

**SUMMATIVE EVALUATION REPORT
OF
SREBRENICA REGIONAL RECOVERY PROGRAMME
&
BIRAČ REGION DEVELOPMENT AND COOPERATION
PROJECT**

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In accordance with normal practice, the contents of this report are the sole responsibility of the author and can in no way be taken to reflect the views of the United Nations Development Programme.

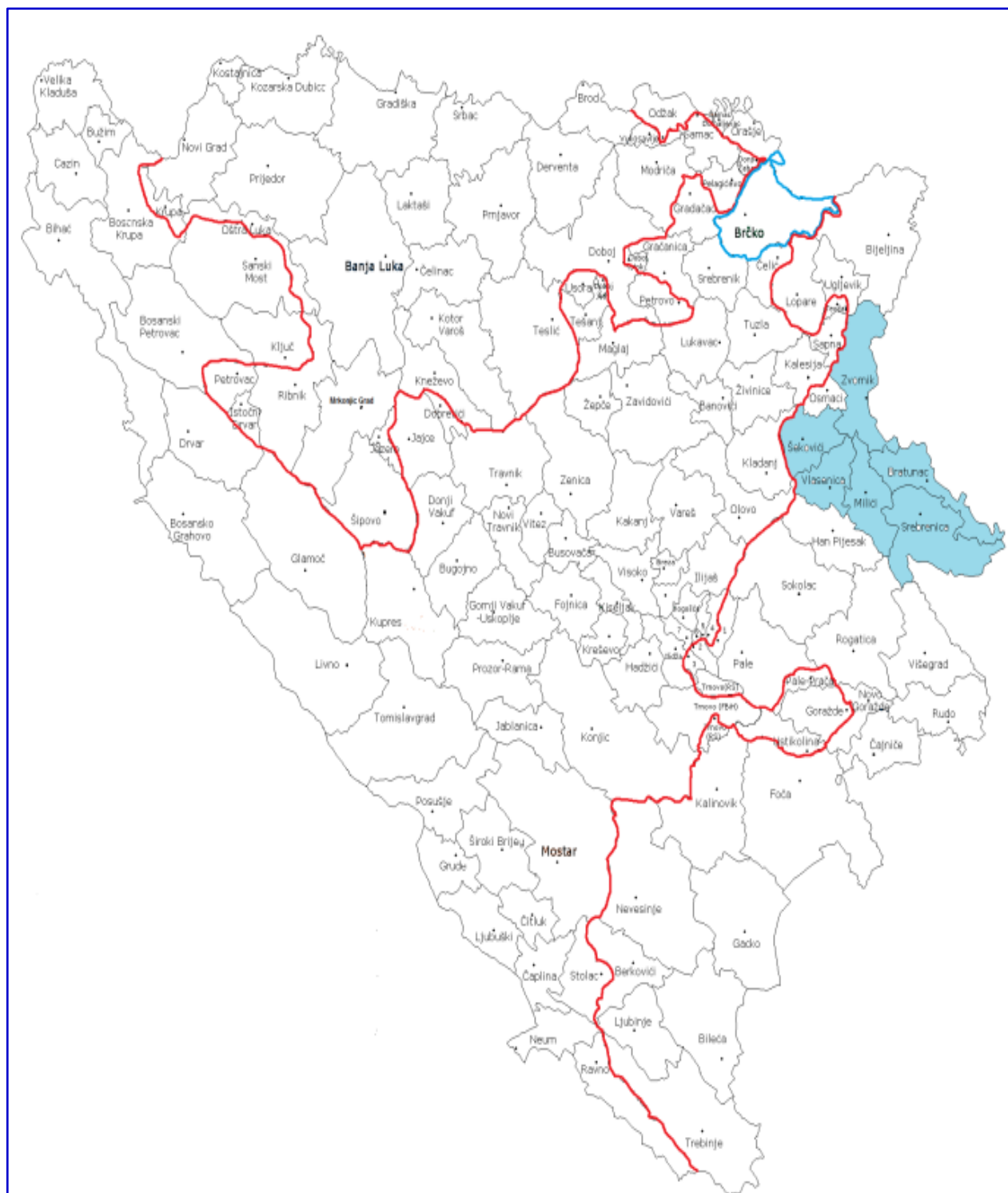
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ACRONYMS AND ABBREVIATIONS

| | |
|-----------|---|
| ABD | Area-based development |
| ATLAS | UNDP financial management software |
| BAM | Bosnian Mark |
| BDS | Business Development Services |
| BIC | Bosnian Islamic Community |
| BiH | Bosnia and Herzegovina |
| CBBiH | Central Bank of BiH |
| CEFTA | Central European Free Trade Agreement |
| CO | Country Office |
| CP | Country Programme |
| CPAP | Country Programme Action Plan |
| CIA | Central Intelligence Agency |
| CSO | Civil society organization |
| CSR | Corporate Social Responsibility |
| DEX | Direct Execution |
| CSW | Center for Social Work |
| DPA | Dayton Peace Agreement |
| DPs | Displaced persons |
| DIM | Direct Implementation |
| EC | European Commission |
| ECD | Early Childhood Development |
| FIDIC | Fédération Internationale Des Ingénieurs-Conseils (International Federation of Consulting Engineers) |
| EU | European Union |
| EU LEADER | Eu Liaison Entre Actions de Développement de l'Économie Rurale |
| EU QIF | EU Quick Impact Facility |
| FBiH | Federation of BiH |
| FGD | Focus Group Discussion |
| FDI | Foreign direct investment |
| GAP | Governance Accountability Project |
| GDP | Gross Domestic Product |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation) |
| GNI | Gross national income |
| GlobalGap | Good Agricultural Practices |
| HACCP | Hazard Analysis and Critical Control Points |
| IPA | Instrument for Pre-accession Assistance |
| IPARD | Instrument for Pre-accession Assistance in Rural Development |
| IPDs | Internally displaced persons |
| HDI | Human Development Index |
| IGR | Intergovernmental Relations |
| ILDp | Integrated Local Development Project |
| ILO | International Labour Organization |
| IT | Information technology |
| IMF | International Monetary Fund |
| KAP | Knowledge attitude and practices |
| KM / BAM | Konvertibilna Marka |
| LAG | Local Area Group |
| LDF | Local development Fora |
| MAP | Municipal Action Plan |
| MDGs | Millennium development goals |
| MiPRO | Methodology for Integrated Local Development Planning |
| MPI | Multidimensional Poverty Index |
| MSMEs | Micro, small and medium-sized enterprises |
| MTDs | Mid-Term Development Strategy |
| MZ | Mjesne zajednice |
| NGOs | Non-government Organisations |

| | |
|-----------|--|
| OSCE | Organization for Security and Cooperation in Europe |
| OT | Operations team |
| PB | Project Board |
| PCM | Project Cycle Management |
| PEG | Programme Executive Group |
| PM | Project Manager |
| PPP | Public Private Partnership |
| PRSP | Poverty Reduction Strategy Paper |
| PSD | Private Sector Development |
| RDF | Regional Development Forum |
| RES | Regional Extension Service |
| REAP | Responsible Entrepreneurs Achievement Programme |
| REDAH | Regional Economic Development Agency for Herzegovina |
| RS | Republika Srpska |
| RSNA | Republika Srpska National Assembly |
| SAA | Stabilization & Association Agreement |
| SAP | Stabilization & Association Process |
| SBC | Srebrenica Business Center |
| Sida | Swedish International Development Cooperation Agency |
| SMS | Short Message Service |
| SPI | Social Protection and Inclusion |
| SRRP | Srebrenica Regional Recovery Programme |
| SUTRA | Sustainable Transfer to Return-related Authorities |
| ToC | Theory of Change |
| ToR | Terms of Reference |
| UN CT | United Nations Country Team |
| UNDP | United Nations Development Programme |
| UNDAF | United Nations Development Assistance Framework |
| UNEG | United Nations Evaluation Group |
| UNDP CPAP | UNDP Country Programme Action Plan |
| UNCIF | United Nations International Children's Emergency Fund |
| UNHCR | United Nations High Commission for Refugees |
| UNMBiH | United Nations Mission in Bosnia and Herzegovina |
| USAID | United States Agency for International Development |

Map of Bosnia and Herzegovina showing geographical coverage of the evaluated interventions - Srebrenica, Bratunac, Milići, Zvornik and Vlasenica municipalities



EXECUTIVE SUMMARY

Evaluation background and methodology

This report combines findings of the independent summative terminal evaluation of the Srebrenica Regional Recovery Programme (SRRP) and Birač Region Development and Cooperation Programme (BIRAČ), in terms of the overall effects and impact the interventions brought about to various stakeholders in the subjected geographic area, throughout the entire implementation period (2003-2017). The evaluation was conducted from 30th April to 8th June 2018. The evaluation was undertaken to assess the performance of programmes, generate lessons learned and provide recommendations which are intended to identify appropriate strategies and operational approaches to replicate or inform new United Nations Development Programme's (UNDP) economic generation programmes across Bosnia and Herzegovina (BiH). Other audiences were Government of the Netherlands and other relevant stakeholders.

The evaluation followed a mixed method approach to satisfactorily respond to the requirements of the Terms of Reference (ToR). The quantitative and qualitative data were collected through primary and secondary sources in five municipalities, Republic Srpska (RS) line ministries, other stakeholders and all other categories of beneficiaries. Secondary data were collected through the desk review of the available relevant documents produced by the programmes, UNDP, development partners and other donors. No major challenge was encountered during evaluation except the time limitation available for field visits that did not allow the mission for a wider coverage of the beneficiaries and initiatives of the programmes.

Main evaluation findings

Design

The relevance and design of the SRRP cannot be overemphasised. The original project document of SRRP I was not properly designed to implement the interventions. The revised project design had detailed strategy based on the local context and a tailored participatory approach and introducing component-level management with defined responsibilities. These issues persisted in the second Phase. In phase III and IV, the programme was noted to address the needs of the local communities and objectives of local governments, as well as a high degree of pertinence of the assistance to the evolution of priorities. Implicit in the SRRP approach was a focus on fostering return and ensuring the equality of rights for returnees. The designs addressed weak areas of the municipalities.

BIRAČ programme reflected UNDP's overarching decentralised governance for development concept, which covered decentralisation, local governance and urban/rural development. Moreover, in line with UNDP's Rights Based Approach, document put social inclusion, capacity building for good governance and the environment in the forefront. The design, outcomes, outputs and activities of BIRAČ, in general were relevant. The designs of both programmes provided for strengthening of ownership by the municipalities and a well-focused approach whilst targeting a range of stakeholders. and understand.

Relevance

The underlying condition that underpins positive factors was the relevance of SRRP activities to the immediate needs of the local community and objectives of local governments, as well as a high degree of pertinence of the assistance to the evolution of priorities. By directly supporting the Government's long-term regional recovery efforts, SRRP showed a conscious decision to link the objectives with the wider national recovery strategy. SRRP's planned outcomes and interventions were in line with UNDP Country Programme (CP) 2005-2009 and United Nations Development Assistance Framework 2010-2014 related to strengthening capacity of municipalities and Civil Society Organisations (CSOs). Interventions were also in line with the European Union (EU) accession requirements of strategic priorities of stability, return process, security, poverty reduction and gender mainstreaming.

BIRAC programme was aligned with the priorities set within the Government of BiH Strategy of Development of Bosnia and Herzegovina 2008-2014¹ related to sustainable development and competitiveness, and directly contributed to the realisation of the RS Rural Development Strategy's (2009-2015)² Strategic Goal I and Strategic Goal 3³. BIRAC originated from the UNDAF 2010-2014 Outcome 2 on social inclusion⁴ and supports UNDAF 2015-2019 Outcome 4 on economic and social disparities. BIRAC and First Job sub-project interventions are in line with the key priorities set by the *Reform Agenda for BiH 2015-2018*, specifically in terms of improving business environment and competitiveness, and economic governance.

Efficiency

UNDP assistance was highly focused on a demand-driven and results-based approach to the interventions. Both SRRP and BIRAC followed a rights-based approach providing communities from all ethnic groups and gender with an equal opportunity to compete and participate in the activities ensuring accountability, transparency, participation, non-discrimination and the rule of law as key principles. The programmes ensured a wide geographical coverage of all the five municipalities of East Bosnia.

Financial sources and management

Overall, following direct implementation modality (DIM), the programmes installed comprehensive and robust financial management systems and strong accounting practices for tracking all payments and to ensure transparency and accountability of expenditures, reflecting the role of UNDP as custodian of donor funds. As of 31st December 2017, aggregate expenditures on both programmes stood at US\$ 50.13 million (96.25%) against planned allocation of UN\$ 52.09 million. Total expenditures on SRRP and BIRAC were estimated at US\$ 47.77 million (95% of the total) and US\$ 5.36 million (5%), respectively. Of the total, 90% of the total expenditures were incurred on programmes' activities. Major portion (41%) of the assistance was allocated to economic development activities. Automatically Tuned Linear Algebra Software (ATLAS) was adopted to reflect the approved budgets as per project documents. The audit was generally positive and led to some significant improvements to the financial system. This evaluation, based on the financial statements noted that there was no financial issue, and standard financial management approaches were being used in the way programme funds were handled and managed.

Use of human resources (staff input)

The results of the interventions reflect that programme team performed its duties conscientiously and with determined interest. Programme management displayed UNDP and donor's standards, procedures and transparency in the recruitment of staff, operational procedures and selection of region, projects and beneficiaries. Human resources were efficiently and effectively used to achieve the objectives of the UNDP assistance. The staffing issues cropped up in the beginning of SRRP were resolved with the change of programme team that displayed an operationally cohesive approach with strong elements of team working.⁵ Aggregate utilization of professional staff by both programmes was 3,137-person months (pm): 2,606 pm and 431 pm by SRRP and BIRAC, respectively. In terms of financial input, expenditures on staff were US\$ 7.5 million (15% of the total expenditures). Given that the programmes operated under the DIM modality of UNDP, the use of staff resources are considered consistent with the scope of activities.

Organization and management

Both programmes were managed by the same management team with experts recruited according to the requirement. The general management was noted to be efficient as it was characterized by specifically dedicated personnel with clear reporting lines and structures. The roles and responsibilities for the implementation of the programmes were in line with the UNDP Rules and Regulations for Project Management that define minimum requirements to ensure UNDP's accountability for programming activities and use of resources. The elements of adaptability and flexibility contributed to the overall

¹ BiH Directorate for Economic Planning, September 2010,

http://www.dep.gov.ba/razvojni_dokumenti/razvojna_strategija/Archive.aspx?template_id=71&pageIndex=1.

² <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mps/Pages/Default.aspx>.

³ 'strengthening of competitiveness of agriculture and improved quality of life and diversification of rural economy'

⁴ <http://www.undp.ba/Upload/SC/UNDAF%20BiH%202010%20-%202014%20BiH.pdf>.

⁵ SRRP External Evaluation, 2005 UNDP BiH.

success of the UNDP assistance. Nevertheless, the project documents, the results frameworks and work plans remained the basic guiding implementation strategy of the programmes. Based on these findings, the evaluator rates the management approach as highly satisfactory. During implementation, programmes sought strong involvement of different partners and stakeholders, with focus on the local institutions, which eventually took over management of various indicatives.

Monitoring and evaluation (M&E)

Overall, M&E mechanism for SRRP and BIRAC were efficient and effective. Both the programmes adopted results-based management as a corporate management approach, so that performance at the level of development goals and outcomes is systematically measured and improved. Monitoring was carried out through the analysis of the results-based quantitative and qualitative indicators outlined in the results frameworks and the budget lines. The progress on activities and outputs was documented through various progress reports and updates. These reports were generally very informative and served as a tool for monitoring the implementation of planned activities. The Country Office (CO) undertook periodic monitoring of progress through quarterly meetings with the programme team. Oversight and feedback over programmes was provided by the Project Board (PB) and the Project Executive Group (PEG) through holding the meetings regularly. All project documents were reviewed and approved by the Local Project Approval Committee formed of PB members and other participants. Programmes were subjected to independent mid-term- reviews and terminal evaluations.

Effectiveness

The effectiveness of the UNDP assistance was assessed based on a measurement of changes in relation to the achievement of outcomes, the overall contribution of the programmes to capacity building of local institutions, revive economic development, rehabilitate infrastructure and revitalize industry to support speedy return process. SRRP played a medium-term role of catalyst by bridging post-conflict institutional failures between the state and the regional market. Thus, through intensive programming, participatory planning and adhoc technical studies, SRRP and local governments established solid complementarities between their structures and market needs fostering employment opportunities. The analysis shows that SRRP, despite occurrence of delays and many constraints encountered during phase I, SRRP was able to achieve its objectives during following phases that resulted in the continuation of assistance with added objectives and extension to Zvornik and Vlasenica municipalities under BIRAC. Most of the targets of programmes were achieved during the period specified in the work plans and, in many cases, the results exceeded the targets. It appears that at the output level, most of the targets of BIRAC 2 will also be reached without any difficulty. Countless institutions and individuals of the region benefitted from the UNDP assistance. The record of programmes show that in aggregate, about 21,709 households in the region were served directly with more than 60,535 inhabitants comprising 48% women, through the implementation of about 313 projects of various scales in all components. The youth and children beneficiaries were estimated at 5,840. There were more than 14,500 indirect beneficiaries.⁶

Local governance supported the local institutions to improve their capacities, and to effectively and efficiently deliver their responsibilities to service citizens. That was a process through which the delivery of services and municipal competences evolved, from very basic provision of services to citizens to advanced competencies in quality assurance, strategic planning and economic development. As a result of assistance provided by UNDP programmes, the entire population (about 130,000 of municipalities benefits), directly or indirectly, from the improved public services and provision of social services. Under local governance component, around 81 projects were implemented that built the capacity of about 4,647 staff of municipalities, utility companies and CSOs, representing 53% women. The entire population of Birac region (about 130,000) is now benefiting from improved public services and provision of social services. All citizens have access to basic municipal services through one-stop shops resulting in reduces time for issuance of basic documents. 30,000 citizens in rural areas of Srebrenica, Bratunac and Milići had improved health services through the establishment of the health mobile team and 2,088 students had improved education, especially in IT technologies.⁷ The programme effectively introduced EU LEADER

⁶ SRRP/BIRAC 2018, UNDP BiH.

⁷ Ibid 6.

approach in the region. Using this approach, the LAG has successfully implemented 16 projects with an input of US\$ 2.15 million covering agricultural, social and infrastructure activities. These projects have benefited 6,723 individuals directly while indirect beneficiaries were accounted for 13,492 representing 36% women beneficiaries. Municipalities have also improved municipal business processes and their ability to outsource services to the private sector.

The activities of the *Social Protection and Inclusion (SPI)* initiative were implemented effectively to achieve its objectives. The programme formed SPI Commissions and facilitated the establishment of the municipal Operations' Teams (OTs). The capacities of the centers for social welfare (CSW) were strengthened in all five municipalities as they are, together with the municipal departments for social affairs, the main duty bearers accountable to respond to vulnerability, poverty, exclusion and deprivation. 550 pre-school children benefited from improved conditions in five Kindergartens in the region, and more than 150 children and youth with disabilities were provided access to various social services established by the Project and sustained by the local communities. SPI initiative built capacity of more than 200 service providers in social protection, inclusive education, early child development (ECD) and child protection. The monitoring of results estimated that the indirect outreach of SPI was 880 individuals and 2,906 vulnerable families, children at risk and youth. 412 children benefited from the social inclusion, child rights and intercultural education workshops aimed at promotion of positive attitudes and practices in inclusion and tolerance. The movies prepared and published on UNICEF YouTube channel reached over 13,000 people.

Economic development component incorporated a diverse and rather scattered range of interventions, reflecting a more opportunistic strategy. Three-end target groups were assisted to achieve the desired objective: existing micro-small medium enterprises (MSMEs); agricultural producers; and start-ups. 34 projects implemented under this component provided economic stability to 3,775 households and 4,060 (68% women) direct and 1,209 indirect beneficiaries. 951 youth also benefitted from this intervention. The most significant development was the support provided to the fruit and vegetable, dairy and sheep sub-sectors of the agriculture that with 1,500% increase in production and 30% increase in productivity, resulted in the revival of agriculture sector and transformed it from subsistence to commercial oriented farming. The most dynamic agricultural activity in the region continued to be in the raspberry sub-sector that has grown from 16 ha in 2010 to 119 ha in 2016, representing an enormous increase of 643%, resulting in increase in production volume by 682% in the same period. Income from this enterprise recorded an increase of 1,167% from BAM 0.26 million to BAM 3.29 million.⁸ The capacity of the Regional Extension service (RES) has significantly increased and their support to farmers is resulting in more than BAM 500,000 annually mobilised through grants and credit, and more than 50% of farmers in the Birac region are now recipient of extension services. The use of Business Development Services (BDS) has increased. Leading commercial farmers in the dairy and fruit sub-sectors have now reached level of quality and standards close to the EU average.

