically equipped to be the heart of socially inclusive, gender-responsive and vibrant communities, as well as civil society organisations country-wide more capacitated to facilitate and steer such processes. Overall, municipal governance and local service delivery is more accountable and citizen-centred, thus increasing public trust in governments and quality of life for the people, enabling effective **localisation and implementation of the SDGs**.

With full engagement of all project partners, the Project has the potential to fulfil this bold agenda and achieve the changes lasting beyond the overall intervention. Starting from the first year of Phase 2, the Project Team will invest efforts to implement all sustainability strategies that are expected to lead to the desired end-of-Project vision.

Internal coherence and inter-relation among outcomes and outputs

The inter-relation of outcomes and outputs, as well as time sequencing of the corresponding activities, has been tactically planned in a way to ensure that improved local governance regulatory frameworks (Outcome 1 – Outputs 1.1 -1.5) and bottom-up experiences and approaches feed the horizontal dissemination process (Outcome 2 – Outputs 2.1 -2.4). All achievements under Outcomes 1 and 2, and corresponding outputs, will then give weight to the awareness raising activities and effective evidence for advocacy and the policy dialogue platform (Outcome 3 – Outputs 3.1 - 3.4). A visual presentation is given in the figure below:
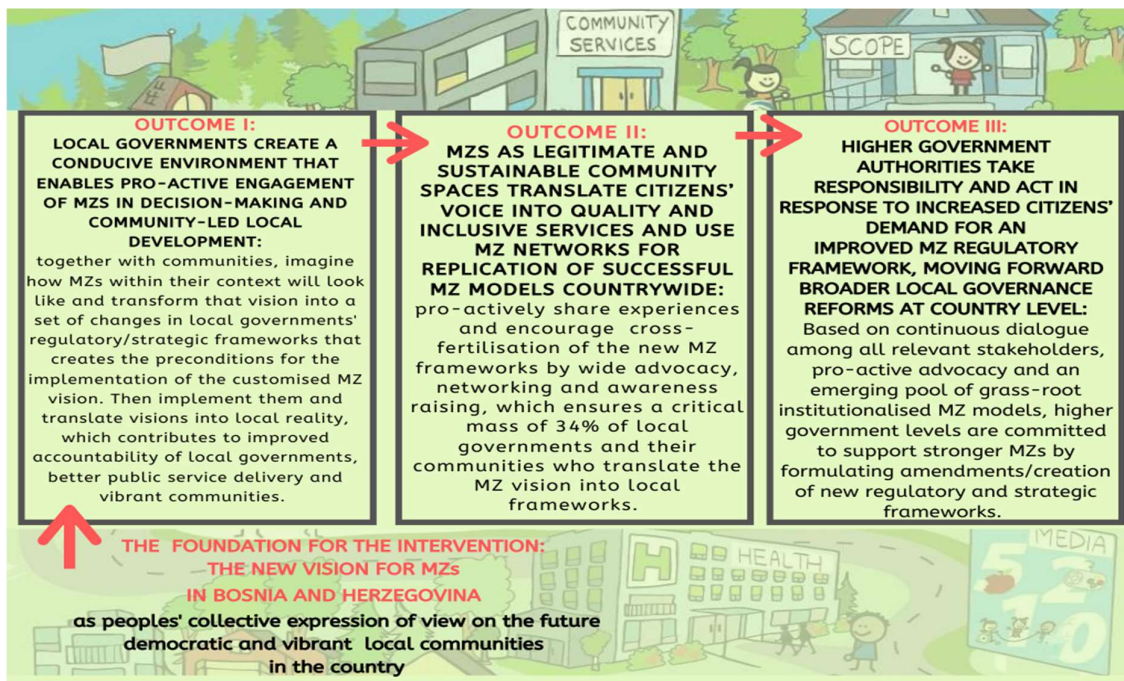
The described inter-relations will ensure effective implementation of the overall Project and yield the expected end-of-Project vision. In terms of time sequencing:

➢ Activities under Outcome 1 are considered as the *"Seeding stage"*. As such, these will be in the focus of the first year of the Project Phase 2.

➢ Activities under Outcome 2 will be clustered under the *"Rooting and fertilising stage"* and will be intensified from the second Project year onwards.

➢ Activities under Outcome 3 lead to the *"Prepare-to-harvest stage"*. Since Phase 1 activities already initiated policy efforts, activities under this Outcome will continue from the beginning of the Phase 2 (first year) and, by end of the Phase 2, the achievements should prepare the ground for the whole-of-system policy reform that will be finalised during in the Project exit phase.

A visual presentation of the time sequencing of the Project interventions is given below:

PROJECT SEQUENCING AND INTERNAL INTERVENTION LOGIC
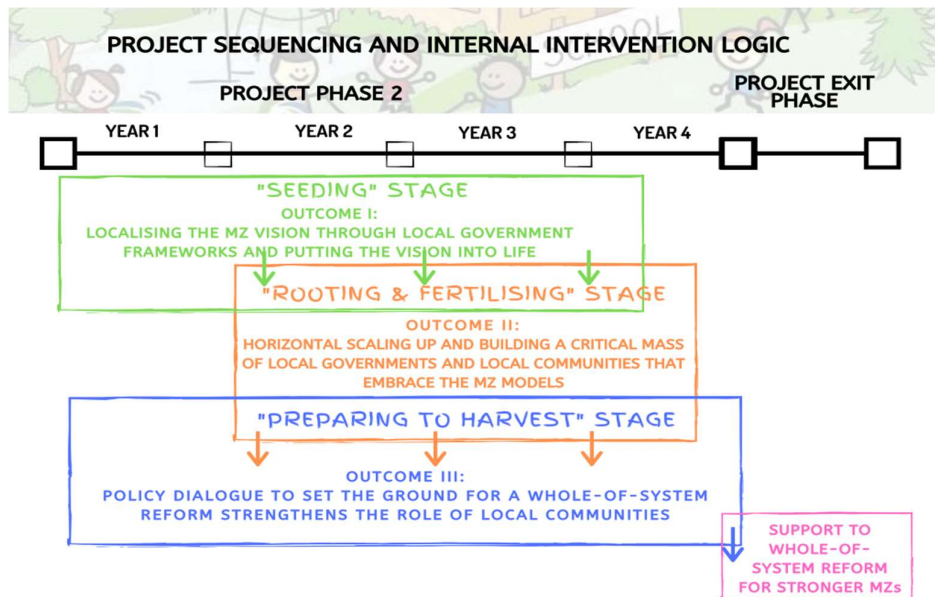
Project duration

The duration of the second Project phase is four years (2020 - 2024). The total duration of the intervention is 12 years, three Project phases.

Methodological approach

The Project methodological approach in Phase 2 is designed according to the need to consolidate the achievements from Phase 1 and to prepare the ground for phasing-out of the overall intervention after the current Phase. The Project will undertake all possible actions for this to happen, keeping in mind that sustainability, scaling up and handing-over the knowledge products represent the frame for the overall approach. Within this frame, strengthening of **domestic ownership**, for both systemic and behavioural transformations, **and results-based management** are the Project's underlying approaches, and these are the essential pre-conditions for launch of **bottom-up democratic reforms** and for the overall sustainability of the intervention. **Empowerment of women** and socially constructive use of **technologies** will continue to be used as accelerators for societal transformation.

The expected Project achievements will be ensured by **working on-system**, i.e. by using as much as possible the existing country systems and tapping into the energy of committed partners. It is assumed that this will result in systemic local governance and community governance changes and durably improved quality of citizen participation and public service delivery.

The Project acknowledges that changes in the legal acts and policies at local and higher government levels, which capture the tested and successful MZ models, is a key factor for durable systemic change. While local level frameworks are more flexible to absorb the changes, the Project will invest due efforts to **raise awareness and get the political buy-in** of the higher levels of authority to induce initial changes in the higher-level policies and strategies. At all times, the Project, together with relevant partners, will support advancement of the good governance principles and provide an important element in improving community-state relationships and strengthening the social contract.

Sharing MZ practices and scaling up successful MZ experiences country-wide are recognized by all stakeholders as a need and a prerequisite for permanent changes. By including more than half of local governments in the country in its implementation, the Project will get on board a critical mass of municipalities/cities to drive the irreversible changes. The MZ Network and the AMCs will be the main carriers of the multiplication and replication efforts. The Project **scaling up strategy** will comprise of two dimensions:

➢ **Territorial (horizontal) scaling up** of successful MZ practices, positive changes in the local-level regulatory frameworks and knowledge products, primarily training tools, between partner LGs and non-partner LGs and between partner MZs and non-partner MZs.

➢ **Bottom-up vertical transfer** of the positive regulatory and policy developments at the local level towards the higher levels of authority, with aim to instigate changes in the higher level legal and policy frameworks.

A **performance-based incentive scheme** will be developed with aim that all participating local governments and their MZs invest efforts in the best possible performance that will be awarded. The sequence of steps in this direction assumes that the scheme will be designed starting from the last quarter of the second year; then tested and implemented in the third year; and, finally, awards will be announced, and projects implemented by the winners in the fourth year. This scheme is envisaged as a key intervention of the Project under solid assumption that competitive spirit among partner MZs will be the strong drive for continuous implementation of real priorities, with concrete results and high chances for sustainable change.

Digital transformation in the public and social areas brings a positive change in the quality of people's life, resulting from more effective, cost-efficient and accessible public services and performance of governments and MZs; socially vibrant and connected society. Therefore, the Project will seek to encourage digitalisation and introduction of technology-based solutions in the work of MZs, local governments, or in their communication with the citizens.

Strengthening of civil society organisations and grassroots community organisations to act as advocates for improvement of MZ-related policy frameworks and citizens interaction with local governments, will be an important strategy of the Project. As part of its partnership strategy, the Project will deploy a pro-active engagement of civil society and local governments in the Project implementation, giving them a stronger role in implementation of specific outputs, placing them in the driver seat of reform processes and vesting stronger capacities for them to continue to be active in similar fields in the future, after the end of the Project intervention.

Empowerment of MZ representatives, recognising success and future-looking thinking will be the Project strategy for individual-level behaviour changes. This will be achieved by placing a stronger focus on individual voices and positive community leaders, encouraging critical thinking and capacitating communities with skills for the future. By end of Phase 2, the Project will create the critical mass of strong individuals within partner MZs (relying on agency of women and youth in particular), who are capable to offer meaningful contribution to the decision-making processes as well as to initiate and manage advocacy initiatives.

The Project will facilitate **partnership networks**, thus enable constant knowledge-sharing among stakeholders, as well as helping them see the "bigger picture" at all times, thus be able to take additional, catalytic actions that add value to the Project efforts.

In this stage, the Project will allow more space for **innovation and experimentation** on the ground. Capitalising on the valuable knowledge and skills of the [UNDP Accelerator Lab](#) in Bosnia and Herzegovina (as part of an innovative global network) to leave some space to experiment and test new approaches and identify scalable solutions that demonstrate that the system can be disrupted, behaviours can be changed or the negative trends can be reversed. In that process, the Project will collaborate with usual and unusual "suspects" to tap into the entire depth and breadth of collective intelligence within partner communities, while keeping people in the centre.

Target groups, beneficiaries

The second Project phase will have a country-wide outreach. It intends to work directly with approximately 40 local governments[19] (28% of all local governments) and 200 MZs (8% of MZs in the country), distributed throughout the country.

| PHASE 1	PHASE 2		
Baseline	Direct beneficiaries	Anticipated spill over effect (indirect beneficiaries)	Total for Phase 2 and GRAND TOTAL (Phase 1 + Phase 2)

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[19] Including Brčko District Government.

24 LGs (18%) 136 MZs (6%)	**40 local governments (28%)** **336 MZs (13%)** **200 MZs (8%)** 24 old LGs with 120 new MZs plus 16 new local governments with 80 MZs (5 per local government) **Plus 136 old MZs (6%)**	**10 local governments (6%)** covered by MZ Network and entity Associations of Municipalities and Cities **200 MZs (8%)** **659 MZs (25%)** 419 MZs in 24 old local governments*) 240 MZs in 16 new local governments**) **Total indirect MZ beneficiaries: 859 MZ (33%)**	**50 local governments (34%)** **1,195 MZs (46%)**

Geographical area of intervention and territorial demarcation with other relevant interventions

In its first phase, the Project supported 24 local governments and 136 MZs.
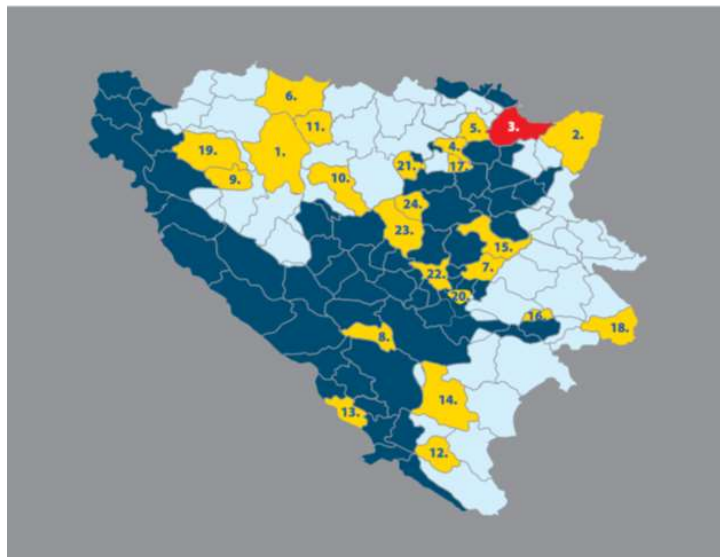
In its second phase, the Project will work with approximately **40 local governments** (24 old and 16 new partners) as direct partners, covering 28% of local governments in the country, and **200 MZs**[20] (8% of all MZs in the country). As part of its scaling up strategy, the Project will expand its support to **additional 10 local governments** (although with much less level of assistance compared to the core 40 partners), to a total number of 50 local governments and 1,195 MZs (46%) in total supported by the Project.

Local governments' and MZs selection criteria: Previous phase local governments will be invited to formally confirm their interest and motivation to continue to be partners in the Project. If interested, local governments will be invited to nominate maximum 5 MZs (non-participants in the previous Project phase) to be partners in the second Project phase.

As for the 16 new partner local governments: they will be selected based on an open Call for Expression of Interest, based on the following general criteria:

✓ Country-approach

The Project will seek to select new partner local governments which are spread within **the entire territory of Bosnia and Herzegovina,** based on equitable balance of participating local governments from each entity. Ideally, the 16 new partners will be grouped in 2 territorial clusters – to ensure inter-municipal, as well as

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[20] 120 new MZs will be selected in the 24 old partner local governments and 80 MZs will be selected from the 16 new partner local governments.

inter-MZ cooperation. The second Project phase will give preference to local governments in areas where the Project did not work in the first phase, for wider country-wide spread.

✓ A mixture of local governments different in size, type and capacities

The Project will seek to involve a mixture of local governments different in size, type and capacities.

✓ Competitive approach

All local governments will have equal opportunity to apply and be part of an open selection process.

✓ Commitment of partner local governments and their MZs

The Project will seek to select partner local governments which display a strong commitment and interest to engage in the Project implementation, particularly in relation to adaptation of regulatory framework to empower MZs.

✓ Readiness of local governments to financially contribute to the project efforts

Both projects will seek to engage local governments committing to allocate financial resources for support to community priorities, as well as commit to develop a long-term financing mechanism for support of communities.

✓ Existing capacitated community-based organisation / civil society organisations / local & regional development agencies / community hubs on their territory or in the neighbouring municipality/city

Having in mind its intention to apply increased shift of responsibilities and activities to local / regional organisations, the Project will give preference to localities where such organisations are existing and contributing to local development.

✓ Complementarities / avoiding duplication with other strategic interventions working in the potential partner local government

The Project will seek to ensure strategic complementarities with other local government interventions in the country. The Project will apply territorial demarcation principle with the **Municipal Environmental and Economic Governance Project (MEG)**, financed by the Government of Switzerland, for the new 16 partner local governments, to avoid putting too much burden on municipal/city budgets due to required co-financing of investments.

Transversal themes: gender equality, social inclusion, human rights, disaster risk reduction

Gender equality[21]: Gender equality principles are at the core of the mandate of both Swiss and Swedish Governments, while UNDP with its corporate Gender Equality Strategy (2018-2021)[22] puts forward the promotion of gender equality and the empowerment of women at the centre of its development approach. Gender equality is one of UNDP's 6 Signature Solutions[23] for achieving the Agenda 2030, which envisions a world "of universal respect for human rights and human dignity" in which "every woman and girl enjoys full gender equality and all legal, social and economic barriers to their empowerment have been removed." The SDG 5 focuses exclusively on gender with 9[24] gender equality targets, while gender is also a cross-cutting issue, with 24 gender targets across 11 SDGs clustered for high impact. The breadth of the agenda implies a need to go beyond silos and take an integrated approach to development interventions and gender equality - is no longer content with reducing gender inequality but pushes toward its elimination. The Project has been demonstrating how these concepts can be applied in practice, as **community level has proven as an effective entry point for tackling the root causes of gender inequality**, activating agency and releasing leadership potential of women, as well as addressing the last mile of exclusion.

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[21]   Gender Analysis is included as Annex VII of this Document. As elaborated detailed Gender Strategy that will provide the framework for gender mainstreaming and gender specific interventions will be developed during the first six months of the preparatory phase of the Project.

[22] Reference: https://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/undp-gender-equality-strategy-2018-2021.html.

[23] Reference: https://www.undp.org/content/undp/en/home/six-signature-solutions.html.

[24] End discrimination and gender=based violence; eliminate child marriage; ensure access to reproductive health care; eliminate gender disparities in education; expand economic opportunities, ICT and recognize rights to resources; and reduce the burdens of unpaid care work on women and girls.

The Project will give emphasis to working with **motivated agents of change**. The success of the Project will to a large extent depend on a motivated political leadership in partner LGs. Therefore, the forthcoming Local Elections in 2020 may represent a fresh opportunity for the Project to engage with new local leaderships, committed to positive change and ready to take moderate political risks to achieve development results in their communities.

For all the above reasons, **empowerment of women and gender equality principles will continue to be used as an important accelerator for societal transformation**. While implementing Outcome 1, spaces for voices and perspectives of women will be persistently created, while their equal participation in all decision-making processes will actively be advocated for when working with local governments to secure pro-active engagement of MZs in decision-making and community-led local development. Women's heavy dependence on local community resources and its associated services also means that they often have more at stake than men when these are degraded, redundant or access to them is covertly denied[25]. On the other hand, the **insight, experience and know-how of women** - who are at the source of needs and organisation of family and community life - will be an important resource for contextualising, applying and bringing to life the vision for local-level-grown institutionalised community governance models to be operationalised under Outcome 2. Affirmation and activation of resources and agency of women is an important strategy for achieving behavioural change within communities, which is the key focus of this Outcome and Project at large, having in mind its long-term duration that made space for interventions that build momentum over time to shift power relations and yield incremental change in gender praxis. This ambitious agenda will be reinforced and complemented by the "Women in Elections" Project by working in 10 common localities and offering capacity development for social, economic and political empowerment of women at the local level, adding value to the MZ models through gender action plans.