SRRP adopted the improvement of *infrastructure* as a reinforcing element to local governance, component in terms of participation, transparency, efficiency and effectiveness in the use of public funds, as a mean to achieve poverty reduction. It was an important and necessary complement to the economic development and local governance components. There have been significant results in terms of restoring basic services, reducing the isolation of rural returnee communities and supporting housing reconstruction, both directly and by other agencies. Most of the results were achieved according to work plans that brought improvement in the quality of life for the citizens of the region. About 171 infrastructure projects of various scales (roads, bridges, houses, pavements, electricity, water supply, etc.) provided relief directly to 10,835 households with 49,873 citizens comprising 46% women. The youth beneficiaries were estimated at about 2,900. 212 kilometers of roads repaired and/or improved provided access to about 3,120 households with more than 10,600 persons to the services and market. 90 houses were reconstructed enabling the return of 243 persons of the displaced families to their pre-war residences.⁹

Impact

⁸ Annex 5: Analysis of the Raspberry Value Chain, Annual Report SRRP Phase IV., 2016.

⁹ Ibid 6

The UNDP assistance made a vast impact on many walks of life, economic, infrastructure, local governance, businesses, public services and electricity supply. The impact was visible at the institutional as well as individual level, at the local as well as regional level. Generally, a high praise for UNDP programme team was witnessed during the interviews, meetings and field visits. Further, UNDP successfully established its niche as a trusted and reliable donor and partner in the region. Also, by launching SRRP, UNDP opened the doors for other donors to mobilise resources and start assistance in the region. UNDP was well-positioned for further regional or national engagements. Programme's strong local engagement approach helped it to earn a greater presence in the region, as well as paved the pathways for longer term development goals in the region. Overall, a behavioural change of the citizens was witnessed in urban and rural areas towards participation in the social and economic development activities. There was a visible improvement in the physical infrastructure in the region. An environment of peace, harmony, reconciliation and trust is now prevailing among ethnic groups in the region. Comparative data shows that the region has recorded a faster pace of development than any other region within RS. The UNDP assistance can be considered as one of the contributing factors behind this success in many ways: increased agricultural and industrial production, export and revenue, impact of value chains, job creation, programmes implemented and services provided more successfully by the municipalities with enhanced capacity, increased investment and businesses, contribution of increased number of returnees and their contribution in the regional economy, etc.

Local governance

Efforts to improve public sector management and service delivery within the municipalities achieved meaningful results. Local government institutions, implementing agencies and partners admitted that working with UNDP increased their capacity to function in an open and transparent manner as well as improving their monitoring and evaluation efforts. Some relatively small investments had a significant strategic impact and leveraged support from other donors. Local governance has improved with the introduction of participatory decision making, improved budgeting, simplifying procedures, public hearing, one-stop shops, training and exchange of practices with other municipalities. The institutional strengthening has improved the efficiency and effectiveness of services to citizens provided by local public institutions through the improvement of their business processes, their ability to rightly outsource services to the private sector. These dimensions of municipal operation have progressed from building capacities to absorb external aid, to strategic thinking about absorption of EU funds in future. With enhanced functional and technical capacity at the institutional and individual levels, municipalities are now capable of and preparing developing strategic plans and proposals with the quality acceptable for approval and for local and foreign funding. There has been a significant mentality shift in the way in which local governance was perceived by authorities and citizens, manifested in notable advancements in accountability, transparency, and responsiveness to the community needs. Because of the participatory approach adopted by SRRP, strong programme effectiveness was evident as the municipalities and other stakeholders were fully engaged and showed a profound sense of ownership.

The capacity of municipalities increased by 40% in the period 2008-2013, measured using the UNDP capacity assessment methodology.¹⁰ The municipal administrations have become more pro-active in both identifying the problems faced by SMEs currently operating on their territories and finding ways to effectively communicate with the owners in order to resolve these issues. Such an approach has resulted not only in maintaining jobs, but also in sending a strong message to entrepreneurs that the municipalities are a reliable partner. The programme directly contributed to the creation of 278 new jobs. This increase in formal employment also led to the increase of municipal annual revenues by BAM 0.19 million as well as local consumption by BAM 7 million.¹¹ The revitalization of the Mjesne zajednice (MZ - Local Community) system and community participation in local and area-wide decision making has led to a new feeling of citizenry and ownership, greater transparency, the re-vitalization of local politics, co-operation between sectors and increased social capital. The programme efforts also resulted in increased transparency, sustainability, volunteerism and responsiveness of CSOs to their constituents through grant-funded projects and training. Srebrenica, Bratunac and Milići municipal administrations are now ISO 9001 certified. The programme enabled the Local Action Groups (LAG) Drina – BIRAC to develop its own

¹⁰ This is the global methodology developed by UNDP to measure the capacities of government institutions.

¹¹ Final report of SRRP IV, 2017, UNDP BiH.

development strategy and based on it, also formulated various project proposals for funding with the support of UNDP.

SPI

Through SPI initiative, the programme has created awareness among parents of children with special needs about the development opportunities for their children. Overall, the project significantly contributed to the creation of a conducive environment for employment of the most vulnerable groups through improved institutional capacities, tailor-made approaches and facilitation of a dialogue between the public and private sectors for integrated social and economic development. The project ensured strong involvement of all social actors, including the target population, in the design and implementation of social policy measures in direct support to increasing the employability of vulnerable groups and tackling social exclusion. Upcoming elections in October 2018 may slow down the completion of the SPI MAPs due to the political engagement of key stakeholders. Moreover, the change of local Mayors and ruling majority in Municipal Assemblies may lead to sudden changes of priorities and decreased funding for social sectors. Also, the lack of adequate human and material resources at local level and lack of accountability will remain key challenges in the social development sector at all levels.

Economic development

The pertinence of UNDP's interventions in the field of economic development is visible at the regional, community, and individual level. The biggest achievement of the programme has been to build confidence among local economic actors in their ability to grow by themselves. This is expressed by the constant increase of investment by the local private sector from MSMEs to farmers. Through the use of a proxy indicator, namely the increase in retail trade turnover, the economic growth in the region over the past four years was measured at around 21%, and the contribution of the project to this increase is estimated at 50%.¹² The revenue of selected families increased by 80% that was to a level now 40% higher than the RS minimum gross wage. Apart from creating the new employment opportunities and the basis for economic growth, UNDP's assistance has also contributed to a growing sense of positivism.

Agriculture

UNDP interventions in agriculture have improved the access of families to food, nutrition and income to increase the resilience of livelihoods to food and agriculture threats and crises. Besides, a sense of self-confidence and self-reliance on their own capabilities and resources were also noted among the farmer beneficiaries. They have found the ways to savings, networking with financial sources/banks, agricultural services, associations and processors. Farmers have now access to more markets than before, which has resulted in better trade conditions. After achieving the stability in farming, many farmers have now diversified their farming activities shifting from subsistence to commercial farming through introducing advance technology. Individual stories by farmers show how they have developed capacity multi-fold over the past few years with the help from UNDP. The focus on agricultural sub-sectors, particularly dairy, sheep and raspberry sub-sectors has emphasised the endogenous growth potential, which has now become the overwhelming philosophy among decision-makers as well as the existing and potential agricultural producers. The interventions have caused the economic stability of the participating households through increased volume of agricultural production, resultantly rise in household income and availability of employment opportunities, and economic stability at the household level. The income of participating farmers has increased in the range of 15% to over 400% in the span of 5 to 10 years.¹³ The level of investment by farmers recorded by RES, has tripled. Number of commercial and semi-commercial farmers¹⁴ has increased and increase in both production volume and the quality of products put the region on the map thus attracting more buyers. Annual revenues of the participating farmers increased by BAM 4,0 million in 2016 compared to 2013. The productivity of the farmers,¹⁵ supported by UNDP and its partner the RES, is 15% higher than the average productivity in the region. The household budget surveys

¹² Project Document SRRP IV, 2013 UNDP BiH.

¹³ Ibid 6.

¹⁴ This is estimated through the number of farmers selling their products through official buyers.

¹⁵ Productivity is calculated separately by type of production. In this specific case, UNDP took as a reference: dairy, sheep and raspberries.

conducted in 2010 and 2013¹⁶ confirmed an improvement in the quality of life. Programme interventions were the instrumental behind the increase in the productivity of sheep (17%) and dairy (10%) sub-sectors between 2013 to 2016. During the same period cumulative increase in gross revenues per unit of production estimated at 93% was a significance change during this short period.¹⁷ Furthermore, the positive results of the UNDP's efforts attracted new market integrators and buyers in the region and contributed to the increase in prices, especially in the fruit sub-sector. Significant productivity gains were made enabling the to meet the minimal eligibility criteria for accessing IPARD funds by the end of 2017.

MSMEs and private sector development

The programme made a major breakthrough in the region by developing and promoting public-private partnership (PPP) through synergies between municipalities, MSMEs and the programme, to attract local and foreign investors. This intervention, by creating an enabling environment in the Birač region, has also built the confidence and raised the interest of other MSMEs to invest in the region. High level of confidence and self-reliance was witnessed among MSMEs on their abilities to grow their businesses by themselves through applying the knowledge provided and networking established by the programme. Another impact brought about by the programme was the change in official employment figures in the region 1.99% compared to the BiH trend. UNDP initiative was also instrumental in consolidation of the return process through creating new jobs and securing the existing ones in MSMEs. The businesses in the Birač region have now elevated the knowledge about manufacturing of industrial goods with improved quality that is closer to the EU standards, through the support provided for certification in international standards.

When looking at companies' performance indicators, there has been constant improvement over the past ten years, even more drastically over the past five years. The use of business development services (BDS) by a local MSMEs supported by the programme increased by the end of 2013 was 53% and competitiveness measured through their increase in sales, was 47% between 2010 and 2013 and 10% in 2016. The annual sales of the private sector in the Srebrenica Region for the period 2014 – 2016 increased by 38%, almost five times more than the 8% increase of the private sector sales in the country as whole during the same period. Moreover, increased productivity of labour, coupled with other positive trends, denotes a consolidation of private businesses in this location, which leads not only to lesser probability of capital flight but also to better job security and overall better prospects for the future of the local economy. Increase in volume of investments by the private sector in 2016 jumped to 168% compared to 2013 and increase of revenues in retail trade was recorded as 12.16% during the same period. The level of public investments attracted for economic development in 2017 was estimated at BAM 7.5 million against a target of BAM 5 million. UNDP and the Municipality of Srebrenica invested in the construction of a production facility in the Skelani Industrial Zone and made it available to a local investor in the field of tools production (MAGMAL d.o.o.) which moved his production from Serbia to Srebrenica.

Infrastructure

With the level of damages by war, lack of operation and maintenance in the Srebrenica region, infrastructure was an impediment to human and economic development and return of DPs/IDPs. Improved quality of public infrastructure through the capital infrastructure investments benefitted a majority of citizens directly and indirectly. It also resulted in the reduction of public and private expenditures (e.g. heating costs in public buildings, operational costs for the water supply systems and maintenance costs for roads) and increase in public income by supporting economic activities. The renovation of the municipalities' premises improved the working environment for the employees that has improved their working efficiency and productivity. The programme assisted municipal authorities in the preparation of technical specifications that enabled them to mobilize close to BAM 6 million¹⁸ from external sources to finance their projects. Under the public building strategic direction, the project was able to improve access of people to health and educational services. With the other strategic directions, it contributed to human poverty reduction indirectly by enhancing agricultural productivity, reducing transportation costs,

¹⁶ UNDP had to use a smaller sample than in 2010 due to the proximity between the survey's field interviews and the 2013 Census field visits but it made sure that the statistical validity of the results will not be compromised.

¹⁷ SRRP/BIRAC 2018, UNDP BiH.

¹⁸ Final report SRRP III, UNDP, BiH March 31, 2014.

generating more jobs and income – that is by enhancing economic growth. Improvements in delivery of public services have also indirectly supported the process of integration of the communities and their reconciliation. Social conditions have also been improved, including education resulting to increased enrolments and attendance in KG and elementary schools with improved hygienic conditions, heating and recreation facilities. The renovation and provision of recreation facilities has provided space to youth and children for recreation, their growth and improve knowledge. The rehabilitation of infrastructure had major impact on the return process of IDPs, as the refugee resettlement assistance rose during the peak of return in 2003 and again in 2008.

Sustainability

UNDP has addressed sustainability of the interventions by incorporating it in the implementation of interventions, especially in the last phases of the SRRP and in the BIRAČ. The long-term solutions were proposed to continue to deliver benefits to the beneficiaries for an extended period after the programme termination. In that respect, interventions were planned to have long-lasting effects. Another strong element of sustainability is the human capital that has been built through implementation, among beneficiaries and partners, and within local authorities. The most successful projects were driven by individuals with a vision, who remain the most potent leadership capacity throughout the country.

The future of the LAG will depend on the availability of fund. Under existing circumstances, it appears that funding from EU IPARD will not materialize before 2020 forcing LAG to seek alternate funding sources, like EU Competitiveness Project implemented by GIZ, UNDP and ILO or the EU IPA Cross-border. UNDP need to continue to follow the LAG's operation to provide technical assistance. Also, LAG's structure might change in the near future as some of the staff members are moving to new responsibilities. UNDP has suggested to the mayors to appoint one municipal staff as temporary part-time director. In order to ensure the sustainability of SPI model, the Programme supported the development of a comprehensive electronic database to administer and unify data collected from centres for social welfare, public health institutions, educational institutions, internal affairs, judiciary and civil society organizations in target Municipalities. This kind of cross-sectoral database represents the first of its kind ever developed at the level of local community.

For activities related to agriculture development, the sustainability of interventions was key from the start and the selection of sub-sectors. Based on the data collected at the farm level, it is concluded that sustainability has been reached in the agriculture sector. This is confirmed by the level of investments by individual farmers or compiled at the sub-sector levels. The ability of local partners of private sector development to ensure the sustainability achievements addressed through the capacity building activities as well as the implementation modalities. In the MSME sector, the interventions planned were designed to increase the competitiveness of companies. As such, it increased the sustainability of local companies and supported their growth. In parallel, the programme worked on improving the relationship between the municipal authorities and the local companies to ensure that public measures will be better designed to support local entrepreneurs. A constant improvement as well as continuous increase in investment is an indication of the maturity of the local private sector and its ability to maintain jobs but also to further develop. The availability of technical staff for MSMEs remains a major constraint to their expansion.

The operation and maintenance of infrastructure was a concern after the withdrawal of UNDP support. The involvement of local partners in all the steps of implementation of infrastructure projects enhanced their technical capacity and knowledge. Moreover, the programme ensured the application of high quality standards in order to guarantee long lasting effects of the works performed. Additionally, activities on sustainable infrastructure development were extended to higher-level institutions such as the Regional Watershed Agency and the RS Ministry of Agriculture and Forestry and Water Management, and out of the region partnering companies and international financial institutions.

Cross-cutting issues were well addressed

Gender mainstreaming/equality

The programmes worked on the economic empowerment of women through specifically tailored interventions like provision of micro-finance and employment promoted through active labour market measures. 48%¹⁹ of the total beneficiaries were also women. Data disaggregated for individual beneficiaries show that close to 43% participants in the training events were women. Of the total number of jobs created, 35% were for women. 36% of the LAG beneficiaries were women. Local women associations and cooperatives were also supported through entrepreneurship programmes. The participation of women in decision making was also promoted not only at the municipal level but also at the local community level. For the selection of rural micro-projects, the representatives had to demonstrate that a minimum of 30% of women. There is a need to increase the representation of women in public sector employment (especially at middle and senior executive levels in the municipalities) and Municipal Assemblies. There is a need for all five municipalities to ensure that they adopt gender positive policies and approaches through such vehicles as their strategic plan and public consultation approaches.

Human rights

The programme, in a number of respects operated consistently within the rights-based principles. Both the programmes displayed key strengths in the areas of: (i) participation of citizens in the programming of its interventions; (ii) equality and non-discrimination; and (iii) adherence to the principles of transparency, accountability and the rule of law. In these areas, the programme could be considered a leader in developing good practice in the relatively new field of local rights-based programming. The strongest rights orientation within programme was in the area of public affairs. The programmes promoted a number of human rights connected to the return process, including: the right to return, the right to adequate housing, the right to peaceful enjoyment of property, and the right to freedom of movement and residence. The programmes also pursued a number of economic and social rights; *viz*: the right to work; the right to just, favourable conditions of work and the right to social security; the right to an adequate standard of living; and, the right to health and education.²⁰

Environment

The protection of the environment was addressed at various levels. Firstly, with the management of forest and the certification of the RS public forest management company in Forest Stewardship Council forest management. Through this certification, the management of forest has to be sustainable. Secondly, with the introduction of better practices in agriculture production which preserve the environment. Training was also organized to farmers in terms of adaption and mitigation of climate changes. The third level is investment in public buildings to make them more energy efficient. Also, the formulation of indicators for the SRRP IV and BIRAC 2 at the output level included indicators measuring the changes to the local conditions and comparing them to the entity or national trends.

Key lessons learnt

The evaluation identified the following key lessons learnt.

- A degree of *flexibility in approach and implementation strategy* is essential for any emergency assistance in order for interventions to achieve their desired results, and to ensure optimum utilisation of available resources.
- *Participatory approach and consensus building* at the outset leads to the ownership, transparency, accountability and increase in project effectiveness. Putting beneficiaries at the forefront of planning and implementation promotes programme ownership and translates into sustainability.
- *Constant dialogue* with the stakeholders is crucial for conflict resolution, partnership and collaboration. The Programme management held a series of meetings on continuous basis with the

¹⁹ 30% is widely considered an important benchmark for women's representation. However in the European context, we should aim for a higher participation rate.

²⁰ SRRP External Evaluation, 2005 UNDP BiH.

mayors to bring them on the same pitch and to seek their cooperation for improved and efficient delivery of services to the citizens.

- Involvement of elected bodies in the beginning is critical to gain their support and clear any hurdle foreseen, for the success and smooth implementation of programme.
- An effective transfer of skills and technical knowledge is crucial for the capacity building of institutions ensures sustainability and lasting impact of the project interventions. However, learning should be an iterative process.
- Where more than one or municipalities and ethnic groups are beneficiaries, emphasis should be on the balance in the delivery of activities to overcome perceptions of “favouritism” toward one ethnic group or another.

Recommendations

The evaluation is proposing the following recommendations.

- Following the successful experiment of EU LEADER model in the Birač region, it may be upscaled step-by step in other regions of RS. A detailed baseline study identifying potentials, risks and threats may be conducted prior to upscaling this approach to other regions. Initially, this approach may be piloted in the advanced regions and then gradually expanded to other regions. All the stakeholders need to accept and play their roles with enhanced capacity will have to play critical role.
- Institutionalization of LAG on strong footing and availability of financial resources in future to keep it operational will remain a major challenge for its operational sustainability. LAG cannot apply for EFU fund. It therefore, needs support to apply for fund as NGO and to explore alternate financial sources. The local actors are still motivated to keep the LAG operative but there is a danger of discontinuation without the support of the mayors. Under these circumstances and to save this successful initiative from collapse, UNDP may closely monitor the operation and continue to provide LAG’s technical support, as deemed necessary.
- Climate change is and will remain one of the major challenges for the agriculture sector. Municipalities may integrate the climate change projections and mitigation measures in the municipal strategic plans. Further, environmental issues such as disposal of waste water and solid waste need to be addressed more effectively in any future industrial development strategy.
- Iterative monitoring: UNDP team has made concerted efforts to bring visible changes and successes at all levels in the Birač region through various strategies. Following the termination of UNDP programme, an oversight of these interventions will be crucial for the sustainability of its initiatives. Therefore, a mechanism may be in place for random and constant monitoring of these interventions for any follow up actions after the project’s termination.
- Ex-post evaluation: It is too early to draw conclusion about the real impact of certain programme interventions. Their results may appear after a couple of years. It is, therefore recommended to conduct an ex-post evaluation of critical interventions like LAG after 2-3 years.
- Implementation of SPI is also a success story that can be replicated in other area-based projects in other regions of RS. In line with its strategic objectives in the area of SPI, UNICEF needs to continue to promote its replication to other municipalities, including through peer to peer sharing of best practices. Regional initiatives and networking may be further explored and sustained, having in mind the scarce human and other resources.
- Collaborative strategy: For any future strategy, a genuine interest by all actors to work together is needed, ensuring cross-sectoral and inter-municipal collaboration. Also improved coordination between the local and entity levels would be required.
- Continuity of support to Zvornik and Vlasenica: These municipalities were the late entry to the programme. The interventions started in these municipalities need to be further strengthened.
- There is a need to further strengthen the value chains and reduce post-harvest losses in fruits and vegetable. For future strategy, the support may be considered to transfer technical knowledge on post-harvest technology to the farmers and processors. This activity will add value to the value-chains.

1. EVALUATION BACKGROUND

1.1 Evaluation purpose and objectives

The purpose of this terminal summative evaluation commissioned by the UNDP BiH was to provide an independent results-focused assessment of the two complementary programmes, SRRP and BIRAČ, in terms of the overall effects and impact the interventions brought about to various stakeholders in the subjected geographic area, throughout the entire implementation period (2003-2017). The evaluation was also intended to identify lessons learned and recommendations which will help in the development of appropriate strategies and operational approaches to replicate the model across BiH.