All the above will be achieved by capitalising on the gains achieved in the previous Project phase and extensively relying on the **pool of women leaders** that have thus been nurtured in each local community and collectively. As a result, MZs will continue to be affirmed as gender-sensitive spaces where citizens engage to commune, consult and workout problems, but also to find a common voice that includes all, to permeate their municipalities by partaking in its plans, decisions and budgets in a gender responsive manner.

Gender-responsive planned actions, as elaborated in detail in the Project log frame, will integrate measures for promoting gender equality in regulatory framework and policy design anticipated in Outcomes 1 and 3, ensuring that their impact yields equal opportunities, and social and economic benefits for women and men alike. With this approach, both, gender impact of Project interventions and the know-how, concerns and experiences of men and women alike will be considered in the design, implementation, and monitoring and evaluation of all projects and initiatives taken by the Project. This is an important strategy for going beyond acknowledging gender gaps and doing concrete things to address these discrepancies. While women as drivers of change approach is to be deployed as accelerator for social transformation, and clear gender responsive objectives, indicators, targets and budgets are being set in the gender responsive Project log frame, a **Gender Strategy** will be produced in first six months of Project implementation in order to maximise impact of interventions and to operationalise the gender mainstreaming across board. Finally, the Project anticipates design and implementation of additional gender specific interventions when perceived that those could significantly enlarge the Project results and help create a multiplier effect.

Social inclusion: The Project will make efforts to build **inclusive communities** – places where all citizens feel safe, respected, and comfortable in being themselves and expressing all aspects of their identities. Inclusive MZs will provide space for each person to share a sense of belonging with other community members. This means that beneficiaries and communities at large will have equal access to and benefit from the public services, community hubs and local participatory processes, without discrimination due to sex, ethnic group, social status. The Project will ensure that voice of the socially excluded groups (Roma, internally displaced persons, returnees, poor and single headed households, LGBTIQ population) is heard in all public processes.

Human rights: The Project will frame its work on the basis of the belief that people experience discrimination and poverty not only as a lack of income and lack of access to resources but also as a lack of social services, such as education or health care, stigma, or as a lack of dignity and participation in a community. Hence, the

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[25] Gender Needs Assessment, Strengthening Local Communities project, 2017.

fight against discrimination in all its dimensions at the MZ level is a matter of civil, cultural, economic, political and social rights for all people.

The Project will **encourage MZs and local governments to ground their decisions on the principles of non-discrimination, participation and accountability**. Similarly, higher-level authorities will be encouraged to mainstream human rights into new policies. In practical terms this means that the Project will support local and higher-level government partners – the duty bearers – to design and implement policies and public frameworks considering realization of rights of all people, particularly of the most marginalized and vulnerable groups. In parallel, the Project will also **support citizens and communities** – rights holders – in their right to participate in the development process.

Disaster risk reduction: The Project will address disaster risk reduction (DRR) as a transversal theme. It will make a contribution to DRR mostly by facilitating and strengthening the vital role of MZs and their institutional links with civil protection units and LGs for the times of natural disasters. In doing so, the Project will seek to partner with local governments which are introducing the **DRAS system**[26] (with support by the government of Switzerland). The Project will apply risk-informed and climate-smart development choices in all stages of project management and, in particular in the activities with beneficiaries. For example, MZ role in the early warning systems at the local level will be strengthened so that they are able to generate and disseminate timely and meaningful warning information (that promptly takes into account vulnerabilities of specific MZ population) of the possible extreme events or disasters (e.g. floods, drought, fire, earthquake and tsunamis), while investments in infrastructure will be disaster-smart to ensure sustainability of public assets.

The DRR activities will be closely connected to the strengthening of community systems for **environmental protection**. The Project will support MZs to embed the relevant projects in the environmental sectoral plans within the local integrated development strategies. In addition, environmental considerations will be mainstreamed in all infrastructure initiatives, supported by the Project, as well as in capacity building and other activities.

Integrity and anti-corruption: The independent assessment undertaken by Publish What You Fund for its 2018 Aid Transparency Index rated UNDP as one of the **world's most transparent aid organizations**, making it the highest rated UN organization. UNDP's Transparency Portal (open.undp.org) allows open, comprehensive and easy public access to data on more than 4,500 projects and publishes over US$4.5 billion in project data, including UNDP's contribution to the 2030 Agenda the SDGs. UNDP's work is guided by the **Programme and Operations Policies and Procedures (POPP),** which provide operational standards and procedural guidance on core business processes. The POPP is almost entirely accessible to the public. UNDP staff undergoes mandatory trainings on ethics and integrity and the organisation is committed to maintaining the highest ethical standards which guide staff's actions and decisions. Integrity and anti-corruption aspects are embedded in the various types of contracts and agreements with counterparts, thus ensuring that these are respected at all times. Moreover, trainings to be conducted for partner LGs on the anti-corruption topic (in accordance to Municipal Environment and Economic Governance Project – MEG training concept/ modules).

Possible partnerships and synergies with other on-going or planned interventions

The Project will continue to ensure synergies with on-going and planned initiatives in the area of local governance and local development in the country, to optimise results and avoid duplication of activities. The Project will apply territorial demarcation principle with the **Municipal Environmental and Economic Governance Project (MEG)**, financed by the Government of Switzerland, for the new 16 partner local governments, so as to avoid putting too much burden on municipal/city budgets due to required co-financing of investments. However, the Project will look into MEG experiences related to the performance-based approach to the grant scheme and adapt approach to assessing the progress of partner MZs and LGs and to the management of grants for MZ priorities (ref. Outcomes 1 and 2).

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[26] Disaster Risk Analysis System (DRAS) is a product of United Nations Development Programme, enabling freely accessible hazard data to citizens to increase disaster risk awareness as well as spatial risk assessments combining hazard, land use and vulnerability data for decision makers.

The Project will also collaborate with the **Integrated Local Development Project (ILDP)**, financed by the Government of Switzerland, in terms of down-streaming the local development management cycle to the MZ level in common local governments.

The Project will work in synergy with the **Support to the Associations of Municipalities and Cities (AMC) Project**, supported by the Government of Switzerland and the Government of Sweden. Taking into account the strategic role of both Associations of Municipalities and Cities in dissemination of knowledge products among all LGs in the country, their role in the MZ Network and advocacy potential, the Project intends to maintain frequent exchanges and cooperate on specific activities with the Associations of Municipalities and Cities (ref. Outcomes 1, 2 and 3).

Synergies will be in place with the **Women in Elections Project**, particularly in regard to empowerment of women as well as in regard to capacitating vocal female community leaders to contribute to gender-sensitive localising and implementation of MZ vision.

The Project will also coordinate with the "**Roll-Out of the SDGs in Bosnia and Herzegovina"** financed by the Government of Sweden, particularly from viewpoint of strengthening awareness and capacities for SDGs at the community level, as well as contributing to the implementation of the SDGs Framework for Bosnia and Herzegovina 2030 through localising the SDGs.

Synergies will be sought with the follow-up phase of the **Diaspora for Development of Bosnia and Herzegovina Project** (December 2016-December 2020), financed by the Government of Switzerland, including selection of common localities. The aim will be to utilize the potential of diaspora to support implementation of MZ priorities and reinvigorate the citizens' pride of belonging to their communities.

It is important to underline that the Project will utilise directly the data, findings and recommendations of the **2019 Social Inclusion National Human Development Report** which is financed by the Government of Switzerland and co-developed with UNDP.

Collaboration will also be sought with the **Disaster Risk Reduction for Sustainable Development Joint UN Programme** (2018-2022) financed by the Government of Switzerland, particularly in terms of identifying cooperation in joint localities from the viewpoint of connecting MZs with disaster risk preparedness at the grass-roots level.

In conclusion, it is important to situate this Project as one of the flagship initiatives in the broader local governance and local development reforms, where UNDP plays an important part. Complementarities among all ongoing initiatives, coupled with cross-fertilizing synergies at the local and community level, will certainly add value to the effects anticipated by this Project, to the best interest of local communities and citizens in Bosnia and Herzegovina.

Risks and Assumptions

The main risks related to the Project implementation are described here, together with types of effects on the Project and anticipated mitigation measures. A detailed risk analysis is enclosed as Annex 2 to this Project document.

Political instability: The opposing interests of political parties and lack of willingness for democratic dialogue may lead to failures to establish the governments after elections, or frequent changes of governments at all levels. If such situation occurs, it would be difficult to work on improvements of legal and policy frameworks and motivate citizens to engage in local affairs. Mitigation measures will focus on careful monitoring of the political context by the Project team and joint decisions on the new approaches with the Steering Board.

Insufficient commitment of policymakers to local governance reforms: Higher-level authorities in Bosnia and Herzegovina may not be committed to reforms in the local governance domain. This may slow down the policy reform vision of the Project and undermine the achievements. The Project will apply an inclusive and consensus-based approach, resting on the spirit of cooperation and guided by the interests of local communities. To ensure stronger political buy-in, the Project will deploy a targeted advocacy with key messages delivered to political leaderships that speak in favour of the benefits gained from community governance reform.

The 2020 Local Elections: The 2020 Local Elections could pose certain risks to the Project implementation if already committed local leadership fails to be re-elected, or if new leaderships and administrations show less interest in MZ initiatives. Some political parties could misuse the MZ project related opportunities – such as grants, capacity-building events or other incentives – as tools in their campaign efforts. The Project will sign Agreements with all partner local governments, thus formalising their commitment to the Project, and will familiarise the newly elected local officials with the Project purpose, motivating them to constructively engage in its implementation. Timing of Project activities will be carefully planned so to avoid the misuse by political parties.

Reluctance to behavioural change at the local level: Prevailing mindsets of citizens in the partner communities and representatives of local administrations often lead to their reluctance to behavioural changes. This factor may slow down the community reforms and desired institutional changes. The Project will ensure continual, flexible and long-term sensitization and awareness raising activities as accompanying approaches in all interventions.

Increased level of risk linked to intended increased shift of implementation responsibility to third parties: The Project will embrace an approach of increased shift of responsibility for implementation of certain Project components to third parties, with UNDP's role being more of a facilitator of processes, consolidating efforts country-wide and focusing on policy advocacy. Due to the overall level of capacities of domestic authorities and civil society organisations, such endeavour holds potential programmatic, financial and administrative risks (e.g. delay of implementation, failure to achieve the set targets and results, etc.).

Depopulation/migration of the population: Having in mind that the Project works predominantly in small, rural areas, the risk of people leaving their community can have weakening effect on community development and social ties. To mitigate the risk, the Project focuses its efforts on creating opportunities in the target localities – from better quality of life, to improved services, learning opportunities, economic and political empowerment, etc.

Insufficient trust between citizens and their local government: Inefficient and politicized work of local governments, combined with non-transparent decision-making have decayed trust between citizens and their government. To mitigate such a risk, the Project will ensure transparent, inclusive and result-oriented priority setting at the MZ level, which then is considered by the local government in an open and fair dialogue. Further improve operational procedures and capacities for annual planning at the community level and a systemic linkage with municipal plans and budget.

Insufficient capacity among domestic partners: Weak capacities among partners selected as implementers of Project components may result in Project delay and underperformance. To mitigate the risk, the project will exercise strong due diligence in assigning partners' roles in the Project implementation and offer customised capacity development, mentoring of partners based on identified organisational/financial/institutional weaknesses.

Use of existing country systems, mechanisms and frameworks

The overall Project – processes and structures are fully **embedded within the local governance and community systems.** The envisaged intervention strategies target the existing institutional bodies and functions, while triggering changes in line with strategic commitments of local stakeholders. The Project intends to build on the **existing community (MZ), local and higher levels' strategic frameworks** in the attempt to advance the role of MZs in the decision-making and service provision. In doing so, the Project will fully respect the tradition and culture of the partner MZs and their citizens as well as avoid creation of parallel systems and regulatory solutions.

Finally, the existing **National gender mechanism** (comprising Agency for Gender Equality of Bosnia and Herzegovina and two entity Gender Centres) will be consulted for more effective mainstreaming gender equality in the community participatory processes, implementation of projects and service provision.

Sustainability and phasing out strategy

Sustainability lies in the heart of the Project's methodological approach and its exit strategy. UNDP will **gradually decrease assistance and transfer higher direct responsibilities** to partner MZs, local governments,

civil society organisations. These efforts will be coupled with **continuous focus on incremental capacity development** of all stakeholders, preparing them to fully take over further functionality and life of processes and systems developed with the Project's support. Specifically, Project outcomes 1 and 2 will be achieved based mainly on outsourcing (competitive outsourcing to civil society organisations/national experts/local/regional development agencies, as well as direct responsibility for certain process to partner local governments, as detailed in *Annex V*). Focus will be placed on capacity development of umbrella/network associations (MZ Network, both entity Associations of Municipalities and Cities) as the main future structures to support knowledge-sharing, policy-dialogue, MZ networking, etc. The Project's role will be to quality assure processes and deliverables, as well as sustainably connect them to systems and policies; facilitate country-wide collaborations and dialogues; consolidate efforts at the system level; steer policy efforts and support institutional capabilities across government levels.

Institutional changes within local administrations will be induced where possible within the financial and human resources availability, so that MZ focal points (officers/ coordinators or organizational units) take over the implementation of the new local regulatory frameworks and support MZs in their regular work. Officers assigned as MZ focal points will be the core of the operational teams that will take up and carry increasing portion of Project activities in Phase 2. Once capacitated as individuals and stable within the LG organizational setups, these officers will adopt new methods of work and drive the future MZ-related developments.

The sustainable institutional changes will happen at community level as well. **Community Hubs** are perceived as innovative structures, created upon citizen demand in Phase 1. By end of Phase 2, Community Hubs will become sustainable and capable to lead social and cultural activities at community level.

The Project will work on-system, put a strong focus on **institutionalising the successful MZ models** at the local and higher levels of authority, making sure that the new legal and policy frameworks get implemented to the highest possible extent.

Finally, the Project will create and agree with its partners upon the **knowledge-transfer plan** that will ensure the life of knowledge products after the intervention.

VI.   PROJECT MANAGEMENT

This project phase will be a contribution and the project agreements will be signed directly between UNDP and each of the respective Embassies.

Cost Efficiency and Effectiveness

The Project will deploy several measures in order to achieve cost effectiveness.

First, the Phase I local governments have been fully introduced to the rigorous financial protocols of this Project and can be expected to both continue to meet these high standards, while also assisting in bringing new participating local governments up to speed on financial requirements and principles. The orientation phase for the new participants will include **clear guidance on cost-effectiveness from UNDP**, transmitted directly and through UNDP partners.

Second, in terms of **procurement and in recognition of the benefits of effective competition**, outsourcing of services within the Project will be based on a competitive and transparent process. UNDP's standards and procedures in this process will ensure quality and consistency.

Third, all training and capacity development assistance will be organized and delivered following the **principle of clustering of partners**, to ensure economy of scale. The newly-structured management approach to Phase II will maintain this principle; one of UNDPs' coordinating roles will be to ensure that partners communicate and coordinate in order to not only successfully network participants, but to ensure value. For further cost effectiveness, the Project will, as appropriate and possible, continue to **make use of the relevant existing training programmes** available through other interventions.

The project will also seek to achieve economy of scale in investments by combining, where possible, financial resources with other on-going interventions in target localities. Moreover, working at the MZ level often assumes high degree of voluntary contributions and additionally mobilised resources for local initiatives, which will also contribute to a positive cost-benefit project ratio.

Fourth, building on the positive experiences from Phase I, the Project will **seek to utilize in-kind contributions from partners** in the form of hosting venue, hospitality, and transport costs for events and training; this principle will be required from all UNDP partners and will contribute to a positive cost-benefit project ratio. Considering the enthusiasm demonstrated in Phase I, it may be possible to secure even more in-kind support from participating LGs; for example, investments in Community Hubs can in itself reduce the need for separate space rental for events. UNDP is committed to not only securing such in-kind support but helping to advertise/promote this tangible sign of dedicated community-level partnership and investment.

Finally, the Project will also seek to achieve **economy of scale** in investments and capacity building activities by directly coordinating with other on-going interventions in target localities. This will require constant communication between UNDP and its partners, as well as with other local governance interventions working in the field.

Gradually shift responsibility for implementation of Project components to third parties

The Project will apply an approach of gradually shifting direct responsibility for implementation of Project outputs to third parties, to ensure durable capacity development of domestic stakeholders. In that light, UNDP will, in the framework of the existing corporate rules of programmatic tools (e.g. Responsible Party Agreement, Letter of Agreement, Performance-Based Payments, Low Value Grants), possibilities to engage relevant qualified stakeholders as partners, thus extend the reach and effectiveness of the Project by leveraging the capacity and networks of civil society organisations and local governments, as well as collaboration with public institutions. Thus, UNDP's role will be more of a process facilitator and quality assurer, consolidating efforts country-wide, and focusing on policy advocacy. Due to the overall level of capacities of domestic authorities and civil society organisations, such endeavour holds potential programmatic, financial and administrative risks (e.g. delay of implementation, failure to achieve the set targets and results, etc.).

Project Management

The project institutional structure consists of the **Project Board, Project Assurance, and the Project Team,** interacting in a broader project context with partners and all interested stakeholders.

UNDP and donors' representatives will meet on a regular basis to discuss Project progress, political issues and developments, as well as opportunities, including from viewpoint of policy efforts.

The **Project Board** will be responsible for making, by consensus, management decisions for the project. The Project Board will be comprised of representatives of: UNDP (Secretariat to the Project Board); the Government of Switzerland (Embassy of Switzerland in Bosnia and Herzegovina); the Government of Sweden (Embassy of Sweden in Bosnia and Herzegovina); the Ministry of Human Rights and Refugees of Bosnia and Herzegovina; the Ministry of Justice of the Federation of Bosnia and Herzegovina; the Ministry for Administration and Local Self-Government of Republika Srpska; Brčko District; and AMCs as bodies representing local governments/MZs.

The Project Board will approve the annual work plans, project manager's tolerances and adopt the annual reports prepared and presented by the project and will supervise the overall project progress by reviewing performance based on monitoring and evaluation. It will provide strategic guidance, as well as give final approval on strategic and selected operational issues. The Project Board will meet at least twice per year, or as necessary when requested by the Project Manager. It ensures that required resources are committed and appropriately disbursed, assesses risks and agree on management actions and resources to address them effectively, arbitrates on any conflicts within the project and seeks negotiated solutions to any problems arising between the project and external bodies.

The project will establish an **Advisory Board (AB)** as an inclusive voluntary body whose specific responsibilities will   include: promulgating importance of MZ agenda in BiH; serving as a forum for cooperation and dialogue on MZ related activities among governments, civil society and academia; enabling coordination and exchange on project related strategic, thematic and operational issues among relevant stakeholders; enabling exchange of expert opinions; proposing recommendations and remedies to possible barriers for consideration by the Project Board, etc. It will enable connection between the MZ Project and the wider civil society and academia, strengthening local ownership over MZ reform process in the country. Participation and contributions in the Advisory Board are strictly on a voluntary basis.