In a conjoint manner, the evaluation was to examine the overall performance of the two programmes, their inputs and activities, and how the outputs delivered over 15 years added value for the communities and citizens in the programmes geographic area. In a substantive analysis of the effectiveness of the project approach, the evaluation has looked into cause and effect relations within the programmes, identifying the extent to which the observed changes have attributed to the evaluated interventions.

The specific objectives of the evaluation were to:

- Inform the Government of the Netherlands, UNDP and other relevant stakeholders on the development change resulting from the interventions, measured *inter alia*, by the concrete impact on the rural enterprise development, job creation, income generation and more effective local governance;
- Identify results and successful practices of the projects that can be scaled up/replicated into the rest of the country and provide actionable, forward looking recommendations to UNDP and stakeholders for refining and scaling up support;
- Increase the stakeholders' knowledge about the benefits and challenges encountered during the programme's implementation;
- Enrich future UNDP's country and regional programming in the field of local economic development.

The evaluation is structured around the UN Evaluation Group's (UNEG) five evaluation criteria: relevance, effectiveness, efficiency, results/impacts and sustainability.

The main deliverables listed in the Terms of Reference (ToR) are as follows:

- An evaluation methodology and a work plan*
- A draft evaluation report*
- Final evaluation report*

The detail on objectives and scope of the review is given in ToR attached as **Annex I**

1.2. Evaluation approach and methodology

The evaluation was primarily conducted by an independent external consultant²¹ from 30th April to 8th June 2018 but given the depth of the information provided required additional time for completion. The country mission was undertaken from 10th to 24th May. Initial briefing with the UNDP Country Office (CO) senior management and meeting with the Embassy of the Kingdom of the Netherlands was held on 11th May. Substantive interviews and meetings were held with the programme team and participating government institutions. Field visits were undertaken in Srebrenica, Bratunac, Milići, Zvornik and

²¹ Hamid Chaudhry- International Evaluation Consultant

Vlasenica municipalities in the RS to hold meetings with the mayors/deputy mayors, various stakeholders and target beneficiaries to gather the relevant information. Meetings were also held in Banja Luka with the representatives of RS line ministries. A debriefing on the evaluation findings was given to the UNDP and representative of the Embassy of the Kingdom of the Netherlands on 23rd May.

UN Evaluation Group's (UNEG) evaluation norms and standards²² and guidelines²³ were strictly adhered to in conducting this evaluation. The evaluation methodology was designed on the basis the key evaluation principles – relevance, efficiency, effectiveness, impact and sustainability. UNDP cross-cutting issues of gender equality, rights-based approaches and human development were also taken into consideration. While collecting information the consultant respected the stakeholders' rights, dignity, security, privacy and self-worth in accordance with UN Universal Declaration of Human Rights²⁴. Reliability and quality of information/data, and impartiality and independence were ensured while collecting the data. The assignment took a broad overview of the SRRP and BIRAC area by gathering perceptions, aspirations and field data from relevant stakeholders of both women and men, for objective analysis to provide suggestions and key actions for the development of the BIRAC region.

This evaluation has provided evidence-based, credible, reliable and useful information and adopted a mixed and multiple method approach to satisfactorily respond to the requirements of the evaluation. The data was collected through multiple methods including, in-depth desk review of the relevant documents, use of questionnaires, field visits and on-site interviews, focus groups and interviews with key informants and direct observation. Based on questions listed in ToR, an evaluation matrix (*Annex 2*) was developed for evaluation framework. An attempt has also been made to cover the concept of theory of change (ToC). The evaluation exercised a client-oriented and participatory approach consistent with UN rules and principles to ensure close engagement and consultations with all stakeholders, including participating municipalities, representatives of the key programme partner institutions from various governance levels, as well as the target beneficiaries and representatives of target groups as required ToR. This approach, among other things allowed the evaluation to critically analyze achievements, performance, results and impact of the programme; and the extent to which the Programme, soft assistance, partners' initiatives and synergies among partners contributed to its achievement.

1.2.1. Data collection process

Triangulation of data and sources were also used to minimize possibility of errors and discrepancy. Both qualitative and quantitative data were collected for evaluation. Reliability and quality of information/data was ensured through critical review and analysis and cross checks during the process interviews and of data collection. Impartiality and independence was strictly observed in the randomly selection of respondents for interviews and data collection.

The following sources, tools and approach were adopted for gathering data:

a) Primary sources

Primary data collection included information from vigorous consultations, surveys, interviews and/or Focus Group Discussions (FGDs) with the stakeholders, partners and beneficiaries.

i. Extended interviews were held with the mayors/deputy mayors and staff of partner municipalities, representatives of utility companies, Micro Small Medium Enterprises

²² UNEG Norms and Standards for Evaluation in the UN System, 2017.

²³ UNDP's Evaluation Policy, UNDP Handbook for Planning, Monitoring and Evaluating for the Development Results, 2009/ ADDENDUM June 2011 Evaluation; and the UNEG's Guidelines for Impact Evaluation in UN Agency Evaluation Systems, Aug. 2013; Handbook for Integrating Human Rights and Gender Equality in Evaluations in the UN System, 2011

²⁴ UNEG Integrating Human Rights and Gender Equality in Evaluation -Towards UNEG Guidance, UNEG/G (2011)2, March 2011

- (MSMEs) and Local Area Group (LAG), beneficiary farmers, women associations and civil society organizations (CSOs) to obtain information, their views and suggestions. Separate questionnaires were developed for key informants and tailored where necessary for structured interviews and data/information. The questionnaires used are attached as **Annex 3**.
- ii. **Field Visits:** A number of field sites in Srebrenica, Bratunac, Milići, Zvornik and Vlasenica municipalities were also visited to gain a first-hand view of the Programme's work on the ground. These included raspberry plantations, sheep farms, dairy farming and infrastructure including water supply systems, roads and facilities provided to SMEs. Much of the evaluation was concerned with activities that have been completed or were near completion. A list of persons interviewed in the course of the evaluation is attached as **Annex 4**.
 - iii. **Focus Groups Discussions:** FDGs were held with the target beneficiaries including farmers, LAG members, representatives of NGOs and women associations to seek their views on how they benefited from the UNDP programme, their partnership and sustainability issues.

b) Secondary sources – desk review of relevant documents

In order to use existing information and avoid duplication, secondary data were mainly collected through a comprehensive desk review and analysis of relevant documents as well as triangulation of different studies. Desk review provided insights into the programme implementation processes, changes in course, achievements and challenges among others. The key documents reviewed included Project documents, periodical progress reports and annual work plans of SRRP, BIRAC and First Job project, research studies, assessment reports, UNDAF 2010-2014, UNDAF 2015-2019, CPAP 2010-2014, UNDP Private Sector Development Policy - 2007, Revised Strategy for the Implementation of Annex 7 of Dayton Peace Agreement - 2008, BiH governments' documents available on website, etc. Additional project reports, files and proposals, as well as UNDP published reports were consulted during the assignment; both in terms of gaining contextual understanding for SRRP assistance and to examine specific interventions in greater detail. The documents reviewed are listed in **Annex 5**.

1.2.2. Data analysis

The data analysis process involved synthesis, consolidation, classification, summarizing and interpretation of the findings and results. Data from different primary sources was triangulated with data obtained from secondary sources, direct observations and any other data sources to produce a comprehensive report that adequately addresses the assessment and analysis requirements as per the ToRs. The issues of social and gender inclusion of vulnerable groups were also taken into account during analysis. Data was disaggregated by relevant criteria of vulnerability in order to assess whether benefits and contributions were fairly distributed by the interventions being evaluated.

1.2.3. The structure of evaluation report

The contents and structure of the report are designed to reflect the approach set out in the ToR. It comprises this introductory section (Section I) setting out the objectives of the evaluation and the methodology employed and presenting the context for the assistance and a brief outline of the description of the SRRP and BIRAC. The section two covers the overall evaluation of the programme's performance and the key questions on adhering to the rights-based principles mentioned in the ToR. This section also covers the contextual analysis and external factors affecting the development of the region. The section three examines impact and sustainability and presents the overall conclusions based on the evaluation findings and contains some key practical recommendations in the context of the Programme strategy for scaling-up and replication in other regions and future strategy.

1.3. Limitations and challenges

There were some limitations to this terminal Evaluation that to some

- Time was limited to for such a complex and comprehensive evaluation that has a broad coverage of stakeholders, beneficiaries, fora and alliances, and carry on a series of activities under various phases that span over 15 years. Also, due to time limitation and great number of programme facilities spread over five municipalities, all good projects could not be visited. However, a fairly representative sample of number of projects was visited to collect evidence-based data for evaluation. This is a reality that was also recognized by the Programme management.
- Time was also limited to undertake such a review that has a broad coverage of stakeholders, beneficiaries, fora and alliances, and carry on a series of activities and working on so many frameworks and policy documents.
- Representatives of the some of the Federal and RS line ministries could not be interviewed due to their non-availability.
- Some of the partner organizations of the UNDP programme could not be accessed as they had already left the region. This was a missed opportunity to know more about the programme impact and learn from their experience.

2. UNDP ASSISTANCE BACKGROUND

2.1. The Country Context

The political system in BiH is complex, reflecting the provisions of the country's constitution developed to end ethnic conflict, as well as subsequent changes to the system introduced under the guidance of the international community through the Office of the High Representative (OHR). The Dayton Peace Accords (DPA) signed in Paris, France, on 14 December 1995, brought peace that lasted over twenty years.²⁵ It also brought a fragmented institutional structure, which allows for a significant degree of self-determination of BiH's constituent peoples. The DPA retained BiH's international boundaries and created a multiethnic and democratic governance system charged with conducting foreign, diplomatic, and fiscal policy. Also recognized was a second tier of government composed of two entities roughly equal in size: the predominantly Bosniak-Bosnian Croat Federation of BiH and the predominantly Bosnian Serb-led RS. The Federation and RS governments are responsible for overseeing most government functions. Additionally, the DPA established the OHR to oversee the implementation of the civilian aspects of the agreement. The Peace Implementation Council at its conference in Bonn in 1997 also gave the OHR the authority to impose legislation and remove officials, the so-called "Bonn Powers. The general government sector consists of four units: BiH Council of Ministers, Government of RS, Government of the Federation of Bosnia and Herzegovina (FBiH), and Government of the Brcko District. In summary, BiH consists of 13 constitutions (state, two entities, one autonomous district and 10 cantons), 14 legal systems and more than 140 ministries.²⁶ Overarching these entities is a central Council of Ministers and tripartite Presidency. In July 2015, the Council of Ministers of BiH, Government of RS, and Government of the FBiH adopted a joint programme of structural reforms known as the Reform Agenda. This Agenda presents a rare window of opportunity for structural reforms in BiH, underpinned by a broad national consensus on the country's critical challenges and priorities and the sustained support of key development partners.

Concerning the economic development and competitiveness, BiH has made some progress, but is still at an early stage of establishing a functioning market economy. Some improvements of the business environment have been achieved and the financial sector has been strengthened. Key remaining issues are a weak rule of law, a still poor business environment, a fragmented and inefficient public administration and major labour market imbalances, related to a poor education system, weak institutional capacities, and an unsupportive investment climate. Moreover, the informal economy remains significant.²⁷ Economic growth (GDP) reached 3.1% in 2016, 0.1% points lower than envisaged by official estimates (BiH Global Fiscal Framework 2017–2019). The International Monetary Fund (IMF) forecast of Bosnia's economic growth in 2018 at 2.6%.²⁸ This is considerably lower than the estimated 6% growth needed for BiH to catch up to EU income levels by 2037 and close the gap with other transition economies that are already EU members. Imported deflationary pressures further continue to push down consumer prices. Deflation moderated in the first half of 2015 but consumer prices continued to fall, down by 0.5 percent year-on-year and 2017 marked the end of deflation. The national currency is the (Euro-pegged) Convertible Mark (KM), controlled by the Currency Board that continues to support monetary policy. Given its linkage to the Euro, the BiH convertible mark (BAM) has seen sustained depreciation against the dollar. Overall, both the nominal and real effective exchange rates have depreciated slightly, supporting price competitiveness of the domestic economy.²⁹

Failure to implement key benchmarks for progress towards the European Union (EU) since 2008 has also led to a near derailment of BiH's integration to the EU. However, 2015 was marked by optimism about the country's EU prospects: for the first time in recent political history of the country, governments at all levels

²⁵ The General Framework Agreement for Peace in BiH, also known as the Dayton Peace Agreement (DPA), Dayton Accords, Paris Protocol or Dayton-Paris Agreement, is the peace agreement reached at Wright-Patterson Air Force Base near Dayton, Ohio, United States, in November 1995, and formally signed in Paris on 14 December 1995..

²⁶ Project Document – BIRAC 2, UNDP BiH, 2016.

²⁷ Key findings of the 2018 Report on Bosnia and Herzegovina, European Commission - Fact Sheet, Brussels, 17 April 2018.

²⁸ World Economic Outlook (WEO) reports for April and October 2017, International Monetary Fund (IMF)

²⁹ The Heritage Foundation, The Index of Economic Freedom, 2018, <https://www.heritage.org/index/country/bosniaherzegovina>

adopted a Reform Agenda 2015-2018,³⁰ which confirmed the EU accession trajectory and gave impetus to immediate reforms, with a particular focus on economic growth and employment. In February 2016, BiH submitted its formal application for launching negotiations with the EU.

BiH's HDI value for 2015 is 0.750— which put the country in the high human development category— positioning it at 81 out of 188 countries and territories. BiH's gross national income (GNI) per capita increased by about 563.0 percent between 1990 and 2015.³¹ The unemployment rate fell from 27.7% in 2015 to 20.5% in the first half of 2017³² as a result of stable output growth, active labour market measures and steps to reduce the informal economy.³³ Unemployment among the youth has also decreased from 62% to 45.8% in 2017. A survey data 2011/2012 that were publically available for BiH's Multidimensional Poverty Index (MPI), estimated 1.7% of the population (65,000) were multidimensionally poor while an additional 3.2% lived near multidimensional poverty (123,000 people). This implies that individuals living above the income poverty line may still suffer deprivations in education, health and other 7 living conditions.³⁴ The implementation of new labor laws in both FBiH and RS, as well as the introduction of support schemes for first-time job seekers, is expected to support improved employment outcomes in 2018.³⁵

2.2. UN Country Assistance³⁶

UNDP has been operational in BiH since 1996. Its programme activities are guided by the UNDAFs, which is endorsed by the BiH Council of Ministers, entities' and Brčko District governments and United Nations Country Team (UNCT).

UN has been providing technical and financial assistance to the Government of BiH in many areas. The One UN Programme 2015-2019 foresees a financial framework of nearly USD 265 million coming from the UN, global funds, donors and governments with focus on the four priority areas. Through *Rule of Law and Human Security* programme, UN is assisting the BiH authorities and society to ensure that every citizen in BiH has equal rights and fair treatment by the judicial institutions, opportunities are created to increase dialogue between citizens and ethnic groups in BiH, adequate capacities are in place to prevent and respond to natural and man-made disasters and to increase the safety of citizens. Through *Sustainable and Equitable Development and Employment* initiative, in partnership with the BiH authorities at all levels, the UN is working on equalizing economic and social opportunities for BiH citizens throughout the country, creating job prospects and utilizing cultural, natural and energy resources in a sustainable manner and for benefits of all citizens. To address poverty and social issues, through *Social Inclusion*, the UN is partnering with the BiH authorities to ensure that: all children have equal opportunities for education and enjoy protection from any form of violence and neglect; social protection is reaching the poorest and most vulnerable citizens; children are protected from any form of violence and; the quality of health care is aligned with existing medical For *Empowering women*, with the assistance of the UN, the BiH authorities are investing efforts to ensure that women in BiH have equal opportunities in gaining employment and participating in political decisions in BiH and that they are protected from any form of violence.

Out of the 68 indicators used to monitor millennium development goals (MDG) progress, less than half have been fully achieved or are likely to be achieved by 2015. Political challenges and corruption, combined with the global and regional economic downturn since 2008, have negatively affected the economy and employment opportunities, and have weakened social services, pensions, and healthcare systems. A survey of citizens conducted by the UN showed that more than half are not satisfied with the

³⁰ Reform Agenda for Bosnia and Herzegovina 2015-2018, <http://europa.ba/wp-content/uploads/2015/09/Reform-Agenda-BiH.pdf>.

³¹ Human Development Report 2016, UNDP Bosnia & Herzegovina

³² The World Factbook - 25 May, 2018, USA Central Intelligence Agency <https://www.cia.gov/library/publications/the-world-factbook/geos/bk.html>

³³ Key findings of the 2018 Report on Bosnia and Herzegovina, European Commission - Fact Sheet, Brussels, 17 April 2018.

³⁴ Briefing note for countries on the 2016 Human Development Report, UNDP BiH.

³⁵ Household budget survey, 2011, Agency of Statistics of Bosnia and Herzegovina.

³⁶ One United Nations Programme and Common Budgetary Framework Bosnia and Herzegovina (UNDAF) 2015-2019: United Nations Development Assistance Framework, UNDP BiH.

financial situation of their households. The situation of young people is of particular concern. More than two out of four young people are unemployed.³⁷ Most are not married, have no children, and live with their parents or extended family members. Of all people in BiH, young people are most pessimistic about their future and their abilities to find a place in the increasingly technological labour market.³⁸

| Key 10 Areas for UN Development Cooperation |
|--|
| 1. Economic Development and Employment |
| 2. Rural and Local Development |
| 3. Agricultural Development |
| 4. Social Inclusion and Inequalities |
| 5. Fight Corruption and Organised Crime |
| 6. Water, Energy Efficiency and Environmental Sustainability |
| 7. Child protection |
| 8. Justice, Rule of Law, Human Rights and Refugee Protection |
| 9. Education |
| 10. Health |

In the area of human rights, BiH is party to all nine UN international human rights treaties and most of their additional protocols. Mechanisms for the protection of rights stipulated in international and domestic legislation, namely the BiH Ombudsman for Human Rights and the BiH Constitutional Court, are already in place. The challenge, however, is one of implementation. Human rights protection and monitoring mechanisms suffer from gaps in coordination, accountability and efficiency. This is further complicated by the country's administrative fragmentation. Violations of rights, where they occur, are more frequent among vulnerable groups, such as Roma, the homeless, displaced families, and the disabled. Of particular concern are discriminatory provisions in election laws, discrimination against certain groups - including returnees, displaced persons, Roma and disabled people - concerns over public access to information and journalistic freedoms, inadequate harmonisation of the laws regulating children's access to identification, health and education services, and high levels of gender-based violence. The focus on human rights and inclusion of vulnerable groups remains an overarching priority in the BiH development context.

Through UNDAF 2015-2019, the UNCT therefore aims to assist the BiH authorities and civil society to develop and operationalize a coherent strategic approach to addressing poverty, discrimination, inequity and exclusion, and dealing effectively with the past. Additionally, it seeks to support the EU integration process of BiH and contribute to country's readiness for EU membership as BiH's overarching strategic goal, and to provide structured guidance to the international community to enable them to support these efforts in a more coordinated and better prioritized manner.

2.3. Birač Region Context

Located in eastern BiH, the Birač region covers geographically coherent territories of Bratunac, Milići, Srebrenica, Šekovići, Vlasenica and Zvornik municipalities. Although it is endowed with abundant natural resources, the region is faced with great development challenges, which stem from the devastating consequences of the 1992-1995 conflict and thereafter difficult overall socio-economic transition. The entire region experienced a significant decrease in its population size compared to 1991, due to the conflict. According to the existing estimates, the region has over 130,000 inhabitants, out of which there are close to 30,000 returnees. Due to the paucity of economic opportunities, the out-migration continues, specifically from remote areas where the loss of young people is particularly high. Considering its average population density, the Birač region is considered as predominantly rural region.³⁹ Zvornik is the only Birač region municipality falling into the category of developed municipalities as per the official RS Entity Government categorisation.⁴⁰

³⁷ Labour Force Survey 2013. Available at <http://www.bhas.ba/saopstenja/2013/LFS%202013%20Preliminarni%20bos.pdf>

³⁸ Voices of Youth – Survey on Youth in BiH – Quantitative Research Findings, UN/MDG-F publication, 2012

³⁹ OECD methodology to define rural areas: municipalities are identified as rural if their population is below 150 inhabitants/km²; regions are classified as predominantly rural if more than 50% of the population of the region is living in rural communes with less than 150 inhabitants/km².

⁴⁰ RS Ministry of Administration and Local Self-Government.

The July 1995 genocide in Srebrenica, and other crimes committed in the area, have had a vast impact on the demographic, social and economic landscape of the region⁴¹. The infrastructures were greatly devastated, the housing stock was demolished with over 6,000 houses destroyed in Srebrenica alone, the economy and industry too suffered immensely, and the public services were poor. The locally available skilled labour and sectoral expertise was almost completely lost within one generation, while the local governments performed poorly and inefficiently; there was a lack of transparency and abundance of political obstructions. The social fabric and ethnic relations were ripped and polarised, safety remained poor for a while, and there was a general sense of distrust into public institutions. While the rest of the country had made some progress between 1995 and 1999, primarily through large scale international development programmes, the region of Srebrenica remained significantly behind.