The **Project Assurance** supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This ensures project management milestones are managed and completed. The process of Project Assurance is independent of the Project Manager and will continue to be performed by the UNDP Social Inclusion Sector Leader.

The **Project Team** will comprise the *National Project Manager/Chief Technical Advisor (CTA)* and core team members. The full-time Project Manager/CTA has the authority to run the Project on a day-to-day basis on behalf of the UNDP. The Project Manager/CTA will have the responsibility to ensure that the Project produces the required results and benefits defined in this document. S/he will be responsible for day-to-day management and will ensure that the project reflects the detailed strategy and work plans, mindful of all required corporate standards, and within the constraints of time and cost. The CTA will also communicate unexpected opportunities or challenges to the Project Board for situational awareness and consideration.

The Project will also employ a core team of specialists to support the Project implementation, with an increased overall focus on quality assurance and facilitating broad-based partnerships – the *Local Governance Officer*, the *Policy Officer*, and the *IT Development and Gender Specialist* – to design, assure quality, and monitor implementation of activities, including strong oversight of the work of potential responsible partners and facilitating learning and knowledge sharing across work areas. In addition, considering the extensive work at the local level and depending on the final selection of partner local governments, *5 Field/Supporting Officers* will be placed in the respective UNDP regional offices. Their role will be to facilitate field processes and communication with local governments and MZs, interaction and mentoring of NGOs, as well as ensure close oversight and monitoring of field activities, including assurance of activities implemented directly by local governments. The team will have 1 full-time *Project Associate* and 1 full-time *Project/M&E Assistant*.

Project support will be ensured via project administrative assistance provided by the *Social Inclusion Programme Associate (part time)*, by the *Programme Operations Support Officer (part time), Procurement Associate (part time),* as well as partial support from the *UNDP Chief Technical Governance Specialist.*

The project institutional structure is as follows:
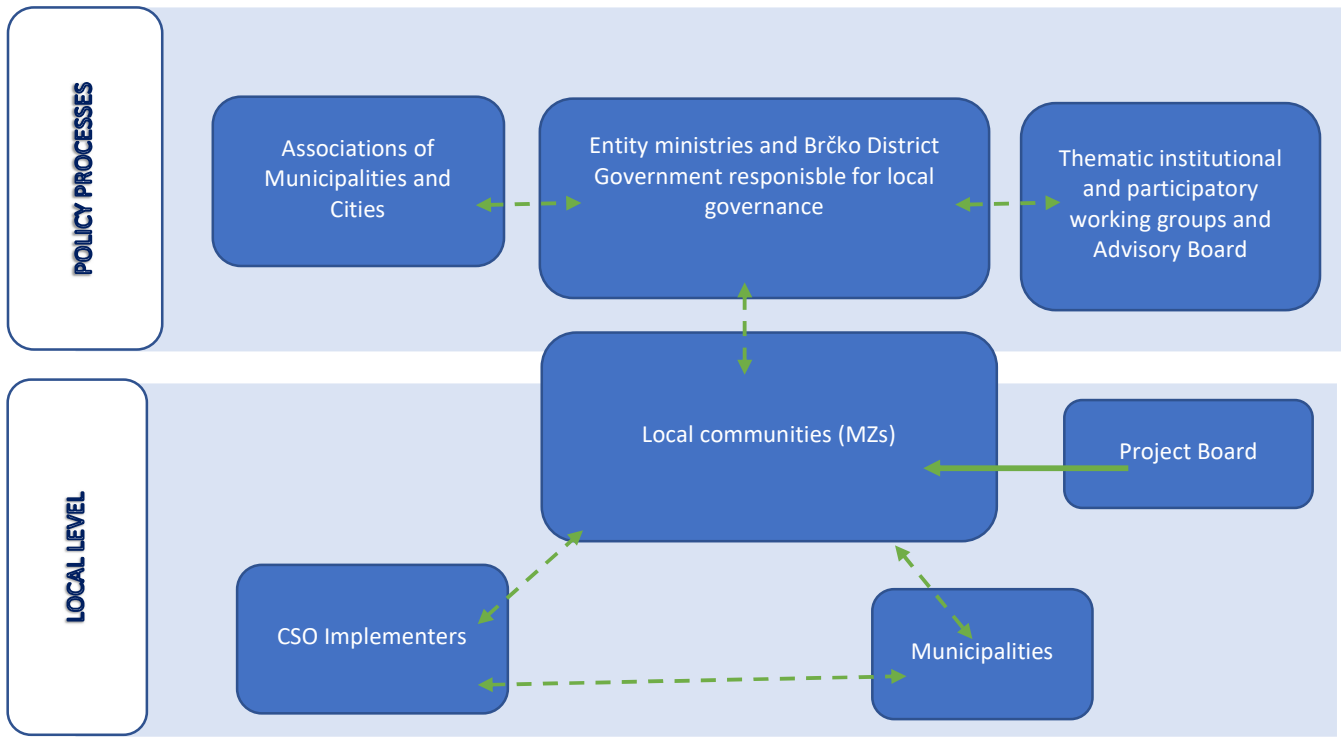
The project organisational structure is as follows:

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                          ┌─────────────────────────────────────────────┐
                          │              Project Board                  │
                          └─────────────────────────────────────────────┘
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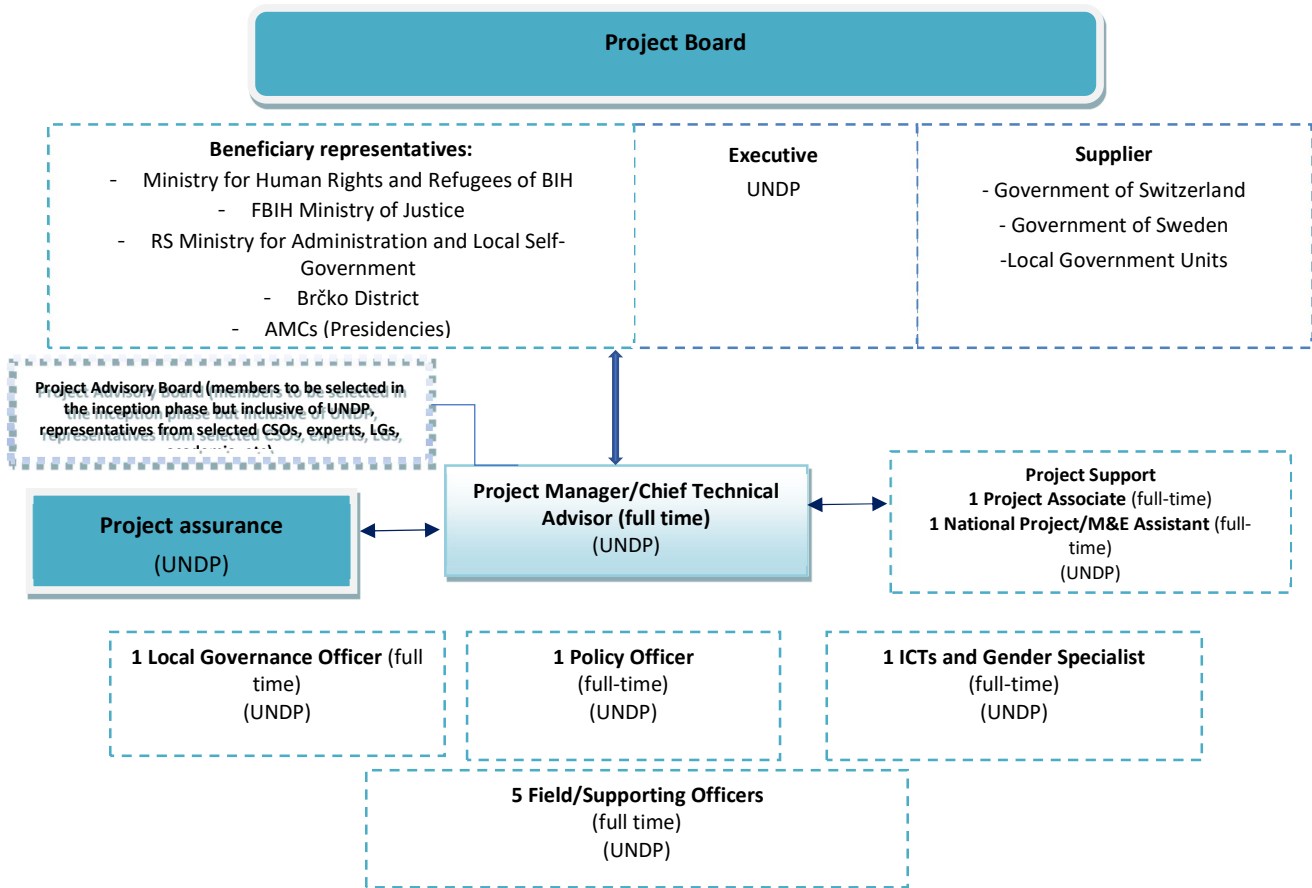
Beneficiary representatives:	Executive	Supplier
- Ministry for Human Rights and Refugees of BIH - FBIH Ministry of Justice - RS Ministry for Administration and Local Self-Government - Brčko District - AMCs (Presidencies)	UNDP	- Government of Switzerland - Government of Sweden -Local Government Units

Project Advisory Board (members to be selected in the inception phase but inclusive of UNDP, representatives from selected CSOs, experts, LGs,

Project assurance (UNDP)

Project Manager/Chief Technical Advisor (full time) (UNDP)

Project Support
 1 Project Associate (full-time)
 1 National Project/M&E Assistant (full-time)
 (UNDP)

1 Local Governance Officer (full time) (UNDP)	**1 Policy Officer** (full-time) (UNDP)	**1 ICTs and Gender Specialist** (full-time) (UNDP)

5 Field/Supporting Officers
 (full time)
 (UNDP)

Project Monitoring, Evaluation and Reporting

Monitoring

The Project will be monitored and evaluated in line with UNDP corporate standards. Project monitoring will be characterised by a gender-sensitive approach. The main tools for organising the Project monitoring system encompass the logical framework and Project risk analysis.

Evaluations

The Project will be subject to a **mid-term participatory review** engaging all relevant stakeholders and Project beneficiaries, to assess progress, achievements, relevance of the intervention and its approaches. As appropriate, the mid-term review will identify the need for adjustments to the Project that would be considered by the Project Board. In addition, UNDP will undertake a **mid-term internal quality assurance**, as per standard UNDP corporate project quality assurance system; the results of this procedure and its recommendations will be presented to the Project Board.

In addition, the Project will undertake an independent external **Final Evaluation** in the last implementation year. In addition, UNDP will conduct a **closing quality assurance**, as per UNDP corporate project quality assurance requirements; the results and recommendations of this procedure will be presented to the Project Board.

Reporting

UNDP will consolidate narrative reports, as well as detailed financial reports as per the requirements of the Swiss Development Cooperation and the Embassy of Sweden. The reports will include:

- **Annual Narrative Progress Reports** submitted to the Government of Switzerland, the Government of Sweden and the Project Board;

- **Annual Financial Reports** submitted to the Government of Switzerland and the Government of Sweden;

- **Final Project Narrative Report** submitted to the Government of Switzerland, the Government of Sweden and the Project Board;

- **Final Project Financial Report** submitted to the Government of Switzerland and the Government of Sweden.

VII.   RESOURCES

The total Project budget amounts to **USD 10,699,184.93** (detailed project budget is enclosed as Annex V to this Project document). The Government of Switzerland is co-financing the intervention with **USD 5,155,000.00**, the Government of Sweden with **USD 3,222,095.43,** the Government of Bosnia and Herzegovina with **USD 2,269,296.00** and UNDP with **USD 52,793.50.**

VIII. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/CPD 2021-2025: Outcome 4. By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law.	

Outcome indicator as stated in the Country Programme, including baseline and targets: *Indicator*.

Indicator 2.1b: Number of innovative and scalable solutions and approaches that evidently and sustainably improve public consultation and citizen engagement in policy design and delivery, including for the socially excluded.
Baseline (2019): 1.
Target (2025): 5.
Source, frequency: Public consultation tools, solutions utilised (annually).

Applicable Output(s) from the <u>***UNDP Strategic Plan***</u>***:*** Output 3.2. Functions, financing and capacity of sub-national level institutions enabled to deliver improved basic services and respond to priorities voiced by the public. Number of people accessing basic services, disaggregated by target groups.

Project title and Atlas Project Number: 00093109

EXPECTED OUTPUT	Results/Activities	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection) -all annual targets are cumulative (e.g. Year 2 includes target for year 1)					DATA COLLECTION METHODS & RISKS
				Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL (2024)	
Output 1. Improved quality of life of the citizens of Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level.	1.1. Localized MZ vision models are agreed upon as a result of dialogues engaging local governments, MZ and communities	1.1.1 Indicator: # of localised MZ vision models endorsed by MZ Councils and local government councils.	Decisions and minutes from sessions of municipal councils and/or MZ Councils in partner local governments.	0	2019	40	40	40	40	40	
		1.1.2 Number of people (40% women) who took part in localising of the MZ vision.	Minutes and records from public discussions.	N/a	2019	500	2500	2500	2500	2,500 (40% women)	
	1.2. A performance-based incentive scheme is developed and applied for all participant LGs and their	1.2.1 # of adopted local gender-sensitive government regulatory documents that ensure enhanced MZ functioning and sustainability.	Decisions and minutes from sessions of municipal councils and/or MZ Councils in partner local governments. Revised local development	0	2019	5	15	30	40	40	

		planning and budgeting procedures in partner local governments. Media coverage, photos. Project documentation. Feedback from communities in target areas.	0	2019	3	10	20	30	30	
	1.2.2 Number of partner local governments that have adjusted their local development planning and budgeting procedures to ensure effective engagement of MZ throughout the policy cycle.									
	1.2.3 Number of partner local governments that introduced targeted public financing mechanisms to support MZ-level priorities through local budgets.		3	2019	5	10	20	30	30	
1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led local development	1.3.1 # of local government elected officials and staff who have improved skills, tools and capabilities for dialogue and community led support to MZs.	Records from capacity development events. Media coverage. Project records and information.	50	2019	80	150	160	160	160	Assessment Feedback from users
	1.3.2 # of MZ who have strengthened technical, organizational and human capacity to voice out citizen needs.		136	2019	0	50	150	200	200	
2.1 Localized MZ vision implemented jointly by local governments and MZs by an integrated LG-level customised package of capacity and financial assistance	2.1.1 # of citizens forum sessions at MZ level.		602 citizen forums in 136 MZs	2019	200	400	600	800	800 citizen forums in 200 MZs (2024).	Review of reports and materials
	2.1.2 # of MZ priorities in # local governments identified at citizen forums with positive or neutral impact on environment, embedded in local governments' policies.	Records from capacity development events. Media coverage. Project records and information.	622	2019	200	400	800	1200	1200	
			20	2019	0	25	30	30	30	

Outcome	Indicator			Baseline	Year	T1	T2	T3	T4	Final	
	2.1.3 # of functional and sustainable community hubs.			n/a	2019	2	10	30	40	40	
	2.1.4 # of local regeneration and transformational projects designed at MZ level as a result of community joint dreaming with positive impact on environment.										
	2.1.5 % of all MZs who are satisfied with (or who can count on regular) support of the local government staff/MZ-focal points.			n/a	2019	5%	15%	35%	50%	50%	
	2.16 # of partner local governments and MZs that introduced ICT-based solutions for citizen participation, empowerment of women and/or local democracy.			2	2019	5	15	20	25	25	
2.2 A performance-based incentive scheme is developed and applied for all participant LGs and their MZs and best performers awarded	2.2.1: Average % of embedded MZ priorities acted on by local governments with positive or neutral impact on environment.			40%	2019	5%	20%	35%	50%	50%	
	2.2.2: % of partner local governments and their MZs that tangibly improve performance along the key MZ model parameters.			n/a	2019	5%	20%	35%	50%		
	2.3.1 Vibrant, interactive and accessible digital platform is used for MZ networking countrywide.									50%	

	Indicator	Means of verification	Partially	2019	Partially	functional	Fully functional	Fully functional	Fully functional	
	2.3.2 # of successful transfer and replication of MZ practices and models beyond partner local governments.		Partially	2019	Partially	functional	Fully functional	Fully functional	Fully functional	
. 2.3 More MZ country wide embrace MZ practices based on modern digital platform and human interaction. 2.4. Localized MZ vision transferred/scaled up to additional local government.	. 2.3..2 # of additional local governments who improve their gender sensitive regulatory frameworks for a localised MZ model	Records from capacity development events. Media coverage. Project records and information.	n/a	2019	0	5	20	30	30	Review of reports and materials.
			n/a	2019	0	0	10	20	20	
3.1. Strong analytical ground to support and influence inclusive policy dialogue based on emerging common localized MZ vision legal models 3.2. AMCs, academia, civil society organisations and citizens supported to become strong	3.1 # of assessments conducted to support and inform policy dialogue. 3.2.1: # of capacity development events for AMCs, academia, civil society organisations (including women groups) and citizens (40% women) to become strong	Project records and information.	n/a	2019	0	1	1	2	2	Media reviews. Interviews with partners
			n/a	2019	2	10	10	10	10	

Output		Indicator										Means of verification
	promoters of the MZ Vision	promoters of the MZ vision.										
		3.2.2 # of representatives from AMCs, academia, civil society organisations (including women groups) and citizens (40% women) to become strong promoters of the MZ vision who take active part in policy dialogue and advocate for MZ- and local government-linked reforms.			n/a	2019	20	80	200	200	200	
		3.2.3: # of advocacy initiatives by academia, civil society organisations (including women groups), academia and citizens (40% women) in policy dialogue for MZ- and local government-linked reforms.			n/a	2019	0	1	3	5	5	
	3.3. Legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability	3.3.1 # of advocacy initiatives by AMCs in policy dialogue that got full support from member local governments.			n/a	2019	0	0	1	2	2	
Output 2. COVID-19 Response to community needs	1.1 Rapid Response Assessment (RARE)	1.1.1 Questionnaire development and deployment of the assessment ("living research" to be updated bi-weekly)			no	2020	1					Review of reports and materials Published report
	1. 2. Rapid Response Community Facility	1.2.1 Rapid Response Community Facility implemented in 24 municipalities			no	2020	24					Municipal acceptance reports

IX. MULTI-YEAR WORK PLAN

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
			Y1	Y2	Y3	Y4		Funding Source	Budget Description	Amount
OUTPUT 1: Improved quality of life of the citizens of Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level. **Gender marker: 2**	Preparatory Activities	0.1.1 Official launch of the Project 0.1.2 Selection of partner local governments 0.1.3. Visit all partner local governments and MZs 0.1.4. Establish/confirm MZ focal points/teams in partner local governments 0.1.5. Design Gender Strategy of the Project to provide the framework for gender mainstreaming and gender specific interventions					UNDP	Government of Sweden/UNDP	61100-National professional 71300-Local consultants 71600-Travel 72100-Contractual service Companies	111,294.34
	Subtotal preparatory phase									**111,294.34**
	1.1 Localized MZ vision models are agreed upon as a result of dialogues engaging local governments, MZ and communities	1.1.1. Select a team of 4 thematic experts per LG to support and contribute to the local dialogues. 1.1.2. Prepare and launch LG-level local dialogues to discuss and agree on a localised MZ vision. 1.1.3. Develop localised MZ visions for each partner LG. 1.1.4. Validate the localised MZ vision with all MZs within each LG.					Civil society/ development agency/ consultancy companies/ UNDP Civil society/ development agency/ consultancy companies/ UNDP	Government of Switzerland/Government of Sweden/UNDP Government of Switzerland/Government of Sweden/UNDP	74500-Miscellaneous 72100-Contractual service Companies 71300-National Consultants 71400-Monthly pay SB 4/1 for 2 persons (1 Local Governance Officer and 1 Policy Officer) Y1	153,340.00

	1.2. Local government adopts gender sensitive regulatory frameworks for enhanced MZ functioning and representation based on the localized MZ Vision drafted in a participatory process and adopted.	1.2.1. Design and conduct baseline citizens perception survey. 1.2.2. Develop expert recommendations in each LG for improvement of the municipal development management frameworks to enable systemic voicing of MZs in the annual planning and budgeting cycle. 1.2.3. Develop expert recommendations in each LG for institutional set up of local government financing instruments to support MZ needs and gender responsive community priorities.					Local governments/ CSOs/ consultancy companies/ UNDP	72100-Contractaul service companies 71300-National Consultants 71400-Monthly pay 5 Field Officers 7 months Y1	246,158.87
		1.2.4. Prepare a legal roadmap that describes all necessary regulatory changes/new acts to enable the implementation of all elements of the localised MZ vision (including LDM and financing mechanisms). 1.2.5. Facilitate presentation of the comprehensive gender sensitive legal							

	1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led, gender responsive local development.	reform packages to municipal councils in each partner LG. 1.2.6 Monitor discussion and formal adoption of proposed legal packages in each partner LG. 1.3.1. Workshops for all MZs and LG staff to familiarise with the MZ Vision. 1.3.2. Practical training on digital skills for MZ staff. 1.3.3. Interactive trainings on skills of the future (i) critical thinking, (ii) innovation and (iii) leading change within communities. 1.3.4. Technical and administrative equipment for new partner MZs. 1.3.5. Practical training on the citizen forum for all partner MZ representatives.						Government of Switzerland/Gover nment of Sweden	72100-Contractual service companies 71300, 72100-National and International Consultants 72800-Equipment 72200-Equipment 72500-Sundries	788,000.00
		MONITORING								
Sub-Total for Activity 1										**1,187,498.87**

	2.1 Localized MZ vision implemented jointly by local governments and MZs by an integrated LG-level customised package of capacity and financial assistance performers awarded.	2.1.1. Develop a set of basic indicators and monitor the implementation of the newly-adopted gender sensitive legislation for empowering MZs in each LG. 2.1.2. Engage service providers (local/regional organisations within target local governments) who will support and steer the implementation of the localised MZ vision through an annual cycle through integrated technical. 2.1.3. Co-finance priority community projects in all partner LGs by piloting the public financing mechanism to support MZs in partner MZs only or for all MZs in the LG. 2.1.4. Support the advancement and modernisation of community hubs in new partner LGs.					Local governments/ CSOs/ consultancy companies/ UNDP Local governments/ CSOs/ consultancy companies/ UNDP	Government of Switzerland/Government of Sweden/BIH Local GVT	71300-National Consultants 72100-Contractual service companies 72600-Grants 72100-Projects 72100-Hubs 72800-Equipment per hub 72100-Adaptation/per hub	4,214,200.00
	2.2 A performance-based incentive						Local governments/	Government of Switzerland/Government of Sweden/BIH Local GVT	71300-National Consultants 72600-Grants 72100-Awards 71400-Monthly pay 5 Field officers 6m Y1	1,413,800.00

	scheme is developed and applied for all participant LGs and their MZs and best performers awarded.	2.2.1. Create a LG-customised performance scheme for MZs (based entirely on the key aspects of the localised MZ vision) and announce 1-year performance period to measure progress and achievements. 2.2.2. Engage service providers (local/regional organisations within target local governments) who will support and monitor performance. 2.2.3. Award best performing MZs. 2.2.4. Monitor implementation of awarded projects.					CSOs/ consultancy companies/ UNDP	Government of Switzerland/Government of Sweden	60000-100% of monthly pay ICTs and Gender Specialist NOA 6 months all years 74200-Newsletters 72100-Contractual service companies 71300-National Consultants
	2.3. More MZ country wide embrace MZ practices based on modern digital platform and human interaction. Output	2.3.1. Ensure continuous relevance and promote the uptake of MZ digital platform. 2.3.2. Ensure that all MZs country-wide have access to and are registered members of the MZ digital platform. 2.3.3. Annual MZ Network meetings to exchange success and lessons learnt 2.3.4. Bi-annually MZ newsletter 2.3.5. Inform and facilitate peer-to-peer exchange among MZs 2.3.6. Inform, sensitize and engage the MZ Network in policy formulation processes. 2.3.7. Explore the possibility to support formal registration of the MZ Network as a civil society organisation with its Secretariat to sustain its future work.					CSOs/ consultancy companies/ UNDP		274,240.00

2.4. Localized MZ vision transferred/scaled up to additional local government.	2.4.1. Announce public call for expression of interest by LGs to receive expert support to introduce localised MZ visions and adequate regulatory frameworks. 2..4.2. Select max. 15 LGs and provide light technical assistance to have a public discussion and then adapt their regulatory frameworks to empower MZs. 2.4.3. Compile best practices and promote country-wide. 2.4.4. Design and conduct exit citizens perception survey.						Government of Switzerland/Government of Sweden	72100-Contractual service companies 74200-Audio Visual&Print Prod Costs	41,000.00
	MONITORING								
Sub-Total for Activity 2									**5,943,240.00**
3.1. Strong analytical ground to support and influence inclusive policy dialogue based on emerging common localized MZ vision legal models	3.1.1. Conduct an assessment of emerging LG regulatory practices that can inform wider systemic policy reforms related to MZs and local governance. 3.1.2. Share the results of the assessment and its recommendations with policy makers, all stakeholders and the wider public.				UNDP Associations of Municipalities and	Government of Switzerland/Government of Sweden	60000- ITC and Gender Specialist NOA 6 months in Y2-Y4 71300, 72100-National and International Consultants 74200, 72100-Audio Visual&Print Prod Costs, Contractual service companies	155,480.00

	3.2 AMCs, academia, civil society organisations and citizens supported to become strong promoters of the MZ Vision and advocates for improved public policies.	3.2.1. Design and deliver awareness raising and advocacy skills building workshops for AMCs, academia, civil society organisaitons and citizens on the MZ vision. 3.2.2. Support long-term nation-wide media thematic coverage for wider public awareness raising.					Cities of RS and FBIH/ UNDP	Government of Switzerland/Gover nment of Sweden	72100- Contractual companies (design) 72600-Grants 74200, 72100- Audio Visual&Print Prod Costs, Contractual service companies	179,100.00
	3.3 Gender sensitive legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability and greater functionality	3.3.1. Develop a detailed roll-out plan for the policy/regulatory dialogues in each entity and Brčko District in close partnership with AMCs. 3.3.2. Support advocacy meetings and public consultations in each entity and Brčko District to ensure participatory formulation of gender sensitive regulatory/strategic frameworks related to MZs and to local governance in general.					Associations of Municipalities and Cities of RS and FBIH/ UNDP	Government of Switzerland/Gover nment of Sweden	71400- Monthly pay (2 persons 1 Local Governance Officer and 1 Policy Officer) 12m Y2-Y4 71300-National Consultants 71400-Monthly pay (5 Field officers) 2m Y2-Y4 72600-Grants 72100- Contractual service companies	392,880.00
	Sub-Total for Activity 3									**727,460.00**

			Planned Budget by Year				Responsible party		Planned budget	
Project Management and Evaluation	*Project Management and Evaluation (as relevant)*	Sector quality assurance Project Manager/Chief Technical Advisor Chief governance Specialist Project Associate Programme Operation Support Monitoring and Evaluation Assistant Rent Office material- supplies Communication costs (mobile and fixed lines) Miscellaneous (bank charges and etc) Travel costs - Daily Subsistence Allowance Running costs - Fuel and vehicle maintenance Evaluation HACT Assessment and assurance activities (HACT MA, spot checks, F&IC Audit)							61100-National professional 71400-Monthly pay 71600-Travel 73100-Rent 74200-Audio visual production 72100-Contractual service Companies 74100-Audit	1,615,171.50

	Subtotal activity 4			**1,615,502.29**
	General Management Support and UN levy			**750,111.76**
	TOTAL Output 1			**10,335,107.26**

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year				Responsible party		Planned budget	
			Y1	Y2	Y3	Y4		Funding Source	Budget Description	Amount
OUTPUT 2: COVID-19 Response to community needs	1.1 Rapid Response Assessment (RARE)	1. Questionnaire development and deployment of the assessment ("living research" to be updated bi-weekly) 2. Analysis of Data and recommendations for immediate interventions made 3.Criteria for distribution of the assistance developed and agreed with stakeholders 4. Adaptation of the web based solutions					*UNDP*	Government of Sweden	71300- National Consultants 72100-Contractual service companies	14,000.00 4,000.00
Sub-Total for Activity 1										**18,000.00**
	1.2. Rapid Response Community Facility	***1. 2. Rapid Response Community Facility***					*UNDP*	Government of Sweden	72100-Contractual service Companies 72600-Grants	319,108.95
Sub-Total for Activity 2										**319,108.95**
Evaluation *(as relevant)*										
General Management Support										26,968.72
TOTAL Output 2										**364,077.67**

X.   MONITORING AND EVALUATION

Monitoring Activity	Purpose	Frequency	Expected Project	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.[27]	UNDP/Project	
Collect stakeholder feedback and evidence on contextual changes, and operational performance	Appropriate and credible data and documents will be collected and properly maintained as evidence for monitoring and reporting.	Quarterly, or in the frequency of the Project Board review	Slower than expected progress will be addressed by project management.[28]	UNDP/Project	
Verify progress	Verify output progress and/or completion	Quarterly, or in the frequency of the Project Board review	Slower than expected progress will be addressed by project management. [29]	UNDP/Project	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management Projects using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Annually	Risks are identified by project management and Projects are taken to manage risk. The risk log is actively maintained to keep track of identified risks and Projects taken.[30]	UNDP/Project	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.[31]	UNDP/Project	
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Every other year	Areas of strength and weakness will be reviewed by project management and used	UNDP/Programme	

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[27] Templates: Results framework; CO Project Monitoring Platform; Atlas (Output, Targets and Results Log; Activity Log).
[28] Templates: Project Progress Report; Project space in the corporate planning system.
[29] Field Visit Report Template.
[30] Project Risk Log and Templates; Social and Environmental Standards; Enterprise Risk Management Policy.
[31] Template: Lessons Learned Log

			to inform decisions to improve project performance.[32]	
Review and Make Course Corrections	Internal review of data and evidence from all monitoring Projects to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	UNDP/Project
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		UNDP/Project
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management Projects agreed to address the issues identified.	UNDP/Project
Project monitoring budget is 5 % from the total project budget generated through regular project activities and already included in the total Project Budget[33]				459,700 USD

Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Final Project Evaluation	*UNDP*	*#2 GOVERNANCE: 1.2.1 Capacities at national and sub-national levels strengthened to promote inclusive local economic*	*Outcome 2: Accelerate structural transformations for sustainable*	*March 2024*	*UNDP*	*USD 20,000*

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[32] UNDP Quality Assurance Corporate System
[33] 1% per year for monitoring and evaluation

		development and deliver basic services4 including HIV and related services	*development; Outcome 3: Strengthen resilience to shocks and crises.*		

XI. LEGAL CONTEXT

This programme document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement (SBAA) between the Government of Bosnia and Herzegovina and UNDP, signed on 07 December 1995. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

Bosnia and Herzegovina and the United Nations Sustainable Development Cooperation Framework for the period 2021-2025 (endorsed by the Council of Ministers of Bosnia and Herzegovina and UN on 16 December 2020), as well as the UNDP Country Programme Document 2021-2025 represent the basis for the activities of UNDP in the country.

This programme will be implemented by UNDP in accordance with its financial regulations, rules, practices and procedures.

XII.   RISK MANAGEMENT

1. *UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)*

2. *UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.*

3. *Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).*

4. *UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.*

5. *In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.*

6. *All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.*

7. *UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:*

    a. *Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:*

        i. *put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;*

        ii. *assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.*

    b. *UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.*

    c. *In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.*

    d. *Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure*

that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

e. *The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.*

f. *In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.*

g. *Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.*

   Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

h. *UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.*

   Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

   Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

i. *Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.*

j. *Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.*

k. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, mutatis mutandis, in all its sub-contracts or sub-agreements entered into further to this Project Document.

Special Clauses.

1. The schedule of payments and UNDP bank account details.

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.

3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

4. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

5. All financial accounts and statements shall be expressed in United States dollars.

6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.

7. If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required is not forthcoming from the Government or other sources, the assistance to be provided to the programme under this Agreement may be reduced, suspended or terminated by UNDP.

8. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) 8 % cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices;

(b) Direct cost for implementation support services provided by UNDP and/or an executing entity/implementing partner.

9. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.
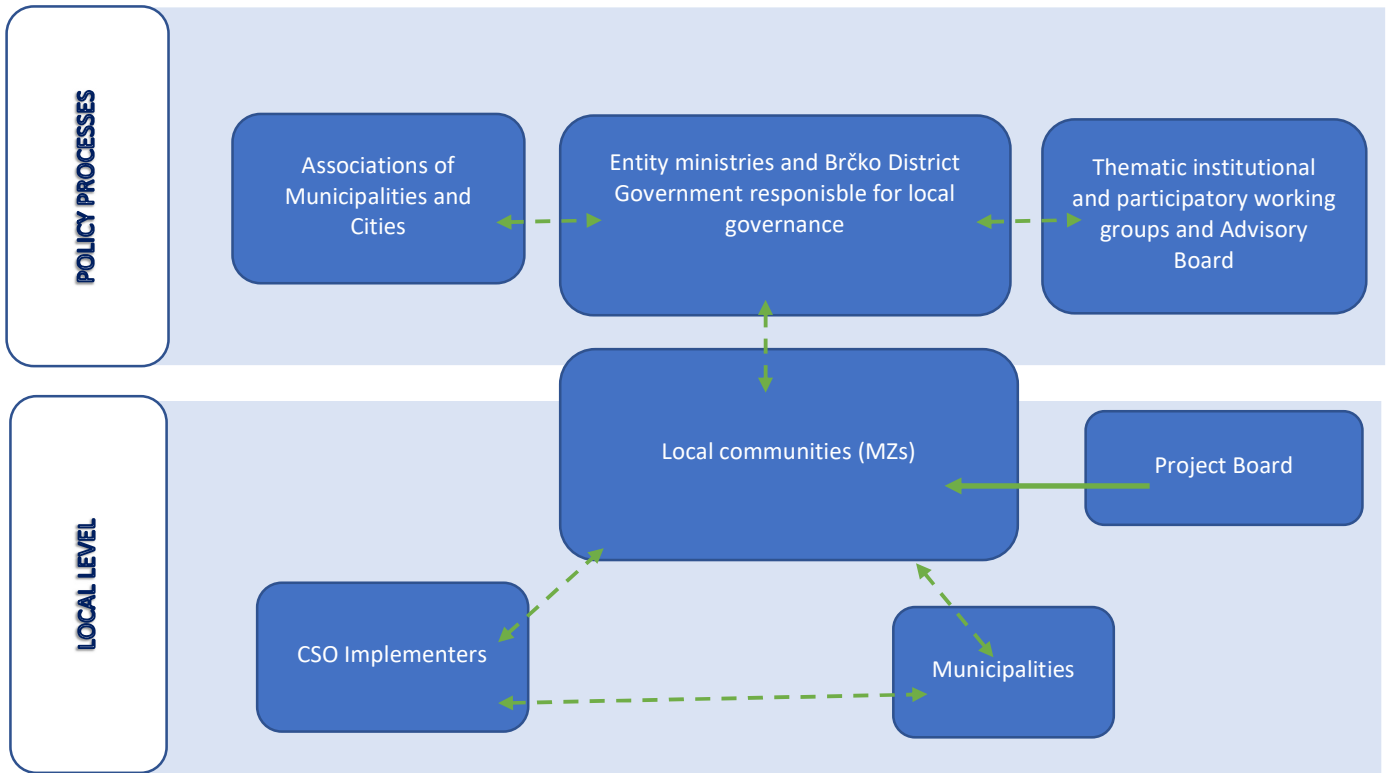
XIII. ANNEXES