As indicated in the table below, economic parameters show that the region's economy is growing at a steady pace, better than the country and RS averages. Increase in employment is more than twofold compared to the BiH average, while the increase in consumption in the region is also higher than the one recorded in the RS entity. These significant economic changes in the region can be attributed to the UNDP programme's constant development efforts together with other partners.

Table 1: Comparison of Economic indicators of Birač region with entity/BiH⁴²

| Indicator | Birač Region | Entity/BiH |
|--|--------------------------------------|---|
| Employment (reregistered employed persons between 2011-2015) | 5.43% | 2.52% for BiH |
| Difference in consumption between: 2013-2014 2014-2015 | Increased by 8.9% Increased by 8% | In RS dropped 7.7% In RS increased by 1.1% |
| Rate of revenue increase between 2013- 2015 | 14% | 4% |
| Rate of household revenue increase | BAM 519 | BAM 237 for BiH |

Continued investments in fixed assets by the formal private sector (3% yearly average) and by farmers (14% yearly average)⁴³ as well as continuous positive net employment growth suggest that the investment climate in the Birač region created by the UNDP programme and local actors was now more favourable. The private sector has also changed significantly during the past years with improved results in terms of sales, especially export sales, which indicate that local companies are more competitive on the domestic and foreign markets than a decade ago. In terms of productivity, the data collected at farm level by UNDP demonstrate a constant increase. Using sales per employee as a proxy indicator to productivity, the increase in sales per employee registered by the industry⁴⁴ in 2015 compared to 2013 is 15%.

2.4. UNDP Assistance Framework

2.4.1. Description of the SRRP and BIRAC Programmes

Following the atrocities of 1995 conflict the demographic structure of the Srebrenica region significantly changed. Until June 1999, local political dynamics led the international community to place Srebrenica municipality and much of the Eastern RS under a funding embargo. Consequently, Srebrenica was 'frozen' in its 1995 context with no rebuilding, no recovery, no development, no reconciliation and no returns. The

⁴¹ It is estimated that over 8,000 men and boys were killed during the genocide in Srebrenica, between 20,000 and 30,000 persons left as refugees, and around 6,000 IDPs from other parts of the country moved into Srebrenica.

⁴² SRRP/BIRAC programme, May 2018.

⁴³ Internal survey conducted by UNDP on a sample of 121 farmers in February and March 2016.

⁴⁴ Industry is defined here in its statistical meaning which includes only the agriculture, mining, manufacture and electricity sectors.

Secretary-General's report on Srebrenica on 15 November 1999 (A/54/549) was a milestone in beginning to come to terms with the crimes committed and thus preparing the way for the future. In late 2000, the principal international organizations in BiH--the Office of High Representative (OHR), United Nations High Commissioner for Refugees (UNHCR), United Nations High Commissioner for Human Rights (UNHCHR), United Nations Mission in Bosnia and Herzegovina (UNMIBH), Organization for European Security and Cooperation (OSCE), and SFOR—jointly prepared the Srebrenica Action Plan (SAP) to underpin and encourage two-way returns. In 2001, UNMIBH secured donor agreement to support SAP by committing \$1.6 million to begin rehabilitation of essential basic infrastructure. A new “Model” Police Station (jointly funded by UNMIBH and the RS government) was built and several minority Bosniak police officers began work in Srebrenica. The Organization for Security and Co-operation in Europe (OSCE) vigorously monitored implementation of the property laws (see below) and UNHCR/OHR provided support for the beginning of two-way returns. As a result of this concerted effort, the security and political situations stabilized and a promising start began on two-way returns to outlying settlements.

In recognition of this, and the likelihood of the end of the UNMIBH mission in December 2002, the UNDP and UNMBIH, in consultation with international partners, decided to develop an UN/UNDP-led Recovery Programme for the Srebrenica region, covering a larger area than the above-mentioned SAP, which only covered the municipality of Srebrenica. A preliminary assessment was carried out in November 2001 with key international organizations, local government and NGOs. A programme framework was developed and subsequently approved by UNDP and the Office of the Secretary-General in conjunction with the Department of Peacekeeping Operations (DPKO). Following this, UNDP mission designed the UNDP-led SRRP, in close cooperation with other partners and in particular with UNMIBH and UNHCR.

SRRP

SRRP was designed as an Area-Based Development (ABD) programme. SRRP was implemented in 2002 in Srebrenica, Bratunac and Milići municipalities of RS, covering an area of 1,100 km². The programme's approach was integrated and designed so that rural economic development and local governance are simultaneously means and ends, thereby strengthening each other, to sustainable human development. Rural economic development interventions aimed at addressing poverty and increasing wealth in the region, while being used as incentives, through conditionality in the allocation of resources, to build consultative mechanisms, improve municipal efficiency and accountability. At the same time, local governance and the participatory mechanisms set in place were means to rural economic development in order to ensure equity, ownership, and sustainability of planned interventions. These principles were used all along the implementation of the programme's four phases. During earlier phases, SRRP addressed three crucial areas: (i) obstacles to minority return; (ii) lack of economic opportunities; and (iii) weak governing structures. In total, four phases were realised under SRRP. The overall goal of first three phases of SRRP was:

“to promote the socio-economic recovery of multi-ethnic communities with strengthened local government structures.”

The many issues that needed to be addressed at the initiation of the programme were: devastated infrastructures, destroyed private properties, weak governing structures with under-financed public services, weak primary health care, social services and public utilities, and lack of economic opportunities.⁴⁵ With time and progress made in the development of the region, the programme's focus gradually shifted from first responding to the urgent recovery needs of the region towards economic development. The timeline and focus of the four phases are presented below:

SRRP Phase I

With major focus on emergency and recovery, the first phase was implemented from 2002 to 2007. Four key areas of intervention included: i) economic development and employment; ii) civil society and reconciliation; iii) housing reconstruction and infrastructure rehabilitation; and iv) municipal administration. This phase had a strong focus on the rehabilitation of municipal infrastructure, including the rehabilitation of local roads, water and electricity supply systems, bridges and other infrastructure

⁴⁵ SRRP Project Document, 2002, UNDP BiH.

objects, as well as targeted de-mining of returnee areas. Whilst focusing on the community as a whole, the direct beneficiaries of the SRRP were returnee families in the three target municipalities, with a focus on vulnerable categories, given the high level of women headed households due to the tragic events of 1995. The main focus was on Bosniac returnees, but internally displaced Bosnian Serbs (IDP's) were also to directly benefit from the programme. The programme also aimed at assisting those displaced persons (DPs) wishing to return to their pre-war communities in co-ordination with other organisations, Entity and State Government structures.

SRRP Phase II

With major focus on improving the quality of life the second phase was implemented from 2005 to 2009.⁴⁶ The focus of **SRRP Phase II** was on four core issues: obstacles to minority return, weak governing structures, inadequate provision of public services, including public infrastructure, and a lack of economic opportunities. Within this project, the common denominator of all programme's activities has been the strong involvement of local institutions and citizens in the planning and implementation of capital investments in order to strengthen local capacities through a learning-by-doing approach and to ensure equity in the allocation of resources. There have been three areas of component outputs – in local governance, economic development and infrastructure & housing – in which the issues of addressing a rights-based approach, participation of civil society and gender are treated as cross-cutting themes.⁴⁷

SRRP Phase III⁴⁸

Implemented from 2010 to 2013, main focus of Phase three was to improve the quality of life, then consolidating the changes. The Programme was designed to address the needs to: develop leadership and technical competencies; strengthen local governments and public institutions; improve public services including public infrastructures; and develop the private sector to create employment. Under this phase the activities implemented were: i) local capability development, ii) institutional strengthening, iii) services to citizens, and iv) private sector development. These four activities were expected to address the needs to: develop leadership and technical competencies; strengthen local governments and public institutions; improve public services including public infrastructures; and develop the private sector to create employment. The SRRP phase three expected output was '*Municipalities and local development organisations are capable of planning and implementing their own path to sustainable human development in order to effectively overcome the multi-dimensional barriers to poverty reduction.*'

SRRP Phase IV⁴⁹

SRRP IV implemented from 2014 to 2017 had main focus on consolidating the changes and preparing the region for the future. The project specific objective was to *further exploit opportunities for sustainable economic growth, job creation and income generation in Srebrenica region*. It put even more emphasis on economic development, growth and regional cooperation. It aimed to contribute to advancing local economic development in the SRRP region by tapping into the existing opportunities for sustainable economic growth and triggering job creation, income generation, increased competitiveness of the region, improved public-private dialogue as well as the creation of business-friendly environment supported by the local and entity authorities. Four integrated strategic activities in this phase included: i) support to investments in growth-oriented industrial activities; ii) development and strengthening of agricultural value chains with potential for growth; iii) diversification of economic activities in rural areas (e.g. services to the agricultural sector, crafts, forestry, renewable energy etc.); and iv) introduction of adaptation and mitigation measures to deal with effects of climate changes. The interventions envisaged under SRRP IV were to lead to:

- i. consolidation and strengthening of the results achieved during the previous three project phases;
- ii. further boost economic growth through full exploration of the opportunities created in the previous phases;

⁴⁶ ToR for Summative Evaluation of SRRP and BIRAC, UNDP BiH.

⁴⁷ "Multi-sector Development Activities 2005" SRRP, Contribution from the Netherlands Minister for Development Co-operation SAR0038303

⁴⁸ Project Document SRRP III UNDP BiH.

⁴⁹ Project Document SRRP IV, 2013 UNDP BiH.

- iii. successful transfer of all leadership responsibilities for sustainable local development to the local actors; and
- iv. better positioning of Srebrenica, Bratunac and Milići to effectively use the local and rural development financial and policy frameworks defined by the state and entity levels.

Birač Region⁵⁰ Advancement and Cooperation (BIRAČ)⁵¹

BIRAČ 1

BIRAČ 1 was implemented in the Birač region from September 2013 to August 2016. By the beginning of 2013, certain preconditions for community-led local development in the Birač region had been created through integrated and inclusive local development planning in its constituent municipalities (Srebrenica, Bratunac, Milići, Vlasenica and Zvornik), as well as through a number of area-based interventions. However, the region as a whole was still faced at that time with significant unemployment and limited economic opportunities, which translated into high levels of poverty and multiple forms of social exclusion. At the same time, Birač municipalities did not have sufficient capacities to effectively steer local development processes together with their socio-economic partners, develop and implement adequate approaches to social protection and inclusion of vulnerable groups, while potentials of regional and inter-municipal partnerships remained unexploited. In that sense, additional assistance was necessary towards setting of a joint regional development agenda that should enable better use of development potentials, provide for better economic positioning of the region and contribute to social equality and improved quality of life. The proposed intervention was to build on previous and ongoing support to the Birač region municipalities and argued for inter-municipal and regional cooperation to support bottom-up partnership approach to development and foster territorial cohesion, following the EU LEADER-like principles.⁵² In line with these principles, the project foresaw the establishment of a Local Action Group (LAG), which is composed of representatives of local public and private socio-economic interests. The programme's expected output was: *'By the end of 2015, enhanced integrated and socially inclusive development of the Birač region through functional development partnerships and regional development strategy gradually translated into development results'*. This output was delivered through three integrated strategic objectives:

- i. Consolidating development partnerships and strengthening co-ordination mechanisms within the region.
- ii. Planning the Birač region development in a socially inclusive and integrated manner.
- iii. Transforming regional development priorities into community action

BIRAČ 2⁵³

BIRAČ 2 was implemented from September 2016 to June 2018. BIRAČ 2 output was: *'Birač region able to maintain its path to inclusive economic growth and fully integrated in the wider national development trends'*.

With all the investments done in the previous phases and the decreasing availability of funds from international donors, it was decided to phase out the programme. To prepare the exit strategy, two important elements were addressed: 1) efficient and professional local structures to steer the economic development are in place; and 2) adequate need-based measures, complementary with entity measures, are developed to support the private sector. The output was achieved through two integrated activities:

⁵⁰ The term region is used to denominate a geographic area or territory covering a group of municipalities, without any other implications.

⁵¹ Project Document - Birač Region⁵¹ Advancement and Cooperation (BIRAC), 2013, UNDP BiH.

⁵² LEADER (*'Liaison Entre Actions de Développement de l'Économie Rurale'*, meaning 'Links between the rural economy and development actions') is a local development method which allows local actors to develop an area by using its endogenous development potential. The LEADER approach forms one of the four axes of EU Rural Development Policy 2007–2013. In practical terms, LEADER gives both the development strategy design and funding powers to the local level, which makes it an effective decentralisation tool. The basic administrative unit is a non-profit Local Action Group (LAG) open to all actors in a given territory.

⁵³ Project Document – BIRAC 2, UNDP BiH, 2016..

- i. Public and private institutions provide targeted innovative services and measures to support inclusive private sector development; and
- ii. Increased competitiveness of the private sector.

As part of the overall assistance framework to the region, the envisaged interventions were supposed to lead to: (i) consolidation and strengthening of the results achieved during the previous phases; (ii) developing innovative and best practices; (iii) successful transfer of full leadership responsibilities for sustainable local development to the local actors; and (iv) better positioning of the Birač region in regard to funding opportunities provided by the state and entity governments, European Union, International Financing Institutions and commercial banks.

First Job project

A sub-project was developed attached to the BIRAC 2 project in June 2017. This sub-project was attached to the BIRAČ 2 in June 2017. This sub-project was designed to supplement the interventions already undertaken by both BIRAČ 2 and the Promoting Inclusive Labour Market Solutions in the Western Balkans (ILM) projects. Its overall objective is to assist the municipalities of Srebrenica, Bratunac, Milići, Vlasenica and Zvornik in their efforts to build more inclusive labour markets by promoting an integrated approach to employment and social policies. Building upon the results created by ILM project in strengthening institutional capacities of Public Employment Services (PES) and Centers for Social Welfare (CSW) to develop mechanisms for reaching out to those at risk of exclusion, the First Job Project - Srebrenica Region promoted the establishment of mechanisms for multi-stakeholder partnerships to tackle unemployment and social exclusion. It piloted and scaled up innovative programmes to reach those who are most distant from the labour market, with the target group consisting of the long term unemployed and those who are unlikely to be reached by standard active labour market policies, with a particular focus on youth. The project will impact the work modalities of local level branches of the PES, CSWs, and social partners from the private sector and civil society, as well as entity Ministries of Labour and Social Welfare.

3. EVALUATION FINDINGS

This chapter presents the analysis on project achievements and simultaneously identifies the issues to be addressed for future strategy. The contents of this chapter are based on the data in the limited available documents, and information provided by the programme team, key informants, and detailed focus group discussions with stakeholders and beneficiaries, and personal judgment and observations during site visits.

3.1. Design

This section discusses the design and relevance of the projects to national priorities, development objectives, action plans and programmes and country drive.

3.1.1 SRRP

SRRP Phase I

The design of SRRP Phase I was rushed and flawed, providing no clear direction for the programme team. The project document contained some substantive gaps. External Evaluation of SRRP phase I found that the objectives in the strategy were defined to notify and elicit potential donors, rather than as a tool of project management. There was a little attempt to relate the objectives to the corporate goals of UNDP or the country programme, with the result that SRRP phase I remained outside the mainstream of thinking and application of UNDP human development approaches.⁵⁴ However, it provided flexibility which allowed the programme to pursue different options according to the needs of its beneficiaries and the willingness of donors to fund particular elements of the programme consistent with their own objectives. This appears to have resulted in limited participation in project design, of the local government, municipalities, potential partner organisations and beneficiaries. These issues persisted in the second Phase. The programme design was revised and a more detailed strategy was developed in 2003 based on the local context and a tailored participatory approach and introducing component-level management with defined responsibilities. Results-Based Management (RBM) framework⁵⁵ enabled the programme to be effectively monitored and for progress to be gauged, and management to be focused on delivering the Programme goal and purposes. Implicit in the SRRP approach was a focus on fostering return and ensuring the equality of rights for returnees. Whilst the new programme document was not perfect (particularly due to the difficulties with a participatory approach to planning), it represented a quantum leap in strategic planning of the programme over the previous project document

SRRP Phase II

In general, the Programme design and output of the four activities are relevant. The design addresses weak areas of the Srebrenica, Bratunac and Milići municipalities. The Programme design provided for strengthening of ownership by the municipalities and a well-focused approach whilst targeting a range of stakeholders. The design contributed to the achievement of the UNDAF 2010-2014 outcome: Municipal authorities, citizens, civil society and the private sector increasingly able to contribute effectively to planning and implementation of inclusive social policies at local level.

SRRP Phase III

In general, the design and output of the SRRP's four activities were relevant. The Results and Resource Framework (RRF) clearly spelled out activities, responsibilities, targets and progress indicators. Interventions corresponded to the output and are consistent with beneficiary's requirements, East Bosnia Region's needs, development priorities and UNDP/donor policies in contributing to the economic development of the communities with strengthened capacities of public support institutions at local level and business partners, and reduced poverty levels through increased income. The programme brought forward remedies that could enable the State, the Entity of RS and the municipalities to offer opportunities leading to social recovery and economic regeneration. There had been a conscious decision to link the programme objective with the wider UNDP corporate goals and the national development strategy. The

⁵⁴SRRP External Evaluation, 2005 UNDP BiH.

⁵⁵ In Phase II within a PRINCE 2 compliant management system.

activities were well defined covering purposes of the programme. The RRF had set out the expected results for each of those activities. In turn, outputs were defined for which detailed activity planning sheets were prepared. The Programme provided the flexibility which allowed pursuing of different options according to the needs of its beneficiaries and the willingness of donors to fund particular elements of the SRRP III consistent with their own objectives.

SRRP phase IV

The components of the SRRP phases IV reflect UNDP's overarching decentralised governance for development concept, which encompasses decentralisation, local governance and urban/rural development. Moreover, in line with UNDP's Rights Based Approach, it put social inclusion, capacity building for good governance and the environment in the forefront. These were equally the three priority areas emphasized in the 2008 Common Country Assessment, with a rights-based approach underlying all the proposed interventions and gender and youth issues mainstreamed across the entire programme.

3.1.2 BIRAČ 1 and BIRAČ 2

The designs, outcomes, outputs and activities of BIRAČ 1 and BIRAČ 2, in general were relevant. The designs addressed weak areas of the Birač Region's municipalities. The programme designs provided for strengthening of ownership by the municipalities and a well-focused approach whilst targeting a range of stakeholders. The programme's strategic outcomes, their Objectively Verifiable Indicators (OVI) stating indicators, baselines and targeted value dates, their sources of verification and assumptions were clearly presented in the results and resource frameworks, which made it very explicit to understand and follow. These were further expounded into specific outputs and corresponding activities with time lines, in the work planes and output/activity frameworks, which were also easy to follow and understand.

3.2. Relevance

Relevance of project activities and initiatives concerns the extent to which a development initiative and its intended outputs or outcomes are consistent with national and local policies and priorities and the needs of intended beneficiaries. Relevance also considers the extent to which the initiative is responsive to UNDP corporate plan and human development priorities of empowerment and gender equalities issues.

Handbook on Planning, Monitoring and Evaluation for Development Results, UNDP, 2009

Relevance was addressed by assessing the congruence of objectives of SRRP and BIRAČ with UNDP and government's national and regional priorities and policies. Evaluation found that the interventions of the programmes' corresponded to the outputs and were consistent with the target beneficiaries' needs, regional needs, development priorities and donor policies in contributing to the socio-economic recovery of multi-ethnic communities with strengthened local government structures, with enhanced municipal-level capacities in strategic planning and project management cycle, implementation of programmes for improved service delivery to the citizens and communities, reduced poverty levels through increased income and promoting private investment. There has been a conscious decision to link the objectives with the wider national recovery strategy.

SRRP also contributed to the promotion of reconciliation and reintegration of returnees and internally displaced persons (IDPs) in the economic and social life of the Srebrenica region, thus underpinning the implementation of the BiH Revised Strategy for the Implementation of Annex VII of the DPA, which had identified measures to improve the situation of refugees and IDPs and remove main obstacles to a closure of the protracted displacement.⁵⁶

⁵⁶ BiH Ministry of Human Rights and Refugees (MHRR),
<http://www.mhrr.gov.ba/PDF/Izbjeglice/Revidirano%20strategija%20Engleski.pdf>

3.2.1. SRRP

SRRP phase I

The programme's overall objective emphasised a wide embracing goal relating to social welfare, economic development aspects and institutional strengthening of local governance structures. The rationale for the SRRP was to encourage and support sustainable return to the area through direct incentives in livelihood and economic opportunities, in improving the physical conditions for all vulnerable communities, and in developing a more responsive and capable local administration. By addressing crucial areas in the region, including, obstacles to minority return, weak governing structures, inadequate provision of public services, including public infrastructure, and a lack of economic opportunities, the Programme directly supported the Government's long-term regional recovery efforts. There has been a conscious decision to link the objective with the wider national recovery strategy. UNDP has supported BiH's reconstruction and recovery efforts by bridging the gap in the continuum to sustainable development as expressed in the two Country Cooperation Framework (CCF) 2000-2003 undertaken since 1996. While a priority had been placed under the CCF 2000-2003 on Governance and developing national capacities, UNDP's ABD programmes remained key to fighting poverty and establishing sustainable human development.