Annex I: Project Quality Assurance Report

Quality Assurance report is available on the following link

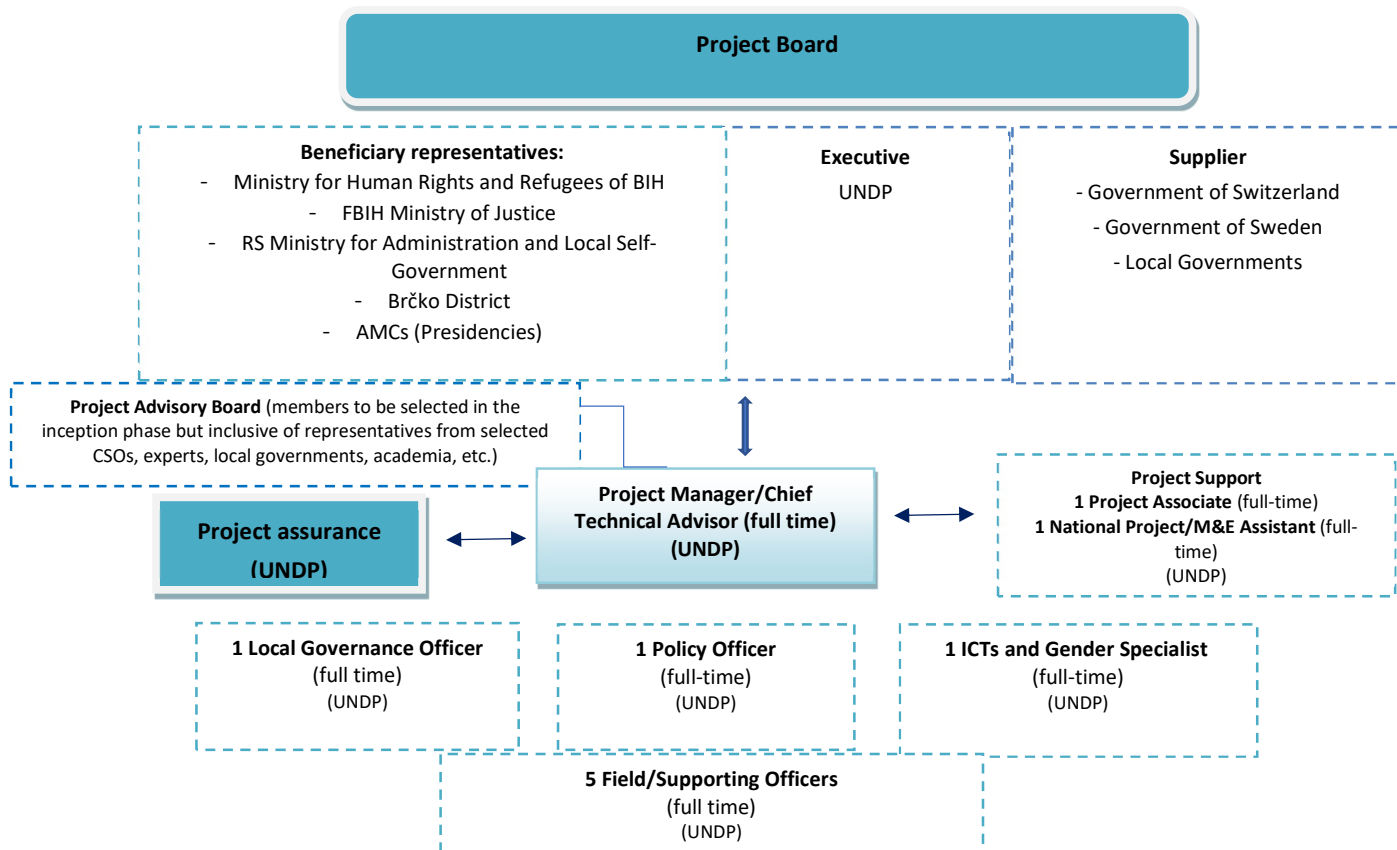https://intranet-apps.undp.org/ProjectQA/

Annex II: Project institutional and organizational set-ups

POLICY PROCESSES

Associations of Municipalities and Cities

Entity ministries and Brčko District Government responisble for local governance

Thematic institutional and participatory working groups and Advisory Board

LOCAL LEVEL

Local communities (MZs)

Project Board

CSO Implementers

Municipalities

Arrow legend:

Exchange of information, interaction and cooperation
Project management

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                              ┌─────────────────────────────────────────────┐
                              │               Project Board                 │
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Beneficiary representatives:
- Ministry for Human Rights and Refugees of BIH
  - FBIH Ministry of Justice
- RS Ministry for Administration and Local Self-Government
  - Brčko District
  - AMCs (Presidencies)

Executive
UNDP

Supplier
- Government of Switzerland
- Government of Sweden
- Local Governments

Project Advisory Board (members to be selected in the inception phase but inclusive of representatives from selected CSOs, experts, local governments, academia, etc.)

**Project assurance
(UNDP)**

**Project Manager/Chief Technical Advisor (full time)
(UNDP)**

**Project Support
1 Project Associate** (full-time)
1 National Project/M&E Assistant (full-time)
(UNDP)

1 Local Governance Officer
(full time)
(UNDP)

1 Policy Officer
(full-time)
(UNDP)

1 ICTs and Gender Specialist
(full-time)
(UNDP)

5 Field/Supporting Officers
(full time)
(UNDP)

Annex III: Framework of the Project Strengthening the Role of Local Communities in BiH, Phase II

Hierarchy of objectives Strategy of Intervention	Key Indicators	Data Sources Means of Verification	
Impact (Overall Goal)	**Impact Indicators**		
The overall goal of the second Project phase is to improve the quality of life of the citizens of Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centred performance of local governments and catalyse democratic transformation at the local level.	*Indicator:* Extent to which the MZ vision is translated into democratic policies and gender responsive practices in Bosnia and Herzegovina that empower MZs. *Baseline:* The MZ vision is to a very limited extent translated into democratic policies, only within select local governments (2019). *Target:* The MZ vision is to a high extent translated into democratic policies and gender responsive practices in Bosnia and Herzegovina that empower MZs (2024). *Indicator:* Proportion of population (sex- and age-disaggregated) in partner local governments satisfied with their last experience of public services.[34] *Baseline:* *To be established at the beginning of the Project (2020).* *Target:* Increased proportion of population in partner local governments satisfied with their last experience in public services by 10% (2024). *Indicator:* Average turnout in MZ elections in target MZs. *Baseline:* *to be established upon selection of MZs* (2020)[35]. *Target:* Proportion of non-voting electorate decreased by 20% (2024). *Indicator:* Level of social inclusion at the local level. *Baseline:* *to be established from the Social Inclusion National Human Development Report (2019).* *Target:* Increased level of social inclusion at the local level (2024).	- Analysis of the extent to which the MZ Vision has been translated into policies and gender responsive practices, and impact assessment. - Formal regulatory, policy or strategic frameworks (higher and local government level) featuring aspects that empower MZs. - Baseline and exit citizens' perception survey in selected MZs and local governments. - Formal documentation on MZ elections in partner local governments. - 2019 Social Inclusion National Human Development Report.	

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[34] SDG 16 Indicator: 16.6.2 Proportion of population satisfied with their last experience of public services.

[35] Baseline indicator can only be established in those MZs which already have MZ-wide formal elections. Where elections are introduced during the project, performance will be measured from that point on, and in relation to comparable non-participating MZs.

Hierarchy of objectives Strategy of Intervention	Key Indicators	Data Sources Means of Verification	
Outcomes	**Outcome Indicators**		**External Factors (Assumptions & Risks)**
Outcome 1: Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development.	*Indicator*: % of local governments that adopted renewed local gender-sensitive legislative frameworks that empower % of MZs country wide. *Baseline*: 14% of local governments adopted renewed local gender-sensitive legislative frameworks that empower 19% of MZs country-wide (2019). *Target*: 27% of local governments adopted renewed local gender-sensitive legislative framework that empower 36% of MZs country-wide (2024). *Indicator*: Proportion of population (sex- and age-disaggregated) in partner local governments who believe decision-making is inclusive and responsive.[36] *Baseline*: *To be established at the beginning of the Project (2020).* *Target*: Increased proportion of population in partner local governments who believe decision-making is inclusive and responsive by 20% (2024). *Indicator*: Average % of partner local governments' total budget that is allocated for democratically voiced MZ development priorities. *Baseline*: 40% of partner local governments' total budgets allocated for democratically voiced MZ development priorities (2019). *Target*: 50% of partner local governments' total budgets allocated for democratically voiced MZ development priorities (2024).	- Decisions of Municipal Councils/Assemblies of partner local governments. - Baseline and exit citizens' perception survey in selected MZs and local governments. - Local governments' budgets and reports on public expenditures. - Formal records from citizen forums in partner MZs. - Project records.	Partner local governments have sufficient political will to create favourable conditions for MZ work and to allocate budgets to MZs based on development-oriented criteria (instead of political).
Outcome 2: MZs as legitimate and sustainable community spaces translate citizens' voice into quality, inclusive and gender responsive services and use MZ networks for	*Indicator*: Total # of people in partner MZs who participate in citizen forums (gender-disaggregated). *Baseline*: 17,174 people (40% women) in partner MZs participated in citizen forums (2019). *Target*: 30,000 people (40% women) in partner MZs participate in citizen forums (2024).	- Records from citizen forums. - Formal documentation from partner local governments and MZs (annual reports).	MZ leadership is open to democratic reforms and pro-active in communicating with and engaging citizens in community affairs,

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[36] SDG 16 Indicator: 16.7.2 Proportion of population who believe decision-making is inclusive and responsive (by sex, age, disability and population group).

Hierarchy of objectives Strategy of Intervention	Key Indicators	Data Sources Means of Verification	
replication of successful MZ models countrywide.	*Indicator:* Number of citizens benefiting directly from improved access to and quality of infrastructure & and gender responsive services within target MZs. *Baseline*: 280,000 citizens benefiting directly from improved access to and quality of infrastructure and gender responsive services within local governments (2019). *Target*: 400,000 citizens benefiting directly from improved access to and quality of infrastructure and gender responsive services within local governments (2024). *Indicator*: # MZ (% of all) actively engaged in MZ networking. *Baseline*: 136 MZs (5% of all MZs in the country) actively engaged in MZ networking (2019). *Target*: 1000 MZs (40% country wide) actively engaged in MZ networking (2024). *Indicator:* Level of trust by citizens in their MZs and extent to which they see MZs are capable, inclusive and accessible community service that voices their needs and ideas to higher government levels and instigates community transformation. *Baseline*: *To be established (2020).* *Target*: Increased level of trust by citizens in their MZs and extent to which they see MZs are capable, inclusive and accessible community service that voices their needs and ideas to higher government levels and instigates community transformation (2024).	- Baseline and exit citizens' perception survey in selected MZs and local governments. - MZ networking platform.	primarily in prioritization of problems. Status and recognition of MZ staff is conducive to their motivation and engagement with community work.
Outcome 3: Higher government authorities take responsibility and act in response to increased citizens demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level.	*Indicator*: Number of amendments of gender-sensitive legal/policy/strategic frameworks that contribute to stronger and more professional MZs drafted as a result of inclusive policy dialogue. *Baseline*: 1 amendment of a principal law discussed and drafted (2019). *Target*: 5 amendments of legal/policy-strategic frameworks[37] that contribute to stronger, more professional and gender-	- Official documents of entity/cantonal governments. - Media coverage of policy dialogue processes.	Political support by all government levels and advocacy by the AMCs towards empowerment of MZs and policy reform in place.

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[37] Based on dialogue with policy makers, these may entail, but not limited to, amendments of the principle laws on local self-governance in both entities, amendments to the secondary legislation at entity level, thematic policy papers adopted by entity governments, contribution to the strategic frameworks at entity and cantonal levels, for example RS strategy for local self-government, position papers by

Hierarchy of objectives Strategy of Intervention		Key Indicators	Data Sources Means of Verification	
		sensitive MZs drafted as a result of inclusive policy dialogue (2024). _Indicator_: # public events, consultations and actions where MZs and local governments and/or their representative bodies proactively took part and influenced broader MZ and local government reforms. _Baseline_: 10 regional and national events and public consultations where MZs and local governments, including AMCs, proactively took part in the development of the common MZ vision and the draft legal amendments (2019). _Target_: 20 events, consultations and actions where MZs and local governments and/or their representative bodies proactively took part and influenced broader MZ and local government reforms (2024). _Indicator:_ # of members of government/parliament commissions/working bodies actively involved in improvement of the local governance and MZ frameworks at higher government levels. _Baseline:_ 15 members of Federal Parliament, House of Peoples, RS National Assembly, FBiH Ministry of Justice, RS Ministry of Local Self-Governance actively involved in improvement of the local governance and MZ frameworks (2019). _Target:_ 50 members of government/parliament commissions/working bodies actively involved in improvement of the local governance and MZ frameworks at higher government levels (2024).	- Records from formal meetings and policy discussions of government/parliament structures. - Project records and correspondence.	
Outputs and costs		**Output Indicators**		
For outcome 1: Local governments create a conducive environment that enables pro-active engagement of MZs in decision-making and community-led local development.				
Output 1.1	**Output 1.1.** **Localized MZ vision models are agreed upon as a result of dialogues engaging local**	_Indicator:_ # of localised MZ vision models endorsed by MZ Councils and local government councils. _Baseline:_ 0 (2019). _Target:_ 40 (2024).	- Decisions and minutes from sessions of municipal councils and/or MZ Councils in partner local governments.	Mayors and municipal councillors have political will to initiate inclusive dialogue with communities towards

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Associations of Municipalities and Cities.

Hierarchy of objectives Strategy of Intervention		Key Indicators	Data Sources Means of Verification	
	governments, MZ and communities.	*Indicator:* Number of people (40% women) who took part in localising of the MZ vision. *Baseline:* N/A (2019). *Target:* 2,500 people (40% women) took part in the localising of the MZ vision (2024).	- Minutes and records from public discussions.	creation of enabling environment for empowered MZs.
Output 1.2	**Output 1.2. Local government adopts gender sensitive regulatory frameworks for enhanced MZ functioning and representation based on the localized MZ Vision drafted in a participatory process and adopted.**	*Indicator:* # of adopted local gender-sensitive government regulatory documents that ensure enhanced MZ functioning and sustainability. *Baseline:* 0 (2019). *Target:* 40 (2024). *Indicator:* Number of partner local governments that have adjusted their local development planning and budgeting procedures to ensure effective engagement of MZ throughout the policy cycle. *Baseline:* 0 (2019). *Target:* 30 (2024). *Indicator:* Number of partner local governments that introduced targeted public financing mechanisms to support MZ-level priorities through local budgets. *Baseline:* 3 (2019). *Target:* 30 (2024).	- Decisions and minutes from sessions of municipal councils and/or MZ Councils in partner local governments. - Revised local development planning and budgeting procedures in partner local governments. - Media coverage, photos. - Project documentation. - Feedback from communities in target areas.	Local governments have political will and interest to adopt gender sensitive regulatory frameworks for enhanced MZ functioning.
Output 1.3:	**Output 1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led, gender responsive local development.**	*Indicator*: # of local government elected officials and staff who have improved skills, tools and capabilities for dialogue and community led support to MZs. *Baseline*: 50 local government elected officials and staff have improved skills, tools and capabilities for dialogue and community-led support to MZs (2019). *Target*: 160 local government elected officials and staff have improved skills, tools and capabilities for dialogue and community-led support to MZs (2024). *Indicator*: # of MZ who have strengthened technical, organizational and human capacity to voice out citizen needs. *Baseline*: 136 (2019). *Target*: 200 (2024).	- Records from capacity development events. - Media coverage. - Project records and information.	Partner LGs and MZs able to acquire adequate technical capacities.
*Costs of outputs for outcome 1: **USD 1,187,498.87***				

Hierarchy of objectives Strategy of Intervention		Key Indicators	Data Sources Means of Verification	
For outcome 2: MZs as legitimate and sustainable community spaces translate citizens' voice into quality, inclusive and gender responsive services and use MZ networks for replication of successful MZ models countrywide.				
Output 2.1	Output 2.1. Localized MZ vision implemented jointly by local governments and MZs by an integrated LG-level customised package of capacity and financial assistance.	_Indicator_: # of citizens forum sessions at MZ level. _Baseline_: 602 citizen forums in 136 MZs (2019). _Target_: 800 citizen forums in 200 MZs (2024). _Indicator_: # of MZ priorities in # local governments identified at citizen forums with positive or neutral impact on environment, embedded in local governments' policies. _Baseline_: 622 MZ priorities in 24 local governments identified at citizen forums are embedded in local governments' policies (2019). _Target_: 1200 MZ priorities in 40 local governments identified at citizen forums embedded in local governments' policies (2024). _Indicator_: # of functional and sustainable community hubs. _Baseline_: 20 functional and sustainable community hubs in 20 local governments (2019). _Target_: 30 functional and sustainable community hubs in partner local governments (2024). _Indicator_: # of local regeneration and transformational projects designed at MZ level as a result of community joint dreaming with positive impact on environment. Baseline: N/A (2019). _Target_: 40 regeneration and transformational projects designed (2024). _Indicator_: % of all MZs who are satisfied with (or who can count on regular) support of the local government staff/MZ-focal points. _Baseline_: To be established (2020). _Target_: 50% of all MZs who are satisfied with (or who can count on regular) support of the local government staff/MZ-focal points (2024). _Indicator:_ # of partner local governments and MZs that introduced ICT-based solutions for citizen participation,	- Decisions and minutes from forum meetings. - Local government documents/plans/policies. - Community hub action and sustainability plans. - MZ Project designs. - Media coverage and photos of community hub activities. - MZ Satisfaction survey report - ICT tools for citizen participation, empowerment of women and/or local democracy	Local governments willing and able to integrate the MZ vision to customized package of support for MZ.

Hierarchy of objectives Strategy of Intervention		Key Indicators	Data Sources Means of Verification	
		empowerment of women and/or local democracy. *Baseline*: 2 ICT-based solutions (2019) *Target*: 5 local governments and at least their 25 MZs (2024)		
Output 2.2	**Output 2.2. A performance-based incentive scheme is developed and applied for all participant LGs and their MZs and best performers awarded.**	*Indicator*: Average % of embedded MZ priorities acted on by local governments with positive or neutral impact on environment. *Baseline*: 40% embedded MZ priorities acted on by local governments (2019). *Target*: 50% embedded MZ priorities with positive or neutral impact on environment acted on by local governments (2024) with positive or neutral impact on environment. *Indicator*: % of partner local governments and their MZs that tangibly improve performance along the key MZ model parameters. *Baseline*: N/A (2019). *Target*: 50% (2024).	- Local government annual plans/budgets. - Capital investment document by local governments. - Development of key MZ model parameter document.	
Output 2.3	**Output 2.3. More MZ country wide embrace MZ practices based on modern digital platform and human interaction.**	*Indicator*: Vibrant, interactive and accessible digital platform is used for MZ networking countrywide. *Baseline*: Partially (2019). *Target*: Fully functional and accessible digital platform is in place to enable MZ networking countrywide (2024). *Indicator*: # of successful transfer and replication of MZ practices and models beyond partner local governments. *Baseline*: N/A (2019). *Target*: 30 (2024).	- MZ digital platform. - Reports and minutes on successful transfer and replication of MZ practices and models.	
Output 2.4	**Output 2.4. Localized MZ vision transferred/scaled up to additional local government.**	*Indicator*: # of additional local governments who improve their gender sensitive regulatory frameworks for a localised MZ model. *Baseline*: N/A (2019). *Target*: 20 (2024).	- Meeting minutes/reports on additional local governments who improved their gender sensitive regulatory frameworks	
*Costs of outputs for outcome 2: **USD 5,943,240.00***				
For outcome 3: Higher government authorities take responsibility and act in response to increased citizens demand for an improved MZ regulatory framework, moving forward broader local governance reforms at country level.				
Output 3.1	**Output 3.1. Strong analytical ground to support and influence**	*Indicator*: # of assessments conducted to support and inform policy dialogue. *Baseline*: N/A (2019).	- Assessment reports.	

	Hierarchy of objectives Strategy of Intervention	Key Indicators	Data Sources Means of Verification	
	inclusive policy dialogue based on emerging common localized MZ vision legal models	*Target*: 2 (2024).		
Output 3.2	**Output 3.2. AMCs, academia, civil society organisations and citizens supported to become strong promoters of the MZ Vision and advocates for improved public policies.**	*Indicator*: # of capacity development events for AMCs, academia, civil society organisations (including women groups) and citizens (40% women) to become strong promoters of the MZ vision. *Baseline*: N/A (2019). *Target*: 10 (2024). *Indicator*: # of representatives from AMCs, academia, civil society organisations (including women groups) and citizens (40% women) to become strong promoters of the MZ vision who take active part in policy dialogue and advocate for MZ- and local government-linked reforms. *Baseline*: N/A (2019). *Target*: 200 (2024). *Indicator*: # of advocacy initiatives by academia, civil society organisations (including women groups), academia and citizens (40% women) in policy dialogue for MZ- and local government-linked reforms. *Baseline*: N/A (2019). *Target*: 5 (2024).	- Capacity Development reports. - Photos of capacity development events/media coverage. - Meeting minutes of AMC, academia, civil society organizations and citizens at events that promote MZ vision. - Media coverage/photos. - Policy dialogue meeting minutes and advocacy initiative documents/briefs for MZ and local government linked reforms.	
Output 3.3	**Output 3.3. Gender sensitive legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability and greater functionality**	*Indicator*: # of advocacy initiatives by AMCs in policy dialogue that got full support from member local governments. *Baseline*: N/A (2019). *Target*: At least 2 (2024).	- Meeting minutes/photos of advocacy initiatives by AMCs with full support from member local governments.	
Costs of outputs for outcome 3: **USD 727,460.00**				

Preparatory activities	Inputs
0.1.1. Official launch of the Project	Technical assistance and specific expertise / consultants
0.1.2. Selection of partner local governments	Travel

0.1.3. Visit all partner local governments and MZs	Workshops and training
0.1.4. Establish/confirm MZ focal points/teams in partner local governments	Staff
0.1.5. Design Gender Strategy of the Project to provide the framework for gender mainstreaming and gender specific interventions	
0.1.6. Meet with all key institutional stakeholders to present the Project and future work	
0.1.7. Orientation meeting for LG staff (joint event for all partner LGs)	
0.1.8. Orientation meeting for MZ staff (joint event for all partner MZs)	
Activities for Output 1.1.	**Inputs**
1.1.1. Select a team of 4 thematic experts per LG to support and contribute to the local dialogues.	Technical assistance and specific expertise / consultants
1.1.2. Prepare and launch LG-level local dialogues to discuss and agree on a localised MZ vision.	Publications and materials
1.1.3. Develop localised MZ visions for each partner LG.	Travel
1.1.4. Validate the localised MZ vision with all MZs within each LG.	Staff
Activities for Output 1.2.	**Inputs**
1.2.1. Design and conduct baseline citizens perception survey.[38]	Technical assistance and specific expertise / consultants
1.2.2. Develop expert recommendations in each LG for improvement of the municipal development management frameworks to enable systemic voicing of MZs in the annual planning and budgeting cycle.	Publications and materials
	Workshops and training
	Travel
1.2.3. Develop expert recommendations in each LG for institutional set up of local government financing instruments to support MZ needs and gender responsive community priorities.	Staff
1.2.4. Prepare a legal roadmap that describes all necessary regulatory changes/new acts to enable the implementation of all elements of the localised MZ vision (including LDM and financing mechanisms).	
1.2.5. Facilitate presentation of the comprehensive gender sensitive legal reform packages to municipal councils in each partner LG.	
1.2.6. Monitor discussion and formal adoption of proposed legal packages in each partner LG.	
Activities for Output 1.3.	**Inputs**
1.3.1. Workshops for all MZs and LG staff to familiarise with the MZ Vision.	Workshops and training
1.3.2. Practical training on digital skills for MZ staff.	Equipment
1.3.3. Interactive trainings on skills of the future (i) critical thinking, (ii) innovation and (iii) leading change within communities.	
1.3.4. Technical and administrative equipment for new partner MZs.	
1.3.5. Practical training on the citizen forum for all partner MZ representatives.	
Activities for Output 2.1.	**Inputs**
2.1.1. Develop a set of basic indicators and monitor the implementation of the newly-adopted gender sensitive legislation for empowering MZs in each LG.	Technical assistance and specific expertise / consultants
	Construction works
	Goods and equipment
	Small grants

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[38] The survey should cover all the specific perception aspects as specified within the logical framework and its indicators, so as to ensure adequate baseline information.

2.1.2. Engage service providers (local/regional organisations within target local governments) who will support and steer the implementation of the localised MZ vision through an annual cycle through integrated technical.[39] 2.1.3. Co-finance priority community projects in all partner LGs by piloting the public financing mechanism to support MZs in partner MZs only or for all MZs in the LG.[40] 2.1.4. Support the advancement and modernisation of community hubs in new partner LGs.	
Activities for Output 2.2.	**Inputs**
2.2.1. Create a LG-customised performance scheme for MZs (based entirely on the key aspects of the localised MZ vision) and announce 1-year performance period to measure progress and achievements. 2.2.2. Engage service providers (local/regional organisations within target local governments) who will support and monitor performance.[41] 2.2.3. Award best performing MZs.[42] 2..2.4. Monitor implementation of awarded projects.	Technical assistance and specific expertise / consultants Construction works Goods and equipment Staff
Activities for Output 2.3.	**Inputs**
2.3.1. Ensure continuous relevance and promote the uptake of MZ digital platform. 2.3.2. Ensure that all MZs country-wide have access to and are registered members of the MZ digital platform. 2.3.3. Annual MZ Network meetings to exchange success and lessons learnt 2.3.4. Bi-annually MZ newsletter 2.3.5. Inform and facilitate peer-to-peer exchange among MZs 2.3.6. Inform, sensitize and engage the MZ Network in policy formulation processes. 2.3.7. Explore the possibility to support formal registration of the MZ Network as a civil society organisation with its Secretariat to sustain its future work.	Technical assistance and specific expertise / consultants Publications and materials Meetings IT tool/software Staff

[39] This entails early identification and assessment of local and regional organisations (civil society organisations, community organisations, development agencies, capacitated community hubs, etc.) in target localities who can serve as facilitators of implementation of integrated assistance to a group of LGs and their MZs. Thus, the Project utilizes an approach to invest in capacity development of local organisations who can lead similar processes in the future on their own. The organisations will be procured in a competitive manner, but with the special condition that the service provider is based and operates in the respective local government/region where the Project provides support. The Project assistance will be delivered in the form of an integrated package offering technical support and facilitation in the annual policy cycle and will cover the efforts of the LGs and MZs not only to implement in practice the newly-adopted legal frameworks, but also to start intensive community work to prioritise, voice out and then implement community priorities. The support package will be customized per specific LG needs. One service provider may support more than one LG. The main building blocks of the assistance will include but may not be limited to: (i) support to the organization of the citizen forums (in terms of the timing, these forums should be organized in the first quarter of the year, to ensure the results from the community discussion will feed into the annual implementation plans of LGs and will subsequently serve as platform for the annual budget. In the implementation, the service provider will ensure that the regulations and instructions regarding MZ participation in the annual development management cycle. (ii) systemic handing over of community priorities to LGs; (iii) support to strengthening capacities in specific MZ functions, as described in the localized MZ vision; (iv) support to development of community regeneration/transformation project into project proposal based on collective re-imagining of a decayed/abandoned public space into a new modern community space; (v) facilitation of the interaction and representation of MZs in LG-level discussions and processes; (vi) develop and launch ICT solutions for citizen participation and/or communication of MZs with citizens/LGs.

[40] As a general remark: in order to ensure the investment by the Project is on-system and sustainable, the Project will support (in parallel or on-budget) the implementation of financing mechanisms/schemes for MZ priorities. At first, these will be piloted primarily for partner MZs. Later, the financing mechanisms (competitive grant schemes, direct grants for priority projects, incentives, etc.) will be applied by LGs as LG-wide public support mechanism, supported by relevant by-law and administrative framework and sustained in the municipal/city practice in the long-term. The investments by the Project will be specifically channeled to the partner MZs only.

[41] This support will be within the following calendar year (second annual cycle), and will envisage provision of lighter support to LGs and MZs, with strong focus on monitoring and supporting progress in the performance scheme for each MZ within the partner LG. The support will entail technical support and capacity development, non-investment assistance.

[42] The Project will, as much as possible, seek to ensure that this performance-based financial support to best-performing MZs is not only Project-driven, but handed over to partner LGs and potentially – institutionalized as a regular incentive financial tool through which LGs incentivize development-oriented and democratic performance of MZs. The Project will co-finance the financial awards to the top 1 MZ performers from each partner LG with a financial contribution for development priority amounting to max. USD 50,000. Knowledge awards may be considered for second-ranked performers from each LG (study visit, learning opportunity abroad, etc.)

Activities for Output 2.4.	Inputs
2.4.1. Announce public call for expression of interest by LGs to receive expert support to introduce localised MZ visions and adequate regulatory frameworks. 2..4.2. Select max. 15 LGs and provide light technical assistance[43] to have a public discussion and then adapt their regulatory frameworks to empower MZs. 2.4.3. Compile best practices and promote country-wide. 2.4.4. Design and conduct exit citizens perception survey.	Technical assistance and specific expertise / consultants Workshops and training Meetings Publications and materials
Activities for Output 3.1.	**Inputs**
3.1.1. Conduct an assessment of emerging LG regulatory practices that can inform wider systemic policy reforms related to MZs and local governance. 3.1.2. Share the results of the assessment and its recommendations with policy makers, all stakeholders and the wider public.	Technical assistance and specific expertise / consultants Workshops and training Staff
Activities for Output 3.2.	**Inputs**
3.2.1. Design and deliver awareness raising and advocacy skills building workshops for AMCs, academia, civil society organisaitons and citizens on the MZ vision. 3.2.2. Support long-term nation-wide media thematic coverage for wider public awareness raising.[44]	Technical assistance and specific expertise / consultants Workshops and training Media support Small grants
Activities for Output 3.3.	**Inputs**
3.3.1. Develop a detailed roll-out plan for the policy/regulatory dialogues in each entity and Brčko District in close partnership with AMCs. 3.3.2. Support advocacy meetings and public consultations in each entity and Brčko District to ensure participatory formulation of gender sensitive regulatory/strategic frameworks related to MZs and to local governance in general.	Technical assistance and specific expertise / consultants Staff Workshops and training Meetings Travel Small grants Staff

Annex IV: Stakeholder analysis

Stakeholder	Interest in/commitment to the project	Identified challenges	Capacity for change (contribution to the project)	Actions to strengthen capacity of stakeholder address their interests
Primary direct stakeholders				
BiH Ministry for Human	The Ministry carries responsibilities, among others, for designing and implementing activities to facilitate the fulfilment of the country's obligations concerning Euro-Atlantic	Not explicitly defined mandate with regards to MZ/local governance matters. However, the Ministry holds the closest scope of responsibilities	Have relevant knowledge and experience with working at the grass-root level, particularly with regards to sustainable return	Active engagement in the Ministry in the decision-making related to assistance at the MZs level.

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[43] In this process, engage as peer support as much as possible MZs from partner LGs to help non-partner LGs and MZs.

[44] Engage in partnership with prominent media and develop thematic TV programmes that regularly uupdate the public and promote good practices from the grass-roots, as well as use the media tribune to mobilise interest and support for engagement in policy processes.

Rights and Refugees	integration, in particular concerning the application of the European Convention on Human Rights, as well as having certain coordination roles in development policies and the sustainable returns process.	for the project's scope of work at the state level.	and can influence administrative and legal framework; decision-making power.	Partnership in advocating the new role and functions of MZs in BiH.
Federal Parliament	Active member of the established Commission for the implementation of the Local communities' status in the Legislation of the Federation of Bosnia and Herzegovina under the Project "Strengthening the role of Local Communities (MZs) in BiH" The Federal Commission for Local Self-Governance serves as partner in the new legislative changes process.	Significant delays in Federal Government formation and its Bodies which affects the overall political climate and any legislative processes.	Providing the expertise and support to the Parliamentary procedure process. Lobbying and advocacy.	Continue to strengthen the partnership with Parliament Bodies, more specifically with House of Representatives Commission for local governance.
National Assembly of Republika Srpska	A legislative body within the structure of power in the Republic of Srpska. It represents the central institution of the parliamentary structure of the Republic of Srpska, conducting normative, control, regulatory and elective functions falling under its competence	Overall unfavourable political climate with regards to changes and amendments to any aspect of local self-governance.	Raise interest to issues related to MZs. Together with Ministry for Administration and Local Self-Government and RS Working Team, initiate the consultations that lead to changes and amendments to Law on Local Self-Governance of Republika Srpska.	Support and initiate the partnership with working team in Republika Srpska.
Federal Ministry of Justice	The Ministry holds broader competencies and responsibilities with regard to local government in the Federation. Specifically, Institute for Public Administration continue to be valuable and reliable project partner.	The Ministry, and particularly "Institute for Public Administration", which is directly responsible for local government matters, has very limited human capacities	The Ministry has decision-making power and lead public consultation processes. Of importance will be the support and leading role of the Ministry in the process of promotion of the new vision for MZs, as well as in the renewal of the MZ-related legal framework in the Federation of Bosnia and Herzegovina.	Partnership in further promotion of the new role and functions of MZs in BiH, as well as close interaction and support in the process of consulting and adopting MZ-related regulatory changes in the Federal legal framework.
Ministry for Administration and Local Self-Government of Republika Srpska	The Ministry holds competencies and responsibilities with regard to local government in the RS.	In addition to current unfavourable political climate for legislative changes, the Ministry, and particularly its relevant department has insufficient human resources to effectively handle the broad spectrum of local government challenges and tasks within the RS.,	The Ministry has Impact on the public and the decision-making level. Of importance will be the support and leading role of the Ministry in the process of supporting and advocating of the new vision for MZs, as well as in the renewal of the MZ-related legal framework in the RS. The Ministry can influence policy and legislative processes; provide access to local communities and steer public policy-making debates.	Partnership in defining further promotion of the new role and functions of MZs in BiH, as well as close interaction and support in the process of drafting, consulting and adopting MZ-related regulatory changes in the RS legal framework.
Brčko District	The Government of BD holds broader competencies and responsibilities with regards to local government in the BD. BD role as a partner local governance.	Lack of interest and political will for changes and amendments to MZ legislative framework. Accountability	Important role in decision making process. BD Government, more specifically Sector for MZs supports and lead the process of institutionalization of MZ methodology.	Efforts will be oriented to institutionalisation of MZ Methodology and analysis of implications of current Law on Local

			Communities (activism of MZs, cost benefit analyses of funds invested versus progress reached in MZs).
Cantonal Ministries of Justice and Local Self-Government	Cantons hold competencies and responsibilities with regards to local government in the Federation of Bosnia and Herzegovina. The cantonal ministries in charge of local self-governance represent the points of contact for local governance issues in that entity.	Cantonal authorities were not eager to get engaged in the MZ-related reforms so far. In most cantons, the cantonal laws on local self-governance have not been harmonized with the Federal Law on Principles of Local Self-Governance.	The role of the cantonal ministries of Justice and Local Self-Government should be strengthened, and the Project will try to pilot legislative changes in one or two interested cantons.	The Project will organize expert and public policy discussions regarding legislative changes by involving LGs and MZs from the respective cantons.
Association of Municipalities and Cities	Both entities' Association of Municipalities and Cities have the mandate to legitimately represent the voice of local governments and play an important role in various advocacy processes, country-wide sharing of practices and provision of services to their members.	Both Association of Municipalities and Cities professional service departments still lack sufficient human and technical capacity to allow them to perform their functions in the most effective manner.	Association of Municipalities and Cities have an important role in decision making processes; capable of ensuring positive "pressure" to responsible policymakers in the best interest of LGs; have expert bodies in place, which can be utilised for the legislating processes facilitated by the project. Pro-actively encourage cross-fertilization of the MZ framework through MZ Network. Important role in ¨spill-over effect˝ of transferring good practices to appx. 28 local governments and its MZs.	Advocacy and policy-making role of Association of Municipalities and Cities. Strengthening of the capacity of both decision-making and technical bodies of Associations is necessary, as they will have a strong supportive role, particularly in promotion of MZ Vision, advocacy in introducing and adopting new legislation, dialogue between local and higher government levels, and in the sharing of best practices and disseminating the project's results country-wide. Improvement of information-sharing mechanisms within MZ Network (horizontal), and between local and higher government levels (vertical).
Local governments	Local governments are responsible for defining of MZ competencies, local service delivery and infrastructure, with important implications for the quality of life of the citizens and overall socio-economic local development.	Capacities of both municipal leadership and local administration with regards to MZs (regulatory framework, effective engagement of MZs in policy design and delivery, mobilising MZs' potential for local development, strengthening capacities of MZ staff and elected officials) needs to be strengthened. Accountability mechanisms in local policy design and delivery needs to be improved. Local governments lack sufficient financial resources to deliver vital local services to the	Local governments have a high degree of decision-making power at the local level. LGs will be instrumental for effective engagement of MZs in the policy management cycle, as well as for endorsing MZ-related municipal regulatory framework (MZ Statutes and Decisions). Through their decision-making and administrative structures, they affect quality of service delivery. Local governments' motivation to engage in the Project will be a pre-condition for success. They will also play an important role in providing co-funding from municipal budgets for MZ projects.	Engagement in the processes of promotion a new vision for MZs in the country, as well as in the subsequent embedding of this vision into the relevant legal framework (at both entity/Brčko District and municipal levels). Strengthening capacities for effective interaction with MZs and communities and introducing accountability mechanisms for local municipal performance. In addition, local governments need strengthening in monitoring of MZ activities and support in localisation of MZ Vision.

		citizens, as well as staff working directly with MZs.	Their role will be: to support open and transparent engagement of MZs in the policy design and identification of priorities; to engage in the process of promotion of practical implementation of a new vision, as well as in the subsequent embedding of this vision into the relevant legal framework; to ensure adoption and practical use of MZ methodology, to ensure municipal officers are responsible for MZs within local administrations, as well as the MZ staff, are actively included in project activities and capacity development assistance.	
MZs (local communities)	There are 2583 MZs in the country, defined as areas within 145 local governments (Brčko District included). Working directly with 200 MZ, their role will mainly be related to active engagement in capacity development processes, facilitation of community discussions and effective representation in broader municipal, fora.	MZs vary greatly in their status, size, responsibilities, capacity and level of activity. Party politics and personal connections affect every aspect of community government. MZs are highly dependent on funding from municipalities. Technical and human capacities of MZs remain insufficient. Members of MZ Councils are based on voluntary engagement with limited time and resources devoted to work in MZ. Also, MZ are faced with frequent mandate changes (max. four years), creating high risk for continuity of processes and sustainability.	MZs have a key role as intermediary between communities and local governments in timely manner with focus on MZ priorities. MZs have an important role in mobilising local communities, providing administrative support/services to the citizens and organising social, cultural and sport events with the local community. In line with adopted new MZ Vision and its models, have an important role in putting the local MZ Visions into life. High level of commitment and enthusiasm as drivers of change.	Provide the opportunity and necessary tools for MZs to transfer knowledge and practices in quality manner. Improvement of human, technical capacity of MZs. Strengthening the role, function and legitimacy of MZs. Strengthening of the MZs as facilitators, active decision makers, and people-centred community governance structure.
Community Hubs	Community hub is a public space, an integrated community facility where citizens can access information, socialise, network and cooperate, participate in decision-making, learn and acquire skills, organise celebrations and parties, and use opportunities for social, cultural and personal progress as well as for civic activism. Community hub thus formed plays an important role in creating an advanced, energetic and healthy community.	Several models of community hub legal status. Financial sustainability models. Human resources sustainability with frequent hubs management changes.	Provide support to all MZs within partner local governments. Serve as a platform for knowledge transfer and sharing of good practices, through open door policy. Space for strengthening the partnership between MZs, civil society organisations and other stakeholders.	Providing opportunity for further sustainability of community hubs, having in mind its status, finances (commercial uses), management and capacity building.
Civil society organisations	Civil society organisations and community-based organizations have an important role with regard to activating citizenry and being	Civil society organisations still lack considerable recognition among citizens and have a weak role in policy	The Project will, through competitive outsourcing, seek to engage qualified civil society organisations (and community-based	Strengthening partnership between civil society organisations and MZ in achieving common goals and set

	local agents to support the development efforts of local communities.	making. They are often seen either as donor-driven or as an extended hand of political parties. Community-based organisations, with few exceptions, generally lack basic capacities about participatory policy-formulation, partnership formulation and monitoring of delivery of public policies and services.	organizations) to facilitate local discussions and capacity development. Traditionally, civil society organisations do not recognise mjesne zajednice (MZs) as partners, therefore it will be necessary to strengthen their partnership. This partnership was partly established during the Phase I, but wasn't fully utilised due to weakened role of MZs in the past, but also due to donor-driven mentality of Civil Society Organizations. This doesn't pose a direct risk for citizens or MZs and CSOs, however their interrelationship and partnership can create stronger impact for citizens and community long term. MZs are direct link with citizens, they have tools to select and understand needs and directly channel them to local governments. Civil society organizations can learn about the needs of citizens through partnership and better address them not just at the specific locality of MZs but at the wider local community level.	priorities through direct needs analysis and contact with citizens. Improvement of facilitation, advocacy and capacity of civil society organisations.
Citizens	Active citizens are playing significant role in initiation of local discussions on needs of community, as well as serving as role models for behavioural change.	To motivate citizens for decision-making processes, activism and voluntary work in their communities. To identify politically independent citizens ready to serve as role models in their communities.	To serve as active community members engaged in decision making processes and volunteerism activities through local governments, MZs, community hubs and civil society organisations.	Encourage and support behavioural change. Promote active engagement and volunteerism. Fulfilment of priorities and community needs.