SRRP phase II

The SRRP phase II UNDP developed an integrated municipal approach that brought the duty-bearers and right-holders, government, civil society and the private sector closer together in taking responsibility for their local development. The programme's planned outputs contributed to the UNDP country programme outcome: *1.1 Strengthened capacity of municipalities and Civil Society Organisations (CSOs) to manage and participate in long-term sustainable socio-economic development within a framework of human rights and the rule of law*. This in turn contributed to UNDAF 2005-2009 outcome 1: *Strengthened accountability and responsiveness of the Government to pro-active citizens*, and UNDP Country Programme Action Plan (CPAP) 2005-2009 Outcome: *strengthened capacity of municipalities and Civil Society Organisations (CSOs) to manage and participate in long-term sustainable socio-economic development within a framework of human rights and rule of law*.

SRRP phase III

The rationale for the Programme is to encourage and support sustainable return to the area through direct incentives in livelihood and economic opportunities, in improving the physical conditions for all vulnerable communities, and in developing a more responsive and capable public administration to meeting local needs and services. SRRP phase III planned output directly contributed to the UNDP CPAP 2010-2014 outcome 2.3: *Municipal authorities, with civil society and the private sector enabled to plan and implement inclusive social policies at local level including support to youth employment*. In turn, it contributed to UNDAF 2010-2014 intended outcome: *Municipal authorities, citizens, civil society and the private sector increasingly able to contribute effectively to planning and implementation of inclusive social policies at local level*. Capacity development was highlighted in UNDP's Strategic Plan (2008 – 2011) as the organisation's lasting contribution to development, and has been considered in terms of the sustainability of the project's impact. This phase also aimed to improve the livelihood of the communities of the Region through enhanced agricultural production and introducing new value chains generating employment and income. Therefore, Phase III objective was also consistent with intended UNDAF 2010 – 2014 (and CPAP) Social Inclusion Outcome 2.1: *Government coordinates, monitors, reports on and revises employment, education, housing, health, social protection and cultural policies to be more evidence-based, rights-based and socially inclusive*. The Programme also supported UNDP's Strategic Plan goal: achieving the MDGs (1, 2, 3, and 8)⁵⁷ and reducing human poverty, and CPAP Output 2.3.2.: *Private sector partners with municipalities* SRRP also supported Country Development Strategy 2009-2013 and Social Inclusion Strategy 2009-2013. Additionally, the Programme addressed capacity development issues of the Region's private sector that were supposed to establish linkages with new markets in EU countries.

⁵⁷ MDG 1: Eradicate poverty and hunger; MDG 2: Secure a better education for all; MDG 3: Secure gender equality; MDG 8: Develop global partnerships for development.

SRRP phase IV

At the state level, Phase IV was aligned with the priorities set within the BiH Country Development Strategy (CDS) 2008-2014⁵⁸ (Objective 2 related to sustainable development and Objective 3 related to competitiveness). This phase directly contributed to the realisation of the RS Rural Development Strategy's (2009-2015)⁵⁹ Strategic Goal 1 aimed to strengthening of competitiveness of agriculture and forestry sectors and Strategic Goal 3 that focused on improving quality of life and diversification of rural economy. The programme was also indirectly relevant and contributed to the realisation of the RS Strategy for Local Self-Government Reform 2009-2015 and its Objective 2: *Responsible and Proactive Management of Local Affairs and Local Development* and Objective 5: *Development of Inter-municipal Cooperation and Regional Interaction*.⁶⁰

3.2.2 Birač Region Advancement and Cooperation (BIRAČ) Programme

BIRAČ, implemented in the Birač region aimed to contribute to socially inclusive and integrated development of the Birač region through effective mobilisation of development partnerships and resources, setting of the joint regional development agenda and empowering of community stakeholders to undertake development actions and translate regional priorities into visibly inclusive development results. The programme was built on previous and on-going support to the Birač region municipalities and promoted inter-municipal and regional cooperation to support bottom-up partnership approach to development and foster territorial cohesion, applying the EU LEADER-like principles in community-led local development at the sub-regional level.

BIRAČ 1

This programme was directly relevant and contributed to the realisation of the RS Strategy for Local Self-Government Reform 2009-2015 Objective 2 related to management of local affairs and local development; and Objective 5 related to inter-municipal cooperation and regional interaction.⁶¹ BIRAČ also supported the RS Rural Development Strategy 2009-2015⁶² Strategic Goal 1 on strengthening agriculture and forestry sectors and strategic Goal 3 related to quality of life and diversification of rural economy. The programme originated from the UNDAF 2010-2014⁶³ and its Outcome 2 on social inclusion. Importantly, as this intervention rests on the EU approach to community-led local development, it could be seen as forward-looking and innovative undertaking towards piloting of sustainable regional development models in BiH and early preparation for absorption of IPA financial assistance available to BiH.⁶⁴ At the state level, BIRAČ 1 was aligned with the priorities set within Objective 2 on sustainable development and Objective 3 related to competitiveness, of BiH CDS 2008-2014⁶⁵, as well as within the BiH Social Inclusion Strategy 2008-2014⁶⁶ (particularly Objectives 1, 2, 3, 4 and 6 related to inclusion of socially marginalised into the labour market, improving the conditions of families with children, enhancing quality of education and health care, as well as improving the conditions of people with disabilities). BIRAČ also contributed to the implementation of the BiH Revised Strategy for the Implementation of Annex VII of the DPA, which identifies measures to improve the situation of refugees and IDPs and remove main obstacles to a closure of the protracted displacement.⁶⁷

⁵⁸ BiH Directorate for Economic Planning, September 2010,

http://www.dep.gov.ba/razvojni_dokumenti/razvojna_strategija/Archive.aspx?template_id=71&pageIndex=1.

⁵⁹ <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mps/Pages/Default.aspx>.

⁶⁰ RS Ministry of Administration and Local Self-Government, 2010, <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/muls/Documents/strategija%20razvoja%20lokalne%20samouprave%20u%20republici%20srpskoj%20za%20period%202009-2015.pdf>.

⁶¹ Ibid 60

⁶² <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mps/Pages/Default.aspx>.

⁶³ <http://www.undp.ba/Upload/SC/UNDAF%20BiH%202010%20-%202014%20BiH.pdf>.

⁶⁴ IPA is a mechanism for financial support to potential candidates and candidate countries for EU membership.

⁶⁵ BiH Directorate for Economic Planning, September 2010, the Strategy has not been adopted.

http://www.dep.gov.ba/razvojni_dokumenti/razvojna_strategija/Archive.aspx?template_id=71&pageIndex=1.

⁶⁶ Review of the SRRP to the development of the Srebrenica Region, UNDP BiH

⁶⁷ Ibid 54

BIRAČ 2

BIRAČ 2 intended to build local capacities in order to sustain economic growth. BIRAČ 2 intervention is in line with the key priorities set by the *Reform Agenda for BiH 2015-2018*, specifically in terms of improving business environment and competitiveness, and economic governance. In particular, municipal authorities and local actors could contribute to the Business Climate and Competitiveness as well as in term of Market Labour as already demonstrated through the previous phases of the SRRP. The project directly contributed to the realisation of strategic goals 2, 3 and 5 of the RS Agriculture and Rural Development Strategy 2016-2020.⁶⁸

The programme has contributed at the Birač region level to the achievement of the targets set under the *Sustainable Development Goal 8 (SDG): Decent Work and Economic Growth*. In addition, by ensuring that the economic growth of the region is inclusive and that the benefit will be felt by all population groups and as such reduce inequalities between these groups, BIRAČ 2 also supported the achievement of the *SDG 10: Reduced Inequalities*. The programme is also in compliance with the EC's Indicative Strategy Paper 2014-2017 for BiH, or more specifically with its priority "*Competitiveness and innovation, local development strategies*"⁶⁹. With a stronger involvement of social actors⁷⁰ in the design of economic development measures, the programme contributes to the reduction of the economic and social disparities within the region. As such, it has contributed to the UNDAF 2015-2019 Outcome 4: *by 2019, economic, social and territorial disparities are decreased through coordinated approach by national and subnational actors*.

First job project

The First Job project was aligned with key priorities set by the *Reform Agenda for BiH 2015-2018*, specifically in terms of improving business environment and competitiveness, and economic governance. It was set around six medium-term priorities: Public finance, Taxation and Fiscal Sustainability; business climate and competitiveness; market labour; social welfare and pension reform; rule of law and good governance; and public administration reform. Municipal authorities and local actors could have contributed to the business climate and competitiveness as well as in terms of labour market. The First Job Project was in line with the EU's Indicative Strategy Paper 2014-2017 for BiH, or more specifically with its priority "*Competitiveness and innovation, local development strategies*".⁷¹ The project supported Outcome 4: *economic and social disparities* of both the UNDAF 2015-2019 and the UNDP CPD. The project also contributes at the regional level to the achievement of targets set under the SDG 8: *Decent Work and Economic Growth*.

3.3. Efficiency – delivery of Programme input

Efficiency measures how economically resources or inputs (such as funds, expertise and time) are converted to results. An initiative is efficient when it uses resources appropriately and economically to produce the desired outputs. Efficiency is important in ensuring that resources have been used appropriately and in highlighting more effective uses of resources.

Handbook on Planning, Monitoring and Evaluation for Development Results, UNDP, 2009

Efficiency of the programmes was assessed based on their outputs and how the entire programmes were managed. Particular focus was placed on how productively the resources were used to realize the results paying particular attention to programme management and funds management.

⁶⁸ [http://www.vladars.net/sr-SP-](http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mps/%D0%BC%D0%B8%D0%BD%D0%B8%D1%81%D1%82%D0%B0%D1%80%D1%81%D1%82%D0%B2%D0%BE/Pages/default.aspx)

[Cyrl/Vlada/Ministarstva/mps/%D0%BC%D0%B8%D0%BD%D0%B8%D1%81%D1%82%D0%B0%D1%80%D1%81%D1%82%D0%B2%D0%BE/Pages/default.aspx](http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mps/%D0%BC%D0%B8%D0%BD%D0%B8%D1%81%D1%82%D0%B0%D1%80%D1%81%D1%82%D0%B2%D0%BE/Pages/default.aspx)

⁶⁹ Reference: http://ec.europa.eu/enlargement/pdf/news/annexe_acte_autonome_nlw_part1v1.pdf.

⁷⁰ Social actors are all public, civil or private institutions providing social services

⁷¹ http://ec.europa.eu/enlargement/pdf/news/annexe_acte_autonome_nlw_part1v1.pdf.

During the course of implementation, the programmes had been reviewed and undergone various changes. SRRP started with addressing the rehabilitation of infrastructure, capacity building of local governments and introducing income generating activities for icebreaking of the return process, and then consolidating efforts of economic development activities, revitalization of local industry and rebuilding the socio-economic fabric that was dismantled due to war. Both programmes were highly focused on a demand-driven and results-based approach to the interventions. The programmes followed a rights-based approach in their work through wide publicity in media providing communities from all ethnic groups and gender with an equal opportunity to compete and participate in the programmes' activities ensuring accountability, participation, non-discrimination and the rule of law as key principles. A wide geographical coverage through delivering assistance in all the five municipalities of East Bosnia was ensured.

Direct Implementation modality (DIM) adopted was the only option for the realization of such a programme as the SRRP/BIRAC. DIM ensured the adequate level of accountability, efficiency and effectiveness. It also guaranteed ethnic and gender sensitivity and fairness in the access to the support of programmes.

3.3.1. UNDP Comparative Advantage

UNDP has a comparative advantage in the area of supporting and building national capacity in key sectors, advancing human development and helping to shift the focus of development planning from post-war recovery to long-term strategic development. UNDP has a CO presence in BiH and works closely with BiH Government on various areas including, justice and security; social inclusion and demographic governance, rural and regional development, justice and security, energy and environment, as well as multi-focal areas. The Birac region benefitted from UNDP's experience in policy development, human resources development, institutional strengthening, civil society organizations (CSOs) and non-governmental organizations (NGOs) and community participation. UNDP was the pioneer to launch a recovery programme in the most affected and sensitive post-war region that opened the door for assistance for other donors. This presents a unique opportunity in terms of collaboration with the entity and local governments, national and international partners, as well as opportunities to benefit from lessons-learned and experiences from other UNDP projects, in particular in terms of capacity building, technical assistance, conflict resolution and reconciliation, procurement, awareness raising, etc. The evaluator was of the opinion that UNDP BiH certainly 'has the comparative advantage to support the Government in implementing such kind of project under CO support to DIM modality.

3.3.2. Financial resources and management

The aggregate expenditures on SRRP and BIRAC frameworks were estimated at US\$ 50.13 million. Total expenditures on SRRP framework were estimated at US\$ 47.77 million (95% of the total) while on BIRAC framework stood at US\$ 5.36 million (5%). The expenditures incurred on SRRP Phase I were 26% and on phase II, III and IV were respectively, 23%, 24% and 16%. Expenditures on BIRAC I and BIRAC II were estimated at 5% and 6%, respectively. The expenditures for the first Phase were the highest because most of the fund was diverted to the rehabilitation of infrastructure destroyed in war. Detailed overview is provided in Table 1 and 2.

In financial terms, the Government of the Kingdom of Netherlands was the main donor with about 77.6% of contribution to the programmes' total input. The Government of Serbia contributed 6.42%, followed by the Kingdom of Norway and Italy with respectively 4.17%, and 3.12% contribution. Input from the RS Government stood at 3.8%. There were some financial and in-kind contributions from the municipalities and in-kind contribution of equipment from UNDP.⁷²

The detail is presented in Table 2 and 3.

⁷² SRRP/BIRAC May 2018, UNDP BiH.

Table 2 - Financial sources for SRRP (in USD)

| Source | SRRP I | SRRP II | SRRP III | SRRP IV | Total |
|-------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| Government of The Netherlands | 6,041,579 | 11,000,000 | 11,996,054 | 4,609,282 | 33,646,915 |
| Gov. of Serbia | 0 | 0 | 0 | 3,219,926 | 3,219,926 |
| Kingdom of Norway | 1,920,791 | 169,542 | 0 | 0 | 2,090,333 |
| Republika Sprska | 1,909,208 | 0 | 0 | 0 | 1,909,208 |
| Italy | 1,565,762 | 0 | 0 | 0 | 1,565,762 |
| UNF | 477,986 | 0 | 0 | 0 | 477,986 |
| Greece | 0 | 264,433 | 0 | 0 | 264,433 |
| United Kingdom | 254,458 | 0 | 0 | 0 | 254,458 |
| Municipalities | 0 | 152,832 | 0 | 63,486 | 216,318 |
| IFAD | 200,000 | 0 | 0 | 0 | 200,000 |
| BCPR TTF | 171,428 | 0 | 0 | 0 | 171,428 |
| Water Bedrijf Groningen | 0 | 0 | 169,621 | 0 | 169,621 |
| Japan | 164,679 | 0 | 0 | 0 | 164,679 |
| Canada | 133,387 | 0 | 0 | 0 | 133,387 |
| Denmark | 98,162 | 0 | 0 | 0 | 98,162 |
| Federation of BiH | 0 | 70,076 | 0 | 0 | 70,076 |
| CIDA | 62,775 | 0 | 0 | 0 | 62,775 |
| UNDP | 55,000 | 0 | 0 | 0 | 55,000 |
| Total | 13,055,216 | 11,656,883 | 12,165,675 | 7,892,694 | 44,771,129 |

Table 3 - Financial sources for BIRAČ⁷³ programme (in USD)

| Source | BIRAC 1 | BIRAČ 2 & First Job | Total |
|-------------------------------|------------------|---------------------|------------------|
| Government of the Netherlands | 2,400,757 | 2,850,894 | 5,251,651 |
| Municipalities | 64,368 | 0 | 64,368 |
| Federation of BiH | 43,923 | 0 | 43,923 |
| Total | 2,509,048 | 2,850,894 | 5,359,942 |

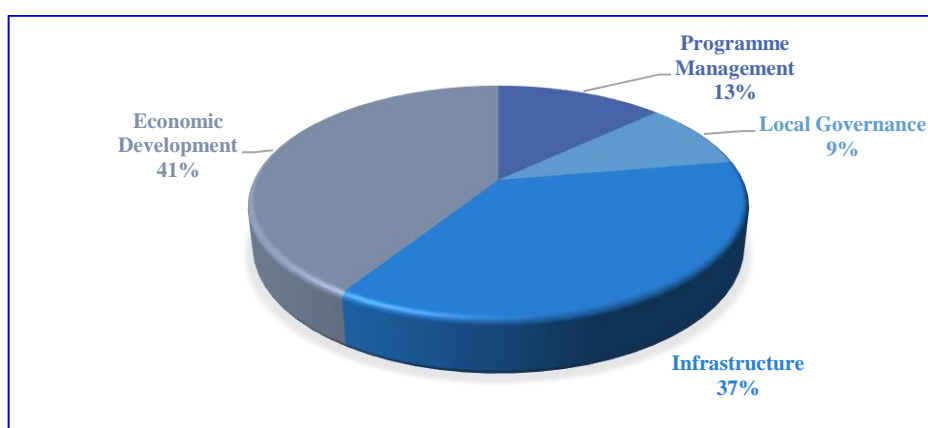
Aggregate Planned and actual expenditures by components of SRRP and BIRAČ programme

As reflected in Table 3: as of 31st December 2017, aggregate actual expenditures on both programmes stood at US\$ 50.13 million (96.25%) against planned allocation of UN\$ 52.09 million. Most of the expenditures were incurred on economic development (41%), followed by infrastructure (33%), programme management (14%) and local governance (12%). Overall the delivery rate was 114% for infrastructure, 91.21% for economic development, while it was 92% for programme management and 81.73% followed by local governance component. 90% of the total expenditures were incurred on programme activities while expenditure on staff stood at 9% and on equipment at 1%.

⁷³ Note: the figures presented in the tables above only refer to funds channeled through UNDP through a Cost Sharing Agreement. Additional funds were invested by the local authorities, citizens and private sector as parallel in-kind contributions.

Table 4: Component wise planned and actual expenditures for SRRP and BIRAC**US\$ million**

| Programme component/ Expenditures | Programme Management | Local Governance | Infrastructure | Economic Development | Total |
|--------------------------------------|----------------------|------------------|----------------|----------------------|-------|
| SRRP framework | | | | | |
| Planned | 6.49 | 5.69 | 14.41 | 21.32 | 47.91 |
| Actual | 5.85 | 4.14 | 16.43 | 18.35 | 44.77 |
| BIRAC framework | | | | | |
| Planned | 0.93 | 1.95 | 0 | 1.29 | 4.18 |
| Actual | 0.98 | 2.10 | 0 | 2.28 | 5.36 |
| Total | | | | | |
| Planned | 7.42 | 7.64 | 14.41 | 22.62 | 52.09 |
| Actual | 6.83 | 6.24 | 16.43 | 20.63 | 50.13 |

Figure 1: Distribution of component wise actual aggregate expenditures of SRRP and BIRAC programme

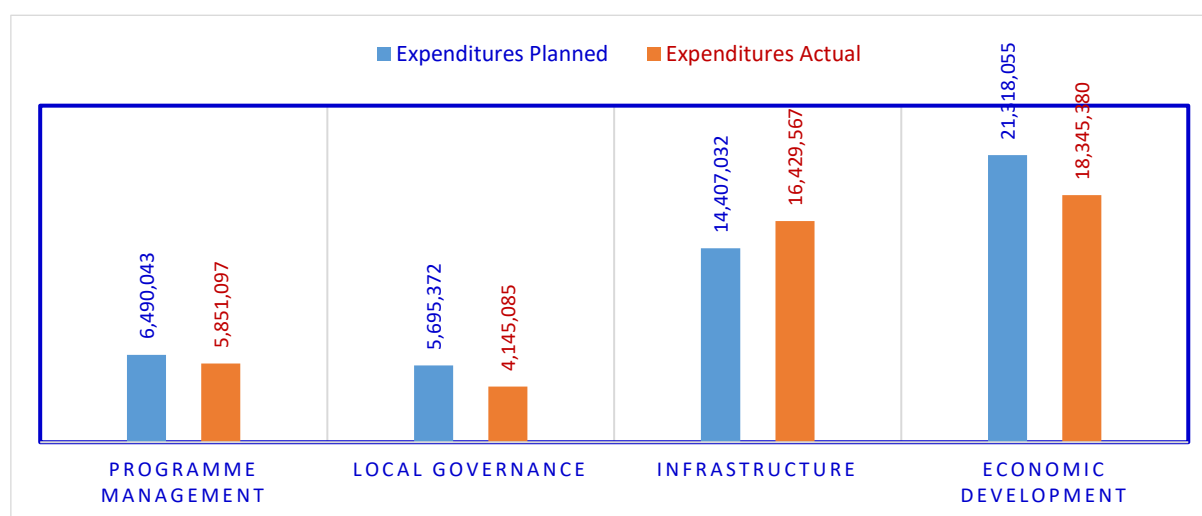
As of 31st December 2017, out of US\$ 47.91 million planned for SRRP framework, expenditures on the activities totaled US\$ 44.77 million or 93.45% for the whole period of 15 years. Under this framework, an amount of US\$ 16.43 million expended on physical infrastructure component exceeded by 114% against the planned expenditures of US\$ 14.41 million. This scenario reflects the significance and demand of this component, as there was an immediate need to rehabilitate the infrastructure destroyed in the war.