Annex V: Risk assessment

The following table provides a systematic review of the risks that could impact the project, and mitigation measures that have been carefully developed based the Phase 1 experience and Phase 2 vision.

General Risks	Risk Category	Likelihood	Consequence	Risk Management
Political Instability/ Elite capture	**Political**	**Medium**	Delay/failure in policy/regulatory agenda advocated for by the Project.	• Careful monitoring of the political context by the Project team. • Joint decisions on the new approaches with the Steering Board. • Ensure political capture does not adversely affect project partners. • Support adoption of "no party politics" clause (as in Brčko District). • Track and spread good practices adopted by participating local governments/MZs. • Conduct surveys and analyses to identify independent local governments/MZ entry points.
Insufficient commitment of policy-makers to the local governance reforms	**Political**	**Medium**	Partial/no embedding of the MZ vision into local frameworks.	• Apply an inclusive and consensus-based approach, resting on the spirit of cooperation and guided by the interests of local communities. • Deploy a targeted advocacy with key messages delivered to political leaderships that speak in favour of the benefits gained from community governance reform. • Throughout the entire policy dialogue, actively engage citizens and ensure awareness raising among policy-makers on the benefits from MZ-related reform.
Legislative inertia	**Regulatory**	**Medium**	Delay/failure in policy/regulatory agenda advocated for by the Project.	• Continue advocacy and policy dialogue actions from the outset of the Project second phase, to keep the momentum. • Prepare draft/model legislation to have on hand for opportune moments. • Disseminate broadly, through AMCs, media and key influencers. • Brčko District doesn't need to change the legal reform but enforce the MZ methodology at the level of the District;
Republika Srpska has been less supportive of MZ-related legal status reforms	**Regulatory**	**Medium**	Partial/failure in policy/regulatory change.	• As this is largely due to lack of political will of the current leadership, the Project will continue with advocacy and policy dialogue based on concrete legislative solutions that will bring democratic benefits for communities.

General Risks	Risk Category	Likelihood	Consequence	Risk Management
				• Changes to the local level statutes/decisions are a way to integrate improved way of working at MZ-level, which will demonstrate that changes are positive at the grass-root level and need to be made at a larger/systematic level.
2020 Local Elections	**Political**	**Low**	Delay in Project implementation and weakening of already established political buy-in and partnerships at the local level.	• Encourage MZs to use their new capacities to engage citizens in LG elections. • Ensure continued transparent grants scheme to ensure MZ funds don't facilitate patronage. • Plan for outreach to incoming local officials following elections, particularly where there were changes. • Plan to sign (or new) agreements to (re)commit to MZ project. • Timing of Project activities will be carefully planned so to avoid the misuse by political parties.
Lack of incentive for local governments to make project proposed changes	**Social/Behavioural/Organisational**	**Low**	Failure to translate the MZ Vision into regular practice at the local governance level and to achieve horizontal application to non-project partners	• Performance-based incentive scheme will be developed and applied for all participant local governments and their MZs and best performers awarded.
Reluctance to behavioural change at the local level	**Social / Behavioural / Organisational**	**Medium**	Failure to translate the MZ Vision into sustainable and transformative real local-level models	• Ensure trust building and open, transparent relations with citizens from the outset, as a pre-condition for their involvement and trust. • Continual, flexible and long-term sensitization and awareness raising for communities and authorities; • Ensure consistent coordination and communications between MZs and local governments to strengthen trust; • Ensure transparent and consensus-based decision-making in the Project implementation.
Challenges in performance of responsible partners	**Strategic**	**Medium**	Partnerships failing to deliver, which delays and undermines the Project implementation.	• Ensure clear project documentation outlining requirements and expectations. • Ensure ongoing and regular communications and written status reports.

General Risks	Risk Category	Likelihood	Consequence	Risk Management
				• Integrate partners in an Advisory Board, thus enable their engagement in the broader Project progress and discussions and strengthen their ownership. • Consider reputational damage risk management.
USD exchange rate fluctuation	**Financial**	**Low**	Loss of value of earmarked financial resources.	• Monitor trends in USD exchange rate to ensure adequate financial planning.
Depopulation/ migration of the population	**Human / societal**	**High**	Loss of human capital at the community level, negative attitudes among citizens, who then are not interested to engage in positive changes.	• To mitigate the risk, the Project focuses its efforts on creating opportunities in the target localities – from better quality of life, to improved services, learning opportunities, economic and political empowerment, etc. • Share good news, focus on success, build hope.
Insufficient trust between citizens and their local government	**Political**	**High**	Social contract failure, which delays and leads to failure in citizen participation and community empowerment efforts.	• Ensure transparent, inclusive and result-oriented priority setting at the MZ level, which then is considered by the local government in an open and fair dialogue. Further improve operational procedures and capacities for annual planning at the community level and a systemic linkage with municipal plans and budget.
Insufficient capacity among domestic partners	**Organisational**	**High**	Project delay and underperformance of certain components.	• Strong due diligence in assigning partners' roles in the Project implementation. • Design and offer demand-driven capacity development, mentoring of partners based on identified organisational/financial/institutional weaknesses.
Force majeure	**Human/Natural /financial**	**Medium**	Project delay and disturbance due to unforeseen circumstances (disease outbreak, natural-man-made disasters, etc.).	• As part of the UNDP operations, be aware of and implement preparedness and contingency measures as corporately enforced.

Annex VI: Project budget – attached as a separate document in Excel

Annex VII: The role of the "Strengthening the role of local communities in Bosnia and Herzegovina" project (phase ii) vis-à-vis the overall capacity development and outsourcing approach

General points

Project: a development intervention jointly agreed by the Government of Switzerland, the Government of Sweden and UNDP, and consulted with relevant authorities and socio-economic stakeholders.

Implementation modality: Direct implementation by UNDP; the project document foresees that UNDP in its capacity as implementing partner may engage responsible parties/service providers, on a competitive basis, for provision of goods and/or services to the Project, to carry out project activities and/or produce outputs using the project budget.

Approach for the MZ II Project in relation to capacity development

Capacity development is central to the Project and underpins its works aiming to **capacitate targeted local communities** in the country to be pro-active facilitators of dialogue between citizens and their local government, as well as have the skills and knowledge to catalyze responsive citizen engagement in public life and democratic transformation at the grass-root level. In addition, the Project supports the **creation of adequate policy and regulatory frameworks and institutional capabilities** at both local and higher government levels, to ensure democratic functioning of the local communities in the country. These demanding transformations are at the heart of this intervention from viewpoint of systemic enhancement of capabilities of a diverse set of stakeholders for empowered local communities.

In that process, as a **supplementary effort and part of the overall sustainability approach, the Project will continue to support and invest in capacity development of civil society organisations/community-based organisations** in the areas of community development, citizen engagement in public life, social inclusion, thus ensure local ownership and sustained ability of these stakeholders to carry forward similar processes/services independently in the future.

This will be done through **partnerships** (based on UNDP's competitive procurement or programmatic tools, e.g. Responsible Party Agreement, Letter of Agreement, Performance-Based Payments, Low Value Grants), towards greater ownership and engagement of civil society organisations/consortium of organisations. Specifically, the project will seek to engage qualified civil society organizations as partners in Outcomes 1 and 2 predominantly, putting them more in driver's seat of project implementation, thus further strengthening capabilities of civil society to support people-centred reforms and transformation processes at the grass-roots level in the future. The Project's role will be to quality assure processes and deliverables, as well as sustainably connect them to systems and policies; facilitate country-wide collaborations and dialogues; consolidate efforts at the system level; steer policy efforts and support institutional capabilities across government levels. The detailed scope of outsourcing, along with the possible engagement modalities, benefits, affiliated specific Project role, potential risks and the indicative financial scope of the outsourced activity is displayed in the table below.

The total volume of resources which will be implemented by responsible parties/service providers (e.g. local governments, civil society organisations, national experts) amounts to USD 6,032,377 (nearly 60% of the total Project budget).

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
		OUTCOME 1: LOCAL GOVERNMENTS CREATE A CONDUCIVE ENVIRONMENT THAT ENABLES PRO-ACTIVE ENGAGEMENT OF MZS IN DECISION-MAKING AND COMMUNITY-LED LOCAL DEVELOPMENT.					
Output 1.1. Localized MZ vision models are agreed upon as a result of dialogues engaging local governments, MZ and communities	<u>Competitive procurement/selection</u> of national expertise to support the development of localized MZ visions in all target localities.	• Vesting knowledge about the MZ vision; • Enhancing capacities of a pool of national experts/civil society organisations to support grass-level work in multiple localities across the country. • Advancing operational and financial capacity of civil society organisations.	Civil society organizations at the local level or other community-based/regional/national organisations/development agencies/consultancy companies	- The Project manages the competitive procurement processes. - Facilitation and quality assurance throughout the entire implementation. - Linkage of products and processes with local government and MZs (institutional and policy connectivity).	Insufficient capacity among domestic experts/civil society organisations engaged as service providers results in delayed processes/under-delivery.	Year 1, up to 6 months	USD 33,600
Output 1.2. Local government regulatory frameworks for enhanced MZ functioning and representation based on the localized MZ Vision drafted in a participatory process and adopted	<u>Competitive procurement/selection</u> of national expertise to support the development of the local government regulatory frameworks to embed the localized MZ visions.	• Vesting capacities in a pool of national experts/civil society organizations/development agencies country-wide to support community work related to the localization and legitimization of the MZ vision. • Creating local employment opportunities for qualified experts. • Contributing to local ownership and domestic support for the MZ vision and reform process.	National experts individually and/or civil society organizations at the local level or community-based/regional/national organisations/local/regional development agencies/consultancy companies.	- The Project manages the competitive procurement processes. - Facilitation and quality assurance throughout the entire implementation/service delivery. - Linkage with local government and MZs (institutional connectivity) and ensuring results are institutionalized.	Insufficient capacity among domestic experts/civil society organisations engaged as service providers results in delayed processes/under-delivery.	Year 1, up to 6 months	USD 141,400

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
	Potential <u>management of procurement of technical and administrative equipment for MZs directly by each partner local government</u>.	This engagement modality will enable capacity development of local governments in procurement, as well as increase their ownership over the process.	Local governments	- Higher intensity of assurance efforts (for 40 parallel procurement processes). - Capacity development of local governments	Potential delays in Project implementation, failed procurement processes at the local level, higher price due to locality-based procurement (economy of scale in a Project-led procurement process for all localities in a package). Delay in this activity may negatively affect other Project components.		USD 400,000
Output 1.3. Partner LG teams and MZs have acquired adequate technical capacities, tools and skills to effectively steer community-led local development	<u>Competitive procurement/selection</u> of national expertise to support capacity development of target MZs (variety of topics).	• Vesting capacities in a pool of national experts/civil society organizations country-wide to support MZ capacity development, which can be replicated to other localities in the future. • Ownership and capability to replicate and scaing up Project efforts to independently continue to work in this area	Civil society organizations at the local level or community-based/regional/national organisations/consultancy companies/individual experts.	- The Project manages competitive procurement processes. - Facilitation and quality assurance throughout the delivery. - Ensuring handing over of the knowledge products to respective stakeholders for their future use (e.g. Local Government Training Systems, civil society organisations which support community-level capacity development).		Year 1, Year 2	USD 368,000

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
TOTAL INDICATIVE VALUE FOR OUTSOURCING UNDER OUTCOME 1:					USD 943,000 (80.87% OF THE TOTAL OUTCOME 1 BUDGET)		
	OUTCOME 2: MZS AS LEGITIMATE AND SUSTAINABLE COMMUNITY SPACES TRANSLATE CITIZENS' VOICE INTO QUALITY, INCLUSIVE AND GENDER RESPONSIVE SERVICES AND USE MZ NETWORKS FOR REPLICATION OF SUCCESSFUL MZ MODELS COUNTRYWIDE						
Output 2.1. Localized MZ vision implemented jointly by local governments and MZs by an integrated LG-level customised package of capacity and financial assistance	<u>Competitive selection</u> of civil society organizations /local development agencies/ consultancy companies to support implementation of localized MZ visions (grants to civil society organizations).	• Vesting knowledge about the MZ vision • Enhancing capacities of a pool of national experts/civil society organisations to support inclusive community development and translating the MZ vision into local results.	Civil society organizations at the local level or community-based/regional/national organisations/consultancy companies.	- The Project manages competitive procurement processes. - Facilitation and quality assurance throughout the delivery. - Monitoring progress. Collecting and analyzing grass-root experiences which can inform the broader policy and regulatory process (outcome 3). - Ensuring handing over of the successful products and results to the local governments and MZs and sustaining these within local systems/frameworks.	Insufficient capacity among domestic exerts/civil society organisations engaged as service providers results in delayed processes/under-delivery.	Year 2, up to 8 months	USD 315,000
	<u>Management of procurement for implementation of priority community projects directly by each partner local government</u> for participating MZs.	This engagement modality will enable capacity development of local governments in procurement processes, as well as increase their ownership over the process.	Local governments	- Higher intensity of assurance efforts (for 40 parallel procurement processes). - Monitoring and quality assurance of implementation of all priority projects). - Capacity development of local governments (procurement, integrity).	Potential delays in Project implementation, failed procurement processes at the local level, negative impact on communities regarding their expectations to see the concrete results from their engagement and	Year 2, Year 3, Year 4	USD 3,600,000

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
				contribution to local prioritization.			
	Management of the capacity building and procurement processes by each partner local government. leading to the advancement and modernisation of the community hubs	This engagement modality will enable capacity development of local governments in procurement processes, increase their ownership over the process.	Local governments/CSO/Consultancy companies	- Assurance efforts for the procurement processes, as well as of the implementation of the services/works at the community hubs. - Support to the community, local government, to set in function the content and services offered by the community hub. - Capacity development of local governments (procurement, integrity), as well as sustainability of the community hubs.	Potential delays in Project implementation, failed procurement processes at the local level.	Year 1	USD 253,000
Output 2.2. A performance-based incentive scheme is developed and applied for all participant LGs and their MZs and best performers awarded.	Competitive selection of civil society organizations to develop and apply a performance-based incentive scheme for all local governments.	• Vesting capacities for design and application of community-level performance frameworks and processes within a pool of national experts/civil society organizations. • Ownership and capability to replicate and scaing up Project efforts to independently continue to work in this area	Civil society organizations at the local level or community-based/regional/national organizations/consultancy companies.	- The Project manages competitive procurement processes. - Facilitation and quality assurance throughout the delivery. - Monitoring progress. Collecting and analyzing grass-root experiences which can inform the broader policy and regulatory process (outcome 3). - Ensuring the performance management tool is embraced and credibly applied by the local government and its MZs, as well as institutionalized as a grass-root tool.	Insufficient capacity among domestic exerts/civil society organizations engaged as service providers results in delayed processes/under-delivery.	Year 2	USD 155,600

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
	<u>Management of procurement for implementation of awarded priority community projects directly by each partner local government.</u>	This engagement modality aims at capacity development of local governments in procurement processes, as well as increase their ownership over the process.	Local governments	- Higher intensity of assurance efforts (for parallel procurement processes). - Monitoring and quality assurance of implementation of all priority projects). - Capacity development of local governments (procurement, integrity).	Potential delays in Project implementation, failed procurement processes at the local level, negative impact on communities regarding their expectations to see the concrete results from their engagement and contribution to local prioritization.	Year 3, Year 4	USD 696,777
Output 2.4. Localized MZ vision transferred/scaled up to additional local governments.	<u>Competitive selection</u> of civil society organizations to replicate localization of MZ vision into local frameworks.	• Vesting capacities in a pool of national experts/civil society organizations country-wide to support community work related to the localization and legitimization of the MZ vision. • Ownership and capability to replicate and scaling up Project efforts to independently continue to work in this area	National experts individually and/or civil society organizations at the local level or community-based/regional/national organizations/consultancy companies.	- The Project manages competitive procurement processes. - Facilitation and quality assurance throughout the entire implementation. - Linkage with local government and MZs (institutional connectivity) and ensuring results are institutionalized.	Insufficient capacity among domestic exerts/civil society organisations engaged as service providers results in delayed processes/under-delivery.	Year 2	USD 15,000
TOTAL INDICATIVE VALUE FOR OUTSOURCING UNDER OUTCOME 2:				**USD 5,035,377 (85.68% OF THE TOTAL OUTCOME 2 BUDGET)**			
	OUTCOME 3: HIGHER GOVERNMENT AUTHORITIES ACT IN RESPONSE TO INCREASED CITIZENS DEMAND FOR AN IMPROVED MZ REGULATORY FRAMEWORK, MOVING FORWARD BROADER LOCAL GOVERNANCE REFORMS AT COUNTRY LEVEL						
	THIS OUTCOME WILL BE ENTIRELY LED AND IMPLEMENTED BY THE PROJECT, WITH MINIMUM OUTSOURCING OF SERVICES, AS WELL AS TARGETED SUPPORT TO THE ASSOCIATIONS OF MUNICIPALITIES AND CITIES AS DISPLAYED BELOW.						
3.1. Strong analytical ground to	Grants to the Associations of	Further enhancing advocacy, networking and policy				Year 1	USD 54,000

Scope of work entrusted to external parties	Engagement modality	Benefits and sustainability rationale	Target parties	Role of the Project	Risks	Timeline	Indicative financial scope
support and influence inclusive policy dialogue based on emerging common localized MZ vision legal models	Municipalities and Cities/relevant external experts.	influencing capacity of AMCs.	Both Associations of Municipalities and Cities.	- Facilitation and quality assurance. - Policy advocacy, networking and dialogue among all stakeholders. - System-wide engagement of relevant institutions/legislative bodies and their awareness raising and capacity development. - Global knowledge and expertise related to policy formulation and advocacy.	Highly complex governance structure and politicized country context.		
3.2. AMCs, academia, civil society organisations and citizens supported to become strong promoters of the MZ Vision						Year 1, 2, 3, 4	
3.3. Legal and policy frameworks for local governance drafted by higher level authorities in order to provide MZs with institutional stability						Year 1, 2, 3, 4	
TOTAL INDICATIVE VALUE FOR OUTSOURCING UNDER OUTCOME 3:			**USD 54,000 (7.49% OF THE TOTAL OUTCOME 3 BUDGET)**				
TOTAL INDICATIVE VALUE FOR THE PROJECT:			**USD 6,032,377 (59.12% OF THE TOTAL PROJECT BUDGET)**				

Annex VIII Gender Analysis

One of the basic hypotheses of the Project is that gender inequality and chronically low representation of women in all structures hinders the overall progress of BiH society. The community is seen as a level which can significantly reduce inequalities of all kinds and activate women's agency in the most concrete way. This is so because **community is intrinsically related to development**, with women as important social agents who can promote transformational change towards more developed and more inclusive societies.