During SRRP Phase I, the Programme budget was US\$ 12.275 million over three years, but until December 2004 commitments were only slowly forthcoming. As a result, expenditure and therefore, activities in the Programme were uneven. Even in 2005 with the new Dutch funding, disbursement was slow and only 50% of the contribution was spent or committed to end of October. This highlighted concerns over the absorptive capacity of the SRRP, which was a common conundrum in a consensual and participatory type of programme. However, the rate of delivery improved in the following phases of the SRRP framework.⁷⁴

Detail is provided in *Annex 7*.

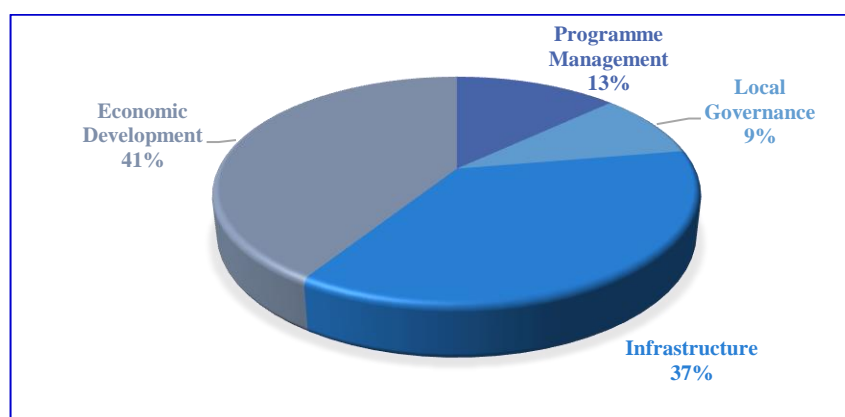
⁷⁴ Ibid 14.

Figure 2: Component wise actual verses planned expenditures for SRRP Framework



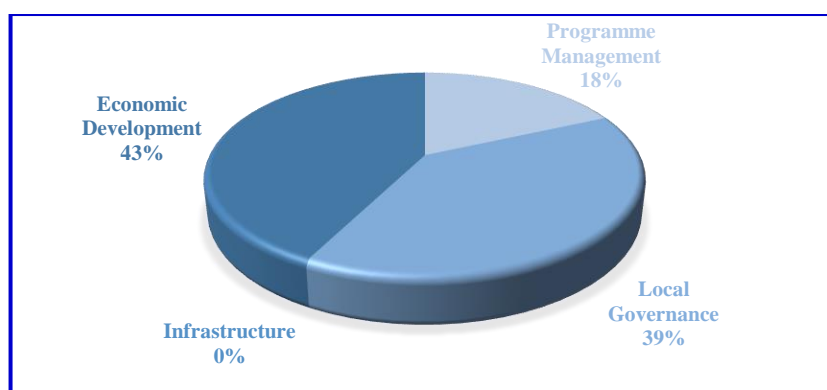
As shown in Figure 3 below most of the expenditure (41%) were incurred on economic development followed by infrastructure with 37% of the total expenditures incurred by SRRP framework. That shows the significance of these two components to attract the IDPs and DPs and return process. Actual expenditures incurred during the whole period of SRRP framework implementation were estimated at 9%.

Figure 3: Component wise actual expenditures on SRRP



Under BIRAC programme, the actual expenditures (US\$ 5.36 million) exceeded the planned expenditure (US\$ 4.18 million) by 128%. Actual expenditures (US\$ 2.27 million) on economic development component exceeded the planned expenditures (US\$ 1.23 million) by 176% and on local actual governance expenditures (US\$ 2.11 million) exceeded the planned one (US\$ 1.95 million) exceeded by 108%. The expenditure figures reflect the importance given to the agriculture development that directly impacts the household income, value chains of fruits and SMEs. Detail on expenditures on BIRAC is provided in *Annex 8*.

Figure 4: Component wise actual expenditures on BIRAC Framework



Overall, the programme installed comprehensive and strong financial management systems for tracking all payments and for ensuring transparency and accountability of expenditures, reflecting the role of UNDP as custodian of donor funds. Evaluation found that under the DIM modality the use of funds was efficient. The evaluation did not observe any major financial issues and discrepancy. The programme maintained robust financial management systems and strong accounting practices.

Evaluation noted that allocation of funds was made against specific activities that defined the target beneficiaries. There had been a deliberate policy of avoiding hypothecating funds to specific municipalities or to target a specific amount to particular beneficiary groups. There was an element of internal competition between municipalities generated through the participatory budgeting exercise, which seeks to reward good governance. Economic development intervention directly targeted the households that helped raised their income for livelihoods. That intervention was mainly in the fruits and vegetable growing, dairy and sheep farming for milk and meat production and development of value chains for these commodities. Technical assistance and provision of equipment under this intervention transformed the subsistence agriculture to commercial oriented and diversified one in the region. Infrastructure that was devastated as a result of war, also needed immediate attention and rehabilitation. Therefore, major portion of the total allocation was also diverted towards this component.

ATLAS was adopted by the programme management to reflect the approved budgets as per project documents. Staff strength was allocated along the approved budgets. Procurement or recruitment was made in line with the UNDP rules and regulations and UNDP BiH Standard Operating Procedures. During the whole duration of the programme, it was audited on three occasions: one internal and two external ones. The Audit was generally positive and led to some significant improvements to the financial system.

There was evidence of sound project fund management. The programme had in place mechanisms to reduce possibilities of fiduciary risks. These included having a well-defined authorization and approvals terms for any funds disbursements, which were also dependent on programme activities and timelines. The programme itself has a strong financial system with internal controls and external audits which all showed good management of programme funds. In purchasing of any goods and services the programme insisted on a Value for Money (VfM) basis and followed stipulated procurement procedures all the time. This evaluation, based on the financial statements noted that standard financial management approaches were being used in the way programme funds were handled and managed. The financial reports were also indicative of a good value for money in view of the management/administrative cost area.

3.3.3. Human resources (Staff input)

In the beginning, given its specificity, the programme faced staffing issues in terms of personal inter-relationship between staff. This was the result of the fact that most staff came from outside of the Srebrenica region, lived in a close environment, under high pressure from the local community and in a highly politicized environment, which exacerbated tension. The consequences were at one-point high turn-over of staff. The extenuating circumstances of the Srebrenica region made the recruitment of skilled

professionals (international and national) a difficult exercise. There were wholesale changes to the staffing component after the difficulties of the inception and start-up period in 2002 and early 2003. With the improvement of the programme's image, reduction of the pressure on team by the local community as results were becoming more visible, and changes to the team and its structure, relationships started to improve and staff turn-over decreased significantly. The new management and team that took over in June/July 2003 displayed an operationally cohesive approach with strong elements of team working and, given the difficult working environment, it was to their credit that continuity of staffing was achieved during the following phases.⁷⁵

Aggregate utilization of professional staff by both programme frameworks was 3,137-person months (pm)- 2,606 pm by SRRP and 431 pm by BIRAČ with 699 pm (22%) of management and support staff. There was 267 pm input of international staff, 2,032 (65%) pm of national staff and 135 pm of UN volunteers. In terms of financial input, up until 31st December 2017, expenditures on staff were US\$ 7.5 million representing only 15% of the total expenditures of the both programmes. The expenditures on professional staff represented US\$ 6.3 million (85%) and management and support staff represented 15 %⁷⁶ of the total spent on the programmes. Given that the Programmes operated under the DIM modality of UNDP, the use of staff resources can be considered consistent with the scope of activities.

The detail is provided in Tables 4 and *Annexes 9A and 9B*.

Table 5: Aggregate staff input and expenditures for SRRP and BIRAČ

| Phases | Staff | Staff Input (Person Months) | Total Expenditures (in USD) | % of total Expenditures |
|---------------------------------|--------------------------------------|--------------------------------|-----------------------------------|----------------------------|
| Aggregate for SRRP and BIRAČ | International | 267 | 3,599,933 | 49% |
| | UN Volunteer | 135 | 259,181 | 3% |
| | National - Management and Support | 699 | 1,109,157 | 15% |
| | National - Experts | 2,032 | 2,446,587 | 33% |
| | Total | 3,137 | 7,414,858 | 15% |

As mentioned earlier, the recruitment of competent staff remained an issue during the first two phases of SRRP implementation. This was most relevant for positions related to local governance, infrastructure, civil society and gender. For economic development, the project was able to find qualified staff and the turn-over was minimal. Under the fourth SRRP phase and the BIRAČ projects, UNDP then tried to be more creative and paid more importance to find young professionals.

The evaluation found programme staff performed their duties conscientiously and with determined interest. Programme management displayed UNDP and donor's standards, procedures and transparency in the recruitment of staff, operational procedures and selection of region, projects and beneficiaries.

There was a need to enhance essential capacities of local institutions for the successful creation and management of strategies and projects. The both programmes utilized the human resources efficiently to transfer the technical knowledge and improve technical competencies of the target beneficiaries in the areas of public procurement, data collection and analysis, MSMEs development and agriculture development. This objective was achieved through formal training, coaching and direct application by the programme partners through the implementation of specific interventions in infrastructure, public services and private sector development. This combination proved to be efficient as it enabled the local partners to go through the complete learning cycle where the learner "touches all the bases," i.e. a cycle of experiencing, reflecting, thinking, and acting. Immediate or concrete experiences lead to observations and reflections.

⁷⁵ Ibid 54.

⁷⁶ Ibid 72.

3.3.4. Organization and management

During implementation, the both programme frameworks sought strong involvement of different partners, with focus on the local institutions including, municipalities, local associations and other organisations working in the region, which eventually took over implementation of various components and sub-projects through sub-contracting procedure or their implementation. The general management of the programme was noted to be efficient as it was characterized by specifically dedicated personnel with clear reporting lines and structures. The roles and responsibilities for the implementation of the programme frameworks were in line with the UNDP Rules and Regulations for Project Management that define minimum requirements to ensure UNDP's accountability for programming activities and use of resources. Programme management responsibilities were distributed among Project Executive Group, Project Assurance, Project Manager, and Administrative Support Services. The UNDP BiH took full responsibility for the achievement of immediate objectives as well as for the administration of financial and human resources.

At the outset, SRRP project document did not have defined objectives, meaningful indicators, monitoring and evaluation (M&E) strategy. Programme implementation was not accompanied by sufficient record keeping to be able to determine how grant applications had been evaluated, or to monitor progress. In short, it was a programme driven by the need to be seen to disburse funds, and that quickly ran into major operational problems. Also, clear standard operating procedures were also not in place and there was an insufficient control from Country Office (CO), clear standard operating procedures were also not in place and there was an insufficient. The level of approval delegated to the PM was giving him too much flexibility. This led to lack of adequate oversight from CO.

In 2003, the project was re-strategized, and more focus was put on accountable and transparent project management systems. This systematic approach to Project Cycle Management (PCM) was key to turning the programme around. The SRRP was largely turned around from a failing programme to one which had the respect of partners, stakeholders and practitioners through introducing a powerful combination of relatively simple activities.⁷⁷ The programme adapted some of the functions in the work plan to suit the realities and availability of stakeholders, albeit on a very few occasions. They were also flexible to incorporate stakeholder initiatives, notably in the area of bee keeping, as an example. These two elements of adaptability and flexibility were to a reasonable extent responsible for the overall success of SRRP. It could have been a different situation if project implementation was done 'strictly by the book'. Nevertheless, the project document, its results framework and output / activity work plan remained the basic guiding implementation strategy of the project. It is on the bases of these findings that the evaluator rates the management approach in the implementation of SRRP framework as highly satisfactory.

The launch of BIRAC programme was smooth as the stage had been set by SRRP framework through the establishment of an effective implementation, management and financial system, and a coherent professional team was in place. Zvornik and Vlasenica municipalities were included in the programme with added activities and sustain the previous achievements and prepare local development actors for exploiting new development opportunities, especially in terms of EU accession.

Evaluation found that there was a strong culture of understanding and participation within Programme and display of transparency by the management in its operational procedures. Documents produced on the programme outputs reflected that programme exercised in its work and selection of target groups, SMEs and projects for communities, accountability, participation, non-discrimination and the rule of law as key principles. Also, programme implementation was focused on a results-based approach to its activities. Interventions were planned in a systematic and detailed way, and extensive documentation was produced on the programme outputs.

⁷⁷ SRRP Phase 1 Final Report June 2009.

Various selection criteria were developed and applied to select beneficiaries, farmers, returnees, SMEs, NGOs, local communities to ensure impartiality, transparency and equality. The selection criteria were revised at each stage of programmes. Detail is provided in *Annex 6*.

From the comments offered by the persons met and interviewed the evaluation has drawn the conclusion that with an operational presence in the region and within its mandate, the Programme fostered collaboration and strong partnership with different partners, with focus on the local authorities such as municipalities, local citizens' associations, MSMEs, NGOs and other organisations and projects working in the region, which eventually took over implementation of various components and sub-projects through sub-contracting procedure or their implementation. The programme also developed an effective collaboration and partnership with the international agencies including, UNICEF, UNHCR, ILO, USAID, other donors and projects.

3.3.5. Monitoring and evaluation

Overall, M&E mechanisms for both frameworks were efficient and effective. The programmes adopted results-based management as a corporate management approach, so that performance at the level of development goals and outcomes is systematically measured and improved. Monitoring was carried out through the analysis of the results-based quantitative and qualitative indicators outlined in the Programmes' results framework and the budget allocation tables.

The monitoring of the activities has been weak during the implementation of first phase. This was partially due to the difficulties encountered by the programme team in planning the activities. Further, the programme team lacked the baseline indicators to measure the changes achieved by the programme. The strategy developed in October 2003 did not offer realistic indicators. The deficiencies existing in SRRP I and II were gradually overcome with the improvement in project documents and changed strategy, once the implementation and management system was established.

The formulation of indicators for SRRP III was improved on the bases of suggestions of the SRRP II. The quality of the results and resources framework for the SRRP IV substantially improved compared to the previous ones. Except for the first indicator, a baseline was provided for each indicator. At the activity level, either the indicators were deliverables like number of jobs created or measuring a change such as the increase in volume of production. Evaluation found that improved format of results framework was adopted for BIRAC. The baseline data was collected to formulate appropriate indicators at the outcome, out and activity levels for measuring progress and change made by the programme, either in percentages or in the crude form.

SRRP field activities were monitored through activity work plans. Programme experts had frequent field visits and meetings with the stakeholders, particularly with beneficiary farmers, SMEs and municipality staff to monitor the progress and provide technical support. Under the infrastructure and agriculture development components field visits were conducted on weekly basis. Under the local government component, field visits were more frequent during the first three phases of the SRRP and usually monthly discussions with the local authorities. During the phase IV, the frequency was reduced to one meeting every three months but working meetings with the municipal administrations continued to be frequent. The same applied to the BIRAC 1 and BIRAC 2 projects.

The progress on activities and outputs was documented through annual progress reports, annual narrative reports, annual financial reports, policy briefs and other periodical updates for the donors and stakeholders. These reports were in general very informative and served as a tool for monitoring the implementation of planned activities. All reports indicated a highly satisfactory rating of implementation of project activities. The frequency of reporting changed over time depending on UNDP and donors' requirements. The programmes produced periodical progress, such as annual reports and updates requested by the donors. Various technical reports were also produced on the planned activities such as: cluster mapping (economy), sub-sector review (agriculture), labour force market, technical assessment of the municipal administrations, analysis of municipal services, and social mapping. These technical reports were then used to formulate interventions with the local actors based on evidence. The programme management was

also reflected by the overall activity timeline and output target compliance. All the process indicators showed positive compliance to the annual schedules and plans. Although, a more detailed account in terms of monthly activity and timeline compliance would have provided a comprehensive picture in this regard, the annual picture can be considered to be adequately indicative.

The Programme Manager (PM) maintained the responsibility for the day-to-day monitoring of implementation progress based on the log frame indicators and the programme's Annual Work Plan and its indicators. The CO undertook periodic monitoring of implementation progress through quarterly meetings with the programme management team.

Oversight and feedback over programmes was provided by the Project Board (PB) that was introduced in UNDP rules and regulations in 2006, and by the Project Executive Group (PEG). The members of the PB had been changing for each phase of the programmes. The PM reported regularly to the PB and UNDP on the progress of implementation. PB's meetings were convened regularly. Under the SRRP II and given the need to further build more ownership by local partners on the implementation of the programme activities, the PB meetings were held quarterly to present the progress and seek advice from the board on specific issues. All project documents were reviewed and approved by the Local Project Approval Committee formed of PB members and other participants. PM informed the Evaluator that review meetings have also been held regularly with the Dutch Embassy in order to share the Programmes' progress and resolve any outstanding issues.

SRRP phases were subjected to independent mid-term- reviews and terminal evaluations.

3.4. Effectiveness and quality of outputs –performance of the programmes

Effectiveness is a measure of the extent to which the initiative's intended results (outputs or outcomes) have been achieved or the extent to which progress toward outputs or outcomes has been achieved.

Handbook on Planning, Monitoring and Evaluation for Development Results, UNDP, 2009

The effectiveness of the programmes was assessed based on noticeable changes in local governance, infrastructure, economic and institutional development in the region, a measurement of the noticeable changes in relation to the achievement of programmes' outcomes, the overall contribution of the programmes to capacity building of local institutions, revive economic development, rehabilitate infrastructure and revitalize industry to support speedy return process.

The SRRP addressed three crucial areas: (i) obstacles to minority return; (ii) lack of economic opportunities; and (iii) weak governing structures. All component resources were injected in the participating marginalized municipalities to accelerate the level of physical, human, knowledge and social capital accumulation that these municipalities could not self-produce and the sub-national government were unable to finance within their own budget constraints and political climate. SRRP played a medium-term role of catalyst by bridging post-conflict institutional failures between the state and the regional market. Thus, through intensive programming, participatory planning and adhoc technical studies, SRRP and local governments established solid complementarities between their structures and market needs fostering employment opportunities.

Regarding overall performance, the review of annual and evaluation reports and records, and discussion with programme staff and stakeholders, show that despite occurrence of delays and many constraints encountered during RSSP phase I, eventually, the programme was able to achieve its objectives that resulted in continuation of interventions with added objectives and geographical area, such as extension of services to Zvornik and Vlasenica municipalities. Most of the targets of SRRP and BIRAČ 1 were achieved during the periods specified in the work plans. In many cases, the results exceeded the targets. It appears that at the output level, most of the targets of BIRAČ 2 were reached without any difficulty.

Aggregate data of SRRP and BIRAČ show that countless institutions and individuals of the region benefitted in various ways from the interventions of these two programmes frameworks. Both programmes directly served about 21,700 households/families in the Birač region with more than 60,535 family members, comprising 52% men and 48% women. About 5,840 youth and children benefitted from the programmes. Indirect beneficiaries of these interventions stood at approximately 14,506. These beneficiaries were assisted through implementation of about 313 projects of various scales in the areas of local governance, economic development, infrastructure and SPI. The youth and children beneficiaries were estimated at 5,839.

The detail is provided in **Table 6**.

Table 6: Projects and beneficiaries of the Programmes (As of December 2017)

| Component | No. of projects implemented | No. of households / companies benefited (direct and indirect) | No. of beneficiaries | | | No. of youth and children | No. of indirect beneficiaries |
|--|-----------------------------|---|----------------------|--------|--------|---------------------------|-------------------------------|
| | | | Men | Women | Total | | |
| Economic development | | | | | | | |
| Agriculture | 22 | 867 | 687 | 180 | 867 | 396 | 393 |
| SMEs | 12 | 2,690 | 622 | 2,571 | 3,193 | 555 | 816 |
| Sub-total | 34 | 3,775 | 1,309 | 2,751 | 4,060 | 951 | 1,209 |
| Infrastructure and housing | | | | | | | |
| Roads, bridges and pavement/sidewalks | 22 | 3,121 | 5,106 | 5,505 | 10,611 | NA | NA |
| Reconstruction of houses | 90 | 90 | 95 | 148 | 243 | NA | NA |
| Water supply (urban and villages) | 17 | 5,085 | 4,321 | 4,568 | 8,889 | NA | NA |
| Electricity (urban, villages and businesses) | 4 | 1,306 | 2,122 | 2,298 | 4,420 | NA | NA |
| Health (outpatient clinics and rural general practice premises) -patients/annum | 5 | 11,315 | 5,373 | 5,942 | 11,315 | NA | NA |
| Education (elementary & high schools, KGs, day-care centers) | 17 | 2,629 | 1,289 | 1,340 | 2,629 | 2,629 | 297 |
| Improved basic public services (municipal front offices)- clients/annum | 2 | 11,800 | 5,184 | 5,616 | 10,800 | NA | NA |
| Improved cultural centers | 2 | 762 | 342 | 420 | 762 | 228 | NA |
| Local community premises | 12 | 204 | 163 | 41 | 204 | 41 | NA |
| Sub-total | 171 | 10,835 | 23,995 | 25,878 | 49,873 | 2,898 | 297 |
| Local governance | | | | | | | |
| No. of trainings | 27 | 0 | 236 | 218 | 454 | 0 | NA |
| Micro-projects by local NGO– social services | 50 | 4,193 | 1,929 | 2,264 | 4,193 | 1,786 | NA |
| Technical assistance for municipalities | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total | 81 | 4,193 | 2,165 | 2,482 | 4,647 | 1,768 | NA |
| Social Protection and Inclusion | | | | | | | |
| Social services/protection, early child development, children rights, training, workshops, conferences | 27 | 2,906 | 771 | 1,184 | 1,955 | 1,327 | 13,000 |
| Sub-total | | 2,906 | 771 | 1,184 | 1,955 | 1,327 | 13,000 |
| Grand total | 313 | 21,709 | 28,241 | 32,295 | 60,535 | 5,839 | 14,506 |

Sources: Annex 5 – List of Infrastructure projects implemented, Final Report of SRRP III, March 31, 2014; SRRP/BIRAC 20

The following section provides detail on achievements by each component.

3.4.1. Local Governance

Component objective

To support the municipal government reform process resulting in customer oriented, efficient, effective, transparent and accountable local administration which equally serves all citizens

This component targeted some of the weakest areas of the local governance in the targeted municipalities, such as the lack of participatory decision-making (in particular participatory budgeting), lack of transparency and accountability, quality of services provided to citizens and the weak human capacities. This objective was achieved through direct interventions aiming at human and institutional capacity development as well as intensive inclusion of the local authorities in the implementation of programme activities under the infrastructure and economic development components. SRRP, through its local governance component followed an effective strategy of combining investment and capacity building activities. With SRRP constantly and actively involved, in order to secure that all its phases and processes remain fair, activities undertaken were transparent, efficient, and corresponding to the needs of local partners and beneficiaries. The model of allocating a fixed percentage of its funds across the municipalities was purposely abandoned allowing a degree of competitive atmosphere to emerge among them and to set in place a positive mechanism for institutional change. The functional and technical capacities of local governments necessary for development of strategies and programmes improved during the third and fourth phases of the project. Those dimensions of municipal operations progressed from building capacities to absorb external aid, to strategic thinking about absorption of EU funds in future. A significant mentality shift was observed in the way in which local governance is perceived by authorities and citizens, manifested in notable advancements in accountability, transparency, and responsiveness to the community needs. Municipalities also improved municipal business processes and their ability to outsource services to the private sector.

Overall, the quality of technical assistance provided by SRRP and BIRAC along with a commitment to longer-term capacity building, institutional strengthening and accompaniment was recognized across programming. Local government institutions (particularly municipalities and utility companies), implementing agencies and partners working with UNDP increased their capacity to function in an open and transparent manner as well as improving their M&E efforts. Some relatively small investments had a significant strategic impact and leveraged support from other donors. The UNDP programme was further recognized for supporting innovative projects and approaches that were being replicated by other donors, partners and the GoBiH.

Under local governance component, the programme successfully implemented around 81 projects (including 50 micro-projects) and trainings to build capacity of municipalities, utility companies and NGO/CSOs. This intervention involved 4,647 trainees representing these institutions, comprising 47% men and 53% women. To build the capacity in agriculture enterprises, various areas of governance, ISO 9001, business development, infrastructure operation and maintenance, the programme provided training to about 2,490 persons representing farmers, MSMEs, municipalities, utility companies, CSOs and teachers. This total constituted 57% men and 43% women.⁷⁸ As a result of assistance provided by UNDP programmes, the entire population (about 130,000) of municipalities benefits directly or indirectly from the improved public services and provision of social services. Srebrenica, Bratunac and Milići municipal administrations are now ISO 9001 certified. All citizens had access to municipal services through one-stop shops resulting in reduced time for the issuance of basic documents. As a result of assistance provided by UNDP programmes, the entire population of municipalities is benefiting from the improved public services and provision of social services. About 30,000 citizens in rural areas of Srebrenica, Bratunac and Milići had access to improved health services through the establishment a Mobile Out-patient Clinic and the mobile health team, especially returnees living

⁷⁸ Ibid 54.

in rural areas in Srebrenica. Approximately, 2,088 students had the facilities of improved education, especially in IT technologies while 2,000 children enjoyed better education conditions. Functional municipal commissions for social protection and inclusion in all five target municipalities, action plans have been formulated and 76% of priorities implemented.

SRRP phase I

At the end of **SRRP I**, processing time for issuing of official documents to 13,398 citizens monthly, in average, reduced by 24% by June 2006. Front offices (one-stop-shop) were established and made operational in Srebrenica, Bratunac and Milići municipalities. Participatory mechanisms for decision making institutionalised in all three municipalities. About 250 citizens in each municipality participated in public discussions on the allocation of resources either through the partnership groups or at local community level, and citizens at local community level participated in strategic planning exercises. To support civil society and promote reconciliation, 466 persons directly and 597 indirectly received assistance from SRRP through projects implemented by 20 local CSOs and public institutions. In an effort to build capacity, 39 staff members from local CSOs were provided with training on project proposal writing, recognizing needs in communities and identifying solutions.

The strong local community involvement in the planning and negotiation of small infrastructure projects was an important contributor to the success of the interventions. The programme was influential in the development of a dense network of community organizations as evidenced by the number of local communities joining and participating in organized civil society group, the intensity of this participation, and the increasing number of communities representing the rural poor in local policy dialogue. There was higher level of interactive participation of citizens, civil society and private sector in municipal development planning and resources management. An increased transparency, sustainability, volunteerism and responsiveness of CSOs to their constituents through grant-funded projects and trainings was the result of programme interventions. Increased capacity was also noted of municipal and public utility staff members in strategic planning and project cycle management and in project appraisal, monitoring and evaluation, proposal writing and public finance budgeting.

SRRP phase II

Through its Local Governance and Civil Society components, the programme funded projects which focused on the provision of social services to vulnerable groups and the improvement of public services. Information technology system was upgraded in the Bratunac Municipality. New and transparent procurement procedures were introduced through formal training and hands-on training in all three municipalities. Programme implemented two health-related projects supporting elderly and vulnerable people, with a focus on returnees, internally displaced people, and children with special needs. A Mobile Out-patient Clinic was setup that served 1,000 people, especially returnees living in rural areas in Srebrenica. Delivery of basic services was improved in all three municipalities through the establishment of municipal front offices (serving close to 50,000 inhabitants). In total 8,500 citizens of the Srebrenica, Bratunac and Milići benefitted from the water supply system (18,732 meter water lines) improved with the support of SRRP. The equipment provided to the municipalities and utility companies improved services and quality of life of a vast majority of urban and rural population (about 5,656 direct beneficiaries). In addition, 450 families previously being affected by water supply breakdown were relieved of this problem. Furthermore, over 684 citizens benefited from the 5 public sewerage systems (7,261-meter lines) constructed by the Programme. In Srebrenica, now the whole population benefit from the improved water supply system. In phase II, 30 infrastructure projects supported together with the municipalities and selected by participatory mechanisms, with close to 26,000 direct beneficiaries.

SRRP II Results:

IT technologies were provided to schools, benefiting 2088 children, and cultural activities in all municipalities improved. Over 4,000 citizens enjoyed improved water supply. Over 700 families had better road communication. Increased access to finance for small scale businesses and local agricultural producers. Provided business development services to the local MSMEs that helped the creation of 116 jobs. Over 2,000 loans disbursed to women. The local agricultural production improved both in terms of volume as in terms of productivity. 250 farmers having increased revenues. The milk production rose to 6,000 litres a day, and 5 new milk collection centres established.

One of the most important results was restoring and strengthening local government processes, particularly revitalization of the Mjesne zajednice (MZ - Local Community) system. Community participation in local and area-wide decision making has led to a new feeling of citizenry and ownership, greater transparency, the re-vitalization of local politics, co-operation between sectors and increased social capital. The most encouraging aspect was a demonstrated was the citizenry to participate in all aspects of the participatory budgeting process and hence do something for a common good. 840 individuals and 20 MZ benefited directly from the support provided through 17 local CSOs and 2000 individuals living in rural areas benefited from improved health care. The strong local community involvement in the planning and negotiation of small infrastructure projects has been an important contributor to the success of the interventions. The programme has been influential in the development of a dense network of community organizations as evidenced by the number of local communities joining and participating in organized civil society group, the intensity of this participation, and the increasing number of communities representing the rural poor in local policy dialogue.

SRRP Phase III

This phase, through multiple activities and input, put emphasis on local capacity development, institutional strengthening, services to citizens and promotion of private investment. Functional⁷⁹ and technical capacities were addressed through the development of a set of formal training to address the capability needs. It strengthened local institutions from municipalities to health centres to improve their efficiency, effectiveness, transparency and accountability. Baseline indicators were developed to measure the performance and changes resulting from the programme interventions.

The programme supported municipal authorities to formulate new integrated development strategies and ensured sufficient representation of excluded groups in the process. Also, for managing change there was a need to build a stronger understanding among key municipal staff about the necessity of institutional change, internal business processes and human resources management.⁸⁰ SRRP provided training to a cadre of 192 municipal staff (representing 69% male and 39% female) in crucial areas such as, EU Leader format, project cycle management, Methodology for Integrated Local Development Planning in BiH (MiPRO), strategic planning methodology and FIDIC⁸¹. Further, to enable the local governments and local partners in developing and coordinating policies that support private sector growth and maximise completeness at national and regional levels, training was also provided industrial zones management, strategic and marketing planning for preparation of an Agricultural Fair, policy design and implementation and role of local governments in private sector development. To develop the capacity of the municipal and local development structures in fostering agriculture growth, training was also provided to municipal staff, NGOs, agro processors, producers associations and cooperatives and other agriculture stakeholders in agriculture and food products branding,

⁷⁹ Functional capacity is defined as capacity necessary for the successful creation and management of policies, legislation, strategies, and programmes.

⁸⁰ UNDP Srebrenica Regional Recovery Programme – Phase III – Final Report – Annex 2.

⁸¹ The International Federation of Consulting Engineers (commonly known as FIDIC, acronym for its French name *Fédération Internationale Des Ingénieurs-Conseils*) is an international standards organization for the consulting engineering & construction best known for the FIDIC family of contract templates. Over the years, FIDIC has become famous for its secondary activity of producing standard form contracts for the construction and engineering industry. Located at the World Trade Center in Geneva, Switzerland, FIDIC aims to represent globally the consulting engineering field by promoting the interests of firms/engineers supplying technology-based intellectual services for the built and natural environment.

<https://en.wikipedia.org/wiki/FIDIC>

value chain analysis techniques, IPARD application preparation, etc. Nine (9) participatory exercises were organised by the municipalities for the identification and selection of projects in which 80 citizens participated with at about 30% women participants. More than 500 citizens participated in project identification at local community level and 57 local community representatives in proposal writing.

In general, municipal authorities have better grasped their role as promoter of local development. The measurement of the improvement of the local authorities' capacity, conducted on the basis of a predefined methodology, showed an increase of 40%, which was a good result, albeit still 15% below the target. The latter stems from the fact that many parameters encompassed by the methodology⁸² are beyond the direct influence of the municipal authorities. With these parameters excluded, the improvement falls within the range of the 55% target. For future reference, the methodology itself may be upgraded by adding some new important elements, such as inter-municipal cooperation, linkages with higher government strategies and measures, and provision of basic services to citizens and the private sector.⁸³

Further, the introduction of participatory processes around SRRP investments, and into municipal spending through the matching funds system, has been a significant achievement of SRRP. Linking participatory processes to SRRP spending was a good strategic choice, given the limited initial capacities of municipalities in this area. The participatory budgeting has helped to restore the MZ system, creating an important link between municipal administrations and their citizens, while the use of contributory finance from the household level has helped to make local communities take more responsibility for their own destiny.

Institutional Strengthening aided the municipalities to strengthen the local administration's (municipal) institutional capacities and the formulation and adoption of municipal sustainable development planning documents. SRRP ensured that the municipal administration was ISO 9001 (quality management systems) re-certified and that measures for the improvement of municipal business processes were identified and introduced. The project has guided and technically supported *sustainable municipal development planning* as an iterative, integrated process, which resulted in the adoption of quality strategic documents (municipal spatial plans and integrated local development strategies) based on modern and high-quality data backgrounds such as the ortho-photographic imagery backgrounds used for spatial planning. The programme enabled municipalities to better appraise potential interventions (through public-private partnership and feasibility studies) and to effectively mobilise external resources (through outsourcing technical design services and drafting in-house project proposals). SRRP commissioned 19 detail design documents, which enabled municipalities to access external as well as mobilise internal funds for implementation of prioritized infrastructure projects. As an example, the municipality of Bratunac was able to mobilise close to BAM 7 million funds for two capital investment projects: the reconstruction and rehabilitation of the urban water supply system and water intake wells worth BAM 5.6 million (with 50% funding coming from the European Investment Bank loan), and the regulation and rehabilitation of Krizevica Riverbed project worth BAM 1.4 million (through a sovereign loan from EIB). SRRP provided assistance to develop and establish public private partnerships (PPPs), together with the municipalities. Besides, programme conducted spatial planning in collaboration with the municipalities, that enabled the municipalities to develop plans for infrastructure and investment based on updated and accurate data, which they lacked.

The programme was able to reach the targets under Services to Citizens activity except social projects. Under this activity, the programme implemented a total of 65 infrastructure interventions (49 capital infrastructure projects and 16 small rural infrastructure projects) and three interventions for the improvement of public services to the direct benefit of estimated 38,000 people. Some of the investments went beyond infrastructural improvements to create a wider community impact. For example, improvement of the water system in Srebrenica ensured quality supply of water to the health centre, schools and kindergarten which was essential to provide quality health and education services to the whole population.

⁸² The selected methodology is the global methodology developed by UNDP to measure the capacities of government institutions.

⁸³ Final Report SRRP III, March 31, 2014

SRRP phase IV

Under SRRP phase IV the focus of the programme shifted to achieving output: *Exploited opportunities for sustainable economic growth, job creation and income generation in Srebrenica region*. Under the Local Active Labour Market Measures, the project, in close coordination with the municipalities, carried on with the implementation of effective labour market measures targeting nine SME in metal industry, wood-processing (biomass energy), textile and food processing. As a result, 278 new jobs were created and 182 sustained which represented almost double the target set by the programme. The programme also assisted 25 new businesses to be formally registered, which represented an increase of 317% in the number of businesses the programme worked with in the base year (6). The number of companies⁸⁴ also increased by 175%, the number of registered entities in crafts by 150%, and 9 new farm holdings were established. The gender structure was balanced throughout the period, with 56% of the labour force being male and 44% female. Annual revenues increased by at least BAM 4,024,002 against a target of BAM 500,000

UNDP made sure that the benefits would be properly distributed in terms of age groups and gender: the average age of people newly employed was around 32 years old; and 42% were women. Under the MSMEs support sub-activity, economic infrastructure support was provided to one company and business development services facilitated in favour of two companies in the metal and electrical industries. These supports enabled these companies to expand their market base and as such in increasing their sales.

Under the Investment Support Measure, assistance was provided in upgrading production premises (owned by the Municipality and used by a cake factory, Gusto e Sapore). SRRP and the Srebrenica Municipality invested in the construction of a production facility in the Skelani Industrial Zone and made it available to a local investor in the field of tools production (MAGMAL d.o.o.) which moved the production from Serbia to Srebrenica. Most importantly, this investment might have a spill-over effect, as the company was working together with Prevent to access new markets (Thule, Bosch, Ford), which resulted in the establishment of a new production line by Prevent in Srebrenica. Later in 2015, the project, in coordination with the Srebrenica Municipality, facilitated a foreign investment in a French fries production facility “Srebreničanka.” Beside technical assistance and assistance to access finance for investment and working capital, the project, within its economic infrastructure measure, constructed a water reservoir with capacity of 300 m3 for regular water supply to the processing facility.

In 2015, the programme in collaboration with the Srebrenica Municipality organized the Srebrenica 2015 Investment and Development Conference that was attended by 300 visitors from private and public sector attended the event, including several heads of state, ambassadors and government officials among other 60 VIPs. About 200 media personnel was present, and media coverage was overwhelmingly positive. An amount of over BAM 13 million was raised to be invested in economic infrastructure and other public projects in Srebrenica Municipality.

BIRAČ programme

Despite some sporadic initiatives, full potential of inter-municipal or regional cooperation remained unexploited. Local governance and public service delivery in the region also needed further support. Despite an obvious need, there was no joint Birač regional development agenda to steer socio-economic development, address common issues and promote territorial coherence and regional competitiveness. Municipalities in the Birač region still lacked critical capacity that would allow them to be actual instigators of development results. Reasons for this were manifold and on one side included inadequate policy and legal frameworks, as well as insufficient revenues that did not match municipal functions, making it difficult to address considerable needs of local communities. In addition to not being adequately targeted, support by higher government levels was being continuously reduced.⁸⁵ Moreover, several challenges remained in relation to effective community participation. CSOs lacked considerable recognition among citizens and had a weak role in policy making.

⁸⁴ In this particular context, companies recorded here are: limited companies, joint-stock companies and cooperatives.

⁸⁵ The RS Entity Government assistance to underdeveloped and extremely underdeveloped municipalities in 2012 and 2013 reduced by three times compared to 2011.

They were often seen either as donor-driven or as an extended hand of political parties. Community-based organisations, with a few exceptions, generally lacked basic capacities with regard to participatory policy-formulation, partnership formulation and monitoring of delivery of public policies and services. In general, local communities were isolated from the overall development process in the region. Apart from participatory strategic planning processes, public-private dialogue in the municipalities of the region was limited.

In order to address these issues, consolidation of development partnerships and strengthening of coordination mechanisms within the region the BIRAC programme has mobilized and set in function the inter-municipal tripartite partnership mechanism, i.e. the LAG for the Birač region, bringing together public, civic and economic stakeholders, such as local authorities, entrepreneurs, farmers and their associations, local communities (MZ), civil society organisations and community-based organizations (including those representing vulnerable and socially excluded groups, women, youth, etc. The emphasis was put in raising local awareness about locally driven regional development and the instrument used in the European Union and Accessing countries, namely the LEADER approach. Local Development Fora (LDF) in all five partner municipalities were established followed by the establishment of the joint Regional Development Forum (RDF) as a community body to consult and advise the LAG on regional development. LAG was registered and operational with three full staff and the Regional Development Strategy formally adopted by the LAG. The programme assisted in establishment of the LAG Drina Birač and to define the composition of the LAG assembly.⁸⁶ Within the scope of technical assistance provided to the local actors, capacity development of the LAG Board members and the Assembly members of LAG Drina-Birač to effectively lead and manage the implementation of the regional development strategy conducted, training was provided in various areas.

Using LEADER approach, the LAG successfully implemented 31 projects with an input of US\$ 2.15 million covering agricultural, social and infrastructure activities. The projects are implemented through LAG that have directly benefited 7,000 persons while indirect beneficiaries were accounted for 13,492. Out of total LAG beneficiaries 36% were women. Number of farmers and micro-producers directly benefitted⁸⁷ were estimated at 534 while indirect⁸⁸ beneficiaries of this intervention were 880. This achievement was against a target of 300 beneficiaries. Number of rural inhabitants with improved quality of life through small-scale communality infrastructures stood at 5,980 against a target of 3,000. 9,710 inhabitants indirectly benefitted from these infrastructures.⁸⁹

To effectively engage, enable, resource and empower local communities in the Birač region to undertake their own development, support was provided to LAG in designing an integrated and multi-sectoral area-based development strategy for the region that served as a roadmap for sustainable long-term development of the region, providing for mobilisation and targeted use of domestic and external financial resources. The LDF gathered 115 participants in total, while the RDF had 77 participants. The programme delivered training in development of rural areas, community-led development, LEADER, resource mobilisation for LAG, regional strategic planning, rural development strategy – CAO second pillar, and IPARD – new perspective of financing for local action groups.

The target of US\$ 850,000 for RDF to kick off the implementation could not be achieved as in 2015 municipalities could not contribute 30% share due to 2014 floods and their ability to pledge financial resources affected by the entity government to apply new population figure in mid-year. In total, local private and public partners contributed to projects implemented under the RDF in an amount close to USD 553,000.

⁸⁶ It constituted 30 members distributed equally between the private, public and civil sectors (10 each) and equally between municipalities (6 each).