Every aspect of community life, ranging from *mobility and access to public spaces, infrastructural development, demographic trends, health and access to services, transformation of gender relations in families and households, response to violence, social climate in a community and dominant values and norms* (to name a few)- **is necessarily gendered.** However, still, in case of Bosnia and Herzegovina, these are *not* recognized by the general public as such, especially in the less developed and rural areas. Therefore, smartly targeted interventions aimed at involving women at the community level as drivers of change is a highly effective strategy for **accelerating development**. For all the above reasons, gender equality and empowerment of women are treated as the **process rather than a product**.

In the first phase, the Project has identified the "whys" and the "how's" of utilizing gender equality principles for securing more active citizenry, thus resulting in a pool of women leaders in each local community who are able to carry forth the gender responsive agenda. This pool of women leaders and their men allies will be the key resource for carrying forward the envisaged social transformation.

Tables below illustrate some quantifiable results of the first phase of the Project in this respect:

Table 1: Comparative Overview of MZ Council Presidents[45]

MZ Council President	Baseline 2015		Jun-19	
	Men	Women	Men	Women
BiH	94 %	4,8 %	91.74%	8.26%
FBiH	93 %	6,6 %	92.40%	6.70%
RS	96 %	2,2 %	92,62 %	11.38%
BD	93 %	7,1 %	94%	6%

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[45] Evidence reflected in the below tables was measured in end of June 2019.

Table 2: Overview of Numbers of Women in MZ Councils (Project MZs)[46]

Number of Women in MZ Councils	Baseline 2015	Jun-19
BiH	**7**	**742**
FBiH	4	269
RS	2	386
BD	1	87

Table 3: Some Project Results on Gender Equality and Empowerment of Women Featured[47]

✓ **Up-to-date 97,622 Women Empowered through Direct Project Support**		
Ensuring participation and representation of women in the MZ decision-making processes, civic engagement and activism	5,040 women participated in fora	Outcome 2, output 2.3
	13,201 women were engaged in decision making/consultative processes using ICT	Outcome 2, output 2.3
	9,525 women participated in activities of 76 CSO projects country wide empowering women to increase their outreach and impact	Outcome 2, output 2.5
	7,735 women engaged in voluntary actions	Outcome 2, output 2.5
Making equal use of benefits and access to public services and infrastructure by both men and women	87,475 women benefiting directly from MZ projects	Outcome 2, Output 2.4
Contributing to women empowerment and employability	1,680 attended trainings	Outcome, Output 2.2
	354 women at start-up events	Outcome, Output 2.5
Designing gender-sensitive new MZ vision	24 events, of which 22 consultative meetings and 2 events at national level, saw active participation of women (38%) contributing to vision design of the next generation MZ	Outcome 1, Output 1.2

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[46] Evidence reflected in the below tables was measured in end of June 2019.

[47] Evidence reflected in the below tables was measured in end of June 2019.

Therefore, by building on and further expanding the highly effective **women as drivers of change approach** deployed in the first phase, the Project will continue to systematically strengthen the agency of women through co-creation of more developed, equitable and engaged communities and an improved quality of life for all. This avenue has proven to be much more **transformative** comparing to commonly implemented activities focused on women as beneficiaries and passive recipients of pre-designed top-down interventions. Thus, the Project will actively seek out and invest into empowering women leaders, considering them as a valuable resource and initiators of change in their local communities.

Gender will be mainstreamed based on evidence, as all Project staff and partners in municipalities and MZs will collect and regularly feed **the sex disaggregated data** into Project monitoring mechanisms that are aligned with the log frame. However, the story will not end with a mere collection and collation of sex disaggregated data. On the contary, to ensure meaningful participation of women, the collected sex disaggregated data will be regularly analysed as means of fine-tuning Project activities and modifying approach, or even designing **special measures** should it be registered that women are falling behind in their participation or contribution for any reason.

This is why it is of utmost importance that gender equality interventions introduced by the Project are organically and carefully crafted as a response to the true needs of the **local context**, while tactically **pushing boundaries and standards up** to obtain a desired **emancipatory effect**. Reaching the balance between the two forces is a crucial factor of success.

It is important to stress that the Project will **neither engage in enforcing top-down approaches nor will it deploy gender theories imported from the center** without due consideration of the **local context** and complex **masculinities** in Bosnia and Herzegovina. This is because, so far, only authentic gender equality interventions that stimulate local knowledge production, ownership and drive- have yielded desired results.

A combination of strong gender orientation and a longitudinal overview enabled by longer-term Project life-cycle will be used to gain insight into context specific causes and consequences, enabling the Project to **target the root causes of inequalities** rather than syptoms and to tailor specific measures and interventions- for long term social change. In doing so, the Project will take utmost care to give due attention and care to the context (as described above) and to fully take into account **intersectionalities**, and the fact that women in Bosnia and Herzegovina are not a homogenious group. Although women have specific vulnerabilities deriving from gender norms and differential treatment, women are not a vulnerable group but half the population. Experiences of women in rural areas, single heads of households, women with disabilities, Roma women and women from cities and towns differ significantly and will require adequate response.

Similarly, the Project will make conscious move from a commonly witnessed aproach of gender equality being the **struggle of women by women**, by both involving boys and men and continously **demonstrating the benefits of gender equality for children, families and society at large**. Up to date experience[48] points that this *struggle of women by women* lowers the impact of gender equality interventions yielding only token, short lived wins; it isolates and weakens women and causes even further polarisation between genders. Thus, the Project approach is that social change cannot be fully achieved without the buy-in and active support of men. Hence, the Project, in all its gender equality endeavors will continue to include men,

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[48] Gender Needs Assement, Strengthening the Role of Local Communities in BiH, 2017.

expanding the base of men champions and alliances with them, while taking into consideration the realities of men and boys and masculinities in Bosnia and Herzegovina.

It is hence important to remain realistic in always remembering that gender equality challenges are so complex and interconnected that they can only be tackled by different stakeholders working together. Therefore, it is only though **partnerships** that lasting effects can be created- be it partnering with men, gender mechanism, governments, academia, civil society, private sector or UN/DP cross-sector and cross-agency partnerships- collaborating to leverage each others' resources, stimulate innovation and maximise gender equality impact for societal transformation.

In addition, adequate gender impact will be achieved by putting in place a gender responsive log frame and budget that corresponds to the above gender analysis and approach. Additional tools for maximising impact of **Gender Mainstreaming** will be design of a comprehensive **Gender Strategy**, to be produced in first six months of Project implementation. More specifically, Gender Strategy will provide the lay-out for, but not limited to, the following:

1. Ensuring participation and representation of women in both **civic participation** initiatives and the **decision-making** processes;
2. Making sure that **gender impact** as well as **know-how, concerns and experiences** of both women and men are equally taken into account while contextualising, applying and bringing to life the vision for **local-level-grown institutionalised community governance models**. This principle is also to be applied to design, implementation, and monitoring and evaluation of all sub-projects, grants, methodologies, and all other initiatives taken by the Project;
3. Applying gender-sensitive **regulatory framework and legislative formulation**;
4. Work with the **Gender Mechanism** to include gender equality principles into all structural interventions carried out by the Project, including local development **plans and budgets;**
5. Ensuring gender responsiveness and equal participation of women and men in design, access and use of **public services and infrastructure**;
6. Contributing to women's **empowerment and employability** in target areas.

In addition, the Gender Strategy will provide the space for designing and implementation of additional gender-specific interventions that are perceived to carry potential for enlarging the Project results and helping create a multiplier effect.

Annex IX Social and Environmental Screening Template

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document. Please refer to the [Social and Environmental Screening Procedure](#) and [Toolkit](#) for guidance on how to answer the 6 questions.

Project Information

Project Information	
1. Project Title	*Strengthening the Role of Local Communities/Mjesne Zajednice in Bosnia and Herzegovina 2020–2024 (Phase II)*
2. Project Number	
3. Location (Global/Region/Country)	Country

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
Briefly describe in the space below how the Project mainstreams the human-rights based approach
The overall goal of the second Project phase is to improve the quality of life of the citizens of Bosnia and Herzegovina through empowered, gender responsive local communities (MZs) that facilitate active citizen engagement in public life, stand for people-centered performance of local governments and catalyze democratic transformation at the local level. The Project focuses on encouraging community led local development and revitalizing community governance through mjesne zajednice in order to achieve this goal. Mjesne zajednice is the smallest administrative unit for direct government engagement with citizens in Bosnia and Herzegovina. The goal of the first phase of the Project has been achieved with significant and measurable progress made toward achieving the three original Project outcomes and their related outputs.   The Project will frame its work on the basis of the belief that people experience discrimination and poverty not only as a lack of income and lack of access to resources but also as a lack of social services, such as education or health care, stigma, or as a lack of dignity and participation in a community. Hence, the fight against discrimination in all its dimensions at the MZ level is a matter of civil, cultural, economic, political and social rights for all people.   The Project will encourage MZs and local governments to ground their decisions on **the principles of non-discrimination, participation and accountability**. Similarly, higher-level authorities will be encouraged to mainstream **human rights into new policies**. In practical terms this means that the Project will support local and higher-level government partners – the duty bearers – to design and implement policies and public frameworks considering realization of rights of all people, particularly of the most marginalized and vulnerable groups. In parallel, the Project will also support citizens and communities – rights holders – in their right to participate in the development process.
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
Gender equality principles are at the core of the mandate of both Swiss and Swedish Governments, while UNDP with its corporate Gender Equality Strategy (2018-2021)49 puts forward the promotion of gender equality and the empowerment of women at the center of its development approach. Gender equality is one of UNDP's 6 Signature Solutions50 for achieving the Agenda 2030, which envisions a world "of universal respect for human rights and human dignity" in which "every woman and girl enjoys full gender equality and

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[49] Reference: https://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/undp-gender-equality-strategy-2018-2021.html.

[50] Reference: https://www.undp.org/content/undp/en/home/six-signature-solutions.html.

all legal, social and economic barriers to their empowerment have been removed." The SDG 5 focuses exclusively on gender with 951 gender equality targets, while gender is also a cross-cutting issue, with 24 gender targets across 11 SDGs clustered for high impact. The breadth of the agenda implies a need to go beyond silos and take an integrated approach to development interventions and gender equality - is no longer content with reducing gender inequality but pushes toward its elimination. The Project has been demonstrating how these concepts can be applied in practice, as **community level has proven as an effective entry point for tackling the root causes of gender inequality**, activating agency and releasing leadership potential of women, as well as addressing the last mile of exclusion.

The Project will give emphasis to working with **motivated agents of change**. The success of the Project will to a large extent depend on a motivated political leadership in partner LGs. Therefore, the forthcoming Local Elections in 2020 may represent a fresh opportunity for the Project to engage with new local leaderships, committed to positive change and ready to take moderate political risks to achieve development results in their communities.

For all the above reasons, **empowerment of women and gender equality principles will continue to be used as an important accelerator for societal transformation**. While implementing Outcome 1, spaces for voices and perspectives of women will be persistently created, while their equal participation in all decision-making processes will actively be advocated for when working with local governments to secure pro-active engagement of MZs in decision-making and community-led local development. Women's heavy dependence on local community resources and its associated services also means that they often have more at stake than men when these are degraded, redundant or access to them is covertly denied52. On the other hand, **the insight, experience and know-how of women** - who are at the source of needs and organization of family and community life - will be an important resource for contextualizing, applying and bringing to life the vision for local-level-grown institutionalized community governance models to be operationalized under Outcome 2. Affirmation and activation of resources and agency of women is an important strategy for achieving behavioral change within communities, which is the key focus of this Outcome and Project at large, having in mind its long-term duration that made space for interventions that build momentum over time to shift power relations and yield incremental change in gender praxis. This ambitious agenda will be reinforced and complemented by the "Women in Elections" Project by working in 10 common localities and offering capacity development for social, economic and political empowerment of women at the local level, adding value to the MZ models through gender action plans.

All the above will be achieved by capitalizing on the gains achieved in the previous Project phase and extensively relying on **the pool of women leaders** that have thus been nurtured in each local community and collectively. As a result, MZs will continue to be affirmed as gender-sensitive spaces where citizens engage to commune, consult and workout problems, but also to find a common voice that includes all, to permeate their municipalities by partaking in its plans, decisions and budgets in a gender responsive manner.

Gender-responsive planned actions, as elaborated in detail in the Project log frame, will integrate measures for promoting gender equality in regulatory framework and policy design anticipated in Outcomes 1 and 3, ensuring that their impact yields equal opportunities, and social and economic benefits for women and men alike. With this approach, both, gender impact of Project interventions and the know-how, concerns and experiences of men and women alike will be considered in the design, implementation, and monitoring and evaluation of all projects and initiatives taken by the Project. This is an important strategy for going beyond acknowledging gender gaps and doing concrete things to address these discrepancies. While women as drivers of change approach is to be deployed as accelerator for social transformation, and clear gender responsive objectives, indicators, targets and budgets are being set in the gender responsive Project log frame, a **Gender Strategy** will be produced in first six months of Project implementation in order to maximize impact of interventions and to operationalize the gender mainstreaming across board. Finally, the Project anticipates design and implementation of additional gender specific interventions when perceived that those could significantly enlarge the Project results and help create a multiplier effect.

Briefly describe in the space below how the Project mainstreams environmental sustainability

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[51] End discrimination and gender=based violence; eliminate child marriage; ensure access to reproductive health care; eliminate gender disparities in education; expand economic opportunities, ICT and recognize rights to resources; and reduce the burdens of unpaid care work on women and girls.

[52] Gender Needs Assessment, Strengthening Local Communities project, 2017.

The Project will address disaster risk reduction (DRR) as a transversal theme. It will make a contribution to DRR mostly by facilitating and strengthening the vital role of MZs and their institutional links with civil protection units and LGs for the times of natural disasters. In doing so, the Project will seek to partner with local governments which are introducing the DRAS system53 (with support by the government of Switzerland). The Project will apply risk-informed and climate-smart development choices in all stages of project management and, in particular in the activities with beneficiaries. For example, MZ role in the early warning systems at the local level will be strengthened so that they are able to generate and disseminate timely and meaningful warning information (that promptly takes into account vulnerabilities of specific MZ population) of the possible extreme events or disasters (e.g. floods, drought, fire, earthquake and tsunamis), while investments in infrastructure will be disaster-smart to ensure sustainability of public assets.

The DRR activities will be closely connected to the strengthening of community systems for environmental protection. The Project will support MZs to embed the relevant projects in the environmental sectoral plans within the local integrated development strategies. In addition, environmental considerations will be mainstreamed in all infrastructure initiatives, supported by the Project, as well as in capacity building and other activities.

Briefly describe in the space below how the project strengthens accountability to stakeholders

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? *Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any "Yes" responses). If no risks have been identified in Attachment 1 then note "No Risks Identified" and skip to Question 4 and Select "Low Risk". Questions 5 and 6 not required for Low Risk Projects.*			QUESTION 3: What is the level of significance of the potential social and environmental risks? *Note: Respond to Questions 4 and 5 below before proceeding to Question 6*	QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	*Impact and Probability (1-5)*	*Significance (Low, Moderate, High)*	*Comments*	*Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.*

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[53] Disaster Risk Analysis System (DRAS) is a product of United Nations Development Programme, enabling freely accessible hazard data to citizens to increase disaster risk awareness as well as spatial risk assessments combining hazard, land use and vulnerability data for decision makers.

Risk 1- Duty-bearers do not have the capacity to meet their obligations in the Project?	I=4 P=2	**Moderate**		
[add additional rows as needed]				

QUESTION 4: What is the overall Project risk categorization?	
Select one (see SESP for guidance)	**Comments**
Low Risk ☐	
Moderate Risk ☐	
High Risk ☐	

QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?		
Check all that apply		**Comments**
Principle 1: Human Rights	**X**	Yes
Principle 2: Gender Equality and Women's Empowerment	☐	No
1. *Biodiversity Conservation and Natural Resource Management*	☐	No
2. *Climate Change Mitigation and Adaptation*	☐	No
3. *Community Health, Safety and Working Conditions*	☐	Yes
4. *Cultural Heritage*	☐	No
5. *Displacement and Resettlement*	☐	No
6. *Indigenous Peoples*	☐	No
7. *Pollution Prevention and Resource Efficiency*	☐	No

Final Sign Off

Signature	*Date*	*Description*
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.

QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
LPAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u>		Answer (Yes/No)
Principles 1: Human Rights		
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? [54]	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	**Yes**
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? *For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being*	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? *For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes*	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No

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[54] Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? *For example, construction of dams, reservoirs, river basin developments, groundwater extraction*	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? *For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.*	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant[55] greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? *For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding*	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No

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[55] In regards to CO_2, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions?[56]	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? *If the answer to the screening question 6.3 is "yes" the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.*	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No

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[56] Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections .

7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? *For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol*	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No