⁸⁷ Direct beneficiaries are farmers or micro-producers who have immediate benefit from the implemented interventions.

⁸⁸ Indirect beneficiaries are farmers or micro-producers who will benefit from have from the implemented interventions either through transfers of knowledge or through increased access to the market.

⁸⁹ Final Report, BIRAC 1, 2016.

3.4.2. Municipal Commission for Social Protection and Inclusion (SPI)⁹⁰

Social exclusion was a serious issue in the Birac region. Considering multiple deprivations, they face, returnees and DPs required particular attention to enable their reintegration into the society. The overall poverty in the Municipalities of Srebrenica, Bratunac and Milići estimated at 19%,⁹¹ was close to the national level, while the poverty among the returnee population in the same municipalities is as high as 33%. Also, there are significant differences of poverty levels in different municipalities (e.g. in Bratunac - 10.9% and Srebrenica - 29%). The socio-economic status of children, particularly in dysfunctional households, was also of major concern. These cases include domestic violence, substance abuse and neglect of children, and lack of support to families with children with disabilities and developmental delays. These cases were rarely reported to Centres for Social Work (CSW), while cooperation among providers in various social sectors remained weak. Pre-school education enrolment rate was very low (around 10%). The School Boards in mixed schools were not ethnically balanced, which creates divisions and concerns in the community.

To address these issues, UNDP SRRP in collaboration with UNICEF BiH implemented SPI component under **BIRAC** programme. UNICEF is contributing to the achievement of the set objectives by supporting the social development of target Municipalities through the implementation of the local SPI model. The SPI model, in line with a general programmatic approach, facilitates and improves communication among service providers from different relevant social sectors (health, education, social welfare, police, judiciary, NGO sector and media) and policy makers at local level with final beneficiaries/vulnerable children and their families. This model is designed to support local authorities to contribute to eradication of social exclusion, poverty, discrimination and inequality in accessing basic social protection services in local communities.

BIRAC 1

The Project was guided by an initial baseline survey with service providers and the Knowledge, Attitudes and Practices survey, and incorporated a Human Rights Based Approach (HRBA) throughout. Activities included capacity development aimed at service providers through trainings, establishment of municipal multi sectorial coordination mechanisms and evidence-based local and regional action planning in the area of social protection and inclusion. 79 % of priority actions outlined in the MAPs have been completed as of August 2016. Municipal Social Protection and Inclusion Commissions (SPI Commissions) and Operations Teams (OTs) have become a permanent local mechanism for planning, coordination and management of the social protection and inclusion.

The SPI Commissions participated in the process of the development of Birac regional Development Strategy, thus ensuring the compliance between the Municipal Action Plans (MAPs) and regional objectives. In close cooperation with the Birac LAG, grants were provided to local service providers in order to support the social development through the implementation of the MAPs and Regional Development Strategy. In addition, all five Municipalities allocated budgets for the implementation of MAPs, either through separate budget lines, or under the allocation for grants and joint projects. The social services which were initiated through the Special Focus Projects supported by the project grant in 2015 have been fully sustained and funded from the local budgets in 2016. The Project also significantly contributed to regional partnerships` development and increased cohesion within the region. Cooperation with LAG has been established and SPI Commissions` chairs are associate members of the LAG Assembly. This enables the social component to be more efficiently addressed in the LAG and regional development in general.

The Project built capacities of more than 200 service providers in social protection, inclusive education, early child development (ECD) and child protection. The capacity building component was coupled with the provision of necessary supplies for the establishment of various social services for the most vulnerable

⁹⁰ Final Report to UNDP, Project Code BIH10/00087563 – Birac, Birac Region Advancement and Cooperation Project, September 2013 – August 2016 UNICEF, BiH

⁹¹ 2011 UNDP/SRRP Household Budget and Social Inclusion Survey.

population. 550 pre-school children benefited from improved conditions in five Kindergartens from the region, and more than 150 children and youth with disabilities have been provided access to various social services established by the Project and sustained by the local communities. The Project strengthened capacities of 68 young people to conduct community-based youth initiatives.

Children's voice has been heard for the first time by local authorities and public, as direct and valuable result of this project. UNICEF's partner NGO "Info House" supported 412 primary school children to learn and work together which resulted in the development of five Children Action Plans (AP) for improving social inclusion in their respective communities. In addition, "Foundation for creative development" supported children to produce 55 One Minute Junior videos, which were presented at One Minute Junior Movies festival in Bratunac. All movies were published on UNICEF YouTube channel and reached over 13,000 persons. The media reach was much higher as the local media reported on the event, and one of the reportages was also published on TV show at the State TV channel. The movies will be used for the further advocacy with the local authorities and donors.

A key focus of the inclusive education component was on capacity development of teachers from primary and secondary schools in Birač region given the very limited exposure of these professionals to inclusive education pedagogy. Hence, two training sessions for teachers from 20 primary and secondary schools from Birač region were organized by the RS Pedagogical Institute RS in 2015 reaching 76 participants (25 teachers from 7 secondary schools and 51 teachers from 13 primary schools). After the training, several schools developed cascade training programmes within their schools. In regard to Child Protection, 33 professionals from different sectors gained additional knowledge on national and international child protection standards through a workshop held in December 2015 that focused on advancement of practices in working with children in contact with the law i.e. either as victims, perpetrators and/or witnesses to criminal offences, as well as particularities of working with children victims of different forms of violence.

In terms of social protection, the capacities of CSWs were strengthened in all five municipalities as they are, together with the municipal departments for social affairs, the main duty bearers accountable to respond to vulnerability, poverty, exclusion and deprivation. Along with the capacity building of human resources, the project provided technical equipment and furniture to all five CSWs within BIRAČ programme. In addition, the project enabled professional exchanges and learning through the regional meeting of CSW's managers of Bijeljina region (including Birač region with Osmaci and Sekovici and six (6) other municipalities: Bijeljina, Lopare, Ugljevik, Donji Zabar, Pelagicevo, Samac). Through their involvement in the SPI Commissions' initiatives and as a collateral result of multi-sectorial approach, vulnerable children and families have better access to social welfare services, including through establishment of new services, referrals as well as through enabling access to health and education.

In 2016, the repeated KAP research⁹² showed that service providers have increased awareness on the importance of social inclusion, but at the same time, there was no progress in awareness of parents. In addition, the findings confirm that there is still a low level of interaction between children of different ethnic groups, indicating the negative impact of the political discourse. The work of the SPI Commissions and OTs was acknowledged as an excellent tool for linking and improving social protection and inclusion.

BIRAČ 2

The project continued to strengthen the capacity of the Social Protection and Inclusion (SPI) Commissions and Operation Teams (OTs), positioning them as the key actors of inclusive social development of the region. All activities were implemented in the period November 2016 – December 2017. Overall, the Birač project significantly contributed to the creation of a conducive environment for employment of the most vulnerable groups through improved institutional capacities, tailor-made approaches and facilitation of a dialogue between

⁹² Initial KAP research was conducted in 2014

the public and private sectors for integrated social and economic development. The project ensured strong involvement of all social actors, including the target population, in the design and implementation of social policy measures in direct support to increasing the employability of vulnerable groups and tackling social exclusion.

SPI incorporated a Human Rights Based Approach (HRBA) to programming throughout its lifespan. Activities included continued capacity development of the SPI Commissions and OTs through three tailor-made trainings, peer learning through study visits and evidence-based local action planning and implementation. A total of 70 SPI Commission and OTs members enhanced their skills in project cycle management, referrals and social entrepreneurship. Overall, 65% of priority actions outlined in the Municipal Action Plans (MAPs) for 2017-2018 were completed by December 2017. SPI Commissions and OTs represent the key stakeholders in the social development agenda and permanent mechanisms for planning, coordination and management of social protection and inclusion interventions. Their membership was extended to include employment bureaus, youth and municipal economy departments in order to enable SPI Commissions to respond adequately to the complex issues of unemployment of the most vulnerable groups. All required preconditions have been met for piloting the participatory audit methodology.

The SPI Commissions developed a number of social policy measures and designed new innovative social services aimed to increase opportunities for the employment of the most vulnerable groups. The services were initiated through the Special Focus Projects (SFPs), supported through the Project small-scale grants. A total of 65 representatives from the most vulnerable groups (mainly women and youth from priority groups) gained practical skills required for their effective participation in the local labour market. More than 150 children and youth with disabilities benefited from social services established by the Project and supported by the local communities.

The monitoring results estimated that the indirect outreach of these interventions was 880 individual producers and 2,906 vulnerable families, children at risk and youth. 412 children benefited from the social inclusion, children rights and intercultural education workshops aimed at promotion of positive attitudes and practices in inclusion and tolerance. One-minute movies were produced, and children developed their capacity to use media and communication tools to advocate for their rights.

3.4.3. Economic Development

Component objective

To create the conditions for sustainable economic growth aimed at reducing poverty

This component focused on the revival of agriculture sector and revitalization of MSMEs and attract investments in the Birač region. SRRP has shown considerable progress in achieving the economic development component's outcome. Overall, the interventions in economic development component were very effective in achieving its objectives. This component played a significant role in economic stability not only at household level but also at the regional level. Around 34 projects were implemented under economic development (mainly in agriculture and SME sectors) component through material supply, grants, technical support and capacity building, that provided economic stability to 3,775 households and 4,060 (32% men and 68% women) direct and about 1,210 indirect beneficiaries. Moreover, 951 youth also benefitted from economic development activities.

To increase levels of production in agricultural sub-sectors with endogenous growth potential provides the best trade off between profitability and inclusion of the poor. The economic development component incorporated a diverse and rather scattered range of interventions, reflecting a more opportunistic strategy. More than 6,000 people were served through various agricultural activities. The most significant development was the support provided to the agriculture sector that resulted in the revival of agriculture sector and

transformed it from subsistence to commercial oriented farming. There was an aggregate increase in agriculture production by about 1500% since 2003 in the dairy, sheep and fruit sub-sectors and an increase of productivity by 30% in these three sub-sectors (fruit, dairy and sheep). The dynamic infrastructure for commercial production and marketing of the dairy, fruit and sheep farming provided directly an increased and stable income to 613 families (average increase in revenues of close to 80% compared to 2009). More than 200 families increased their revenues to a level now 40% higher than the RS minimum gross wage through support by UNDP and local authorities in the diversification of their household activities (farming and non-farming). 534 farmers and 675 micro-producer families had increased income. The project also contributed to the creation of 350 jobs in the real sector, which represented two third of jobs created since 2006, but also ensured the maintenance of more than 509 jobs in strategically important sectors like forestry and wood-processing.

UNDP BiH general approach to private sector development was based on the value chain model. Interventions were planned to directly support MSMEs and local farmers in improving their business and to indirectly support local entrepreneurs and producers by strengthening support services along the supply value chain. In its approach to private sector development, the programme entailed a wide range of activities to address the need to strengthen the competitiveness of existing local companies and producers as well as support the establishment of new start-ups and direct investments. Three-end target groups were assisted to achieve the desired objective: existing MSMEs; agricultural producers; and start-ups. The use of Business Development Services (BDS) has also increased. Leading commercial farmers in the dairy and fruit sub-sectors have now reached level of performance close to the EU average. The capacity of the Regional Extension service (RES) has significantly increased and their support to farmers is resulting in more than BAM 500,000 annually mobilised through grants and credit, and more than 50% of farmers in the Birac region are now recipient of extension services.

The most dynamic agricultural activity in the region continues to be in the raspberry sub-sector to which the UNDP has contributed substantially. The growth of raspberry sector continues. The area under raspberry has increased from 16.02 ha in 2010 to 119.07 ha in 2016, representing an enormous increase of 643% resulting in increase in production volume of 129,706 kg to 1,014,820 kg representing 682% increase in the same period. During this period total income from this enterprise recorded an increase from BAM 0.26 million to BAM 3.29 million, an increase of 1,167%. The average monthly revenue from raspberry production increased to BAM 768 in 2016 while it was BAM 355 in 2010.⁹³ Detail is reflected in *Annex 10*.

SRRP Phase I

During the first phase, the programme concentrated its interventions in addressing the needs to improve access to finance through micro credits and grants, improve the provision of business development services; and provide technical and in-kind assistance to the development of agriculture sub-sectors with potential for growth. Sound planning and economic analyses had gone into all planned interventions. This component incorporated in its activities a trade-off between economic efficiency and equity. Several considerations were made to sustain basic livelihoods and provide direct assistance to the most vulnerable. For example, the programme designed interventions in the agricultural sector that promoted commercial opportunities as well as livelihood opportunities to assist poor and vulnerable rural households. The key difference that distinguished this activity from other similar schemes was the support to develop value chains. Programme provided assistance not only in livestock restocking, but also in technical assistance and access to the market. At the end of 2006, the milk production generated an income of approximately € 500.000 per year.

Under BDS in an effort to provide sufficient level of business development services, creating conducive business environment, more than 3,000 persons day training was provided in business and language skills by the end of June 2006 and 26 businesses supported through grants which generated 30 new jobs.⁹⁴ To support actions enabling sustainable economic use of natural resources and better land management, SRRP provided

⁹³ Final report of SRRP IV, 2017, UNDP BiH..

⁹⁴ External Evaluation of SRRP I, 2005.

technical assistance in completing Strategic Plan by Forestry Sector stakeholders (private forests holders, public forest enterprises, forestry exploitation enterprises, wood processors, Municipal Authorities). Also, Strategic Plan by Forestry Sector stakeholders (private forests holders, public forest enterprises, forestry exploitation enterprises, wood processors, Municipal Authorities) was Completed.⁹⁵

SRRP Phase II

In second phase local economic development was addressed through interventions implemented with the public and civil sectors to create an enabling environment for economic development and with the private sector to increase competitiveness, stimulate entrepreneurship and generate employment. More than 350 farmers received advice and training by the RES on various agricultural practices in dairy, sheep, fruit, and berry farming, and 160 farmers received incentives from the RS Ministry of Agriculture for farm capital investment (submission supported by the RES). The milk production increased to around 6,000 litres a day in average or 210,000 liters per month. Milk quality produced in the area reached European standards. 2,500 sheep were distributed to 446 female-headed households in remote rural areas. The focus had been on livelihood support with potential for further income generation from wool, meat, and cheese production.

Under BDS activity 468 clients were served by the Srebrenica Business Centre (SBC). Business and skills enhancement training was delivered to 3,000 participants. SRRP supported private sector development initiative helped in creating close to 140 jobs, or close to 20% of all new jobs created in Srebrenica (official employment figures show a 50% increase in jobs during the past 3 years, or 700 new jobs).

The programme intervention resulted to increased access to adequate financial services and developed local capacities for the provision of non-financial services to local micro-producers and local MSMEs. Further, there was increased level of farmer's competencies in the dairy and sheep sub-sectors with more than 230 active farmers, resulting in increased levels of productivity. Under Rural Finance for the Women and the Poor activity, more than 2,000 loans disbursed to women; 600 active loans; average self-sustainability ration was 130%.

SRRP III

SRRP successfully introduced four innovative structures including: (i) standards and certification, technology improvement and product design; (ii) economic both soft and hard infrastructure to support existing SMEs and create favourable physical conditions for attracting investments such as construction of access roads and bridges, power supply and water; (iii) direct support to employees through on job training, subsidy for first employment and promotion of internship and apprenticeship; and (iv) promotion of self-employment through introduction of intensive entrepreneurship training programmes following best practices developed by GIZ and ILO with the aim to stimulate the entrepreneurial talent of economic active population of Srebrenica region which will increase the likelihood of emergence of new and growth of existing local enterprises. Programme recorded significant progress in economic development, especially in terms of income generation for rural families. All set targets were either achieved or exceeded except the creation of 100 formal jobs by start-up companies. Given the deteriorated economic environment in BiH from 2009 to 2012, the targets proved to be too ambitious.

The programme, as part of a new businesses' generation promotion segment, provided intensive training in entrepreneurship which had a major impact on improving the entrepreneurial and managerial skills of the trainees. In spite of the obstacles, the efforts by the programme and the local partners created a micro enabling environment conducive to investments, employment and income generation for the local population. In total, more than 676 families improved their quality of life overcoming poverty. From the labour supply point of view, the project increased the employability of unskilled unemployed persons, as well as new high school and university graduates, by promoting internships and providing soft skills training. This new approach resulted in the creation of 61 jobs and maintaining of more than 150.

⁹⁵ Ibid 94.

In agriculture sector SRRP made a significant impact on this sector through supporting the development and strengthening of dairy, fruits and sheep value chains. This initiative led to increase in volume of production, productivity and revenues. In addition to the results achieved in terms of production, the project also played a key role to build confidence among farmers with regards to their sub-sector which resulted in an increased level of investment by the farmers. During this phase SRRP assisted some 600 rural families in the development of their agriculture production. Based on a comparison of the changes in volume of production for farmers directly assisted by the project and the overall results achieved in the region, it was ascertained that the SRRP impacted 50% of the overall increase in agricultural production, while its overall impact on agriculture development was estimated at 70%. The latter was the result of the introduction of new production technologies by the project that have been gradually adopted by farmers not assisted through SRRP directly. Furthermore, the positive results of the programme's efforts attracted four new market integrators and buyers in the region and contributed to the increase in prices, especially in the fruit sub-sector. The productivity⁹⁶ of the farmers, supported by SRRP and its partner the RES, was 15% higher than the average productivity in the region.

SRRP Phase IV

In phase four the agriculture sector in the region continued to perform well by showing positive growth. Programme interventions were in the areas of the investment in farm holdings and provision of technical assistance, value chains development, and promotion of diversification and adding value to local agricultural products. Farm holdings investments implemented brought benefits to the farmers in the sheep, fruit, berry fruits and vegetable value chains. The programme outsourced the technical assistance to the RES that covered 692 farmers and 51 value chain marketing agents providing in total more than 10,000 services in the form of training, group technical assistance and demonstration, one-on-one technical assistance, group training, SMS-disseminated technical advice, brokerage and market linkages, in addition to assistance to access finances, as well as government premiums and incentives. Also, in 2014 the RES launched a service that made possible to obtain technical advice via SMS, and this service is available to all farmers who paid the membership fee introduced in early 2014.

In the dairy value chain, the assistance to farmers mostly related to compliance of farm infrastructure to EU requirements, which was in line with process of preparing to access the instrument for pre-accession for rural development (IPARD). The interventions resulted to annual production, of 2.6 million litres of milk, out of which 2,430,967 litres were sold to the dairies, securing a gross income of BAM 2.05 million. Ten percent (10%) increase in productivity was recorded compared to 2013 and average farm gross revenues reached BAM 20,636, which was 48% higher than in 2013. SRRP introduced corn silage making, that was a new technology in the region. In 2014, the main focus has been on alleviating the negative effects of the floods, as at different levels, all farmers were affected, with damages to maize crop and fodder registered by most of them.

Support to fruit and berry fruit value chain yielded very positive results. There was significant upward change in production and gross income, that encouraged raspberry producers to diversify their production with farming and production of blackberries, strawberries and vegetables. The aggregate income generated by berry producers doubled to BAM 4.4 million in 2016, compared to 2013. Responding to pressure from the market with more stringent food safety requirements by consumers, specifically from the EU, UNDP organised a training of trainers to 15 agricultural advisors in Global Gap standard, enabling them to prepare individual agricultural holdings, processors and cooperative in the introduction of the Global Gap standard.

To strengthen the vegetable value chain was also very effective in bringing economic stability at the household as well as regional levels. The Cooperative "Agro-food," located in Konjević Polje, became a primary partner of the project for the development of the vegetable value chain. The total income generated by the Cooperative

⁹⁶ Productivity is calculated separately by type of production. In this specific case, we took as a reference: dairy, sheep and raspberries.

Agro-food accounted for BAM 124,000 from greenhouse vegetables and other farm products sold through its distribution channels, and the total income generated by vegetable producers exceeded BAM 130,000.

Under *sheep sub-sector*, the programme delivered 2,500 sheep each to 446 women-headed households and 76 other beneficiaries.⁹⁷ The sheep sub-sector performances exceeded expectations, especially in regard to the income generated. Based on the data collected at the farm level, the sheep sub-sector, based on a sample of 107 sheep farms, showed a significant increase in the total sheep flock, which counted more than 5,704 breeding heads, or 24% more than in 2013. The lambing ratio increased by 10%, while the mortality rate decreased by 11% compared to 2013. Sales recorded an increase of 36% compared to 2013 and reached BAM 1.06 million (an increase by BAM 281,000).

Soft assistance was also provided to the sheep breeder association in their negotiation of a new contract with the Bosnian Islamic Community (BIC) to sell the rams during the Eid Al-Adha celebrations (a Muslim annual event) that enabled farmers to better plan their production as sales will be stipulated by a long-term contract (quantities and dates). Following the constant increase in sheep production and the successful support to the local Sheep Breeder Association in signing a new contract with the BIC for selling around 1,000 rams for Eid Al-Adha, the SRRP conducted an analysis on the option of setting-up a temporary slaughter house during the celebrations of Eid Al-Adha.

Diversification and adding value to local agricultural products activity also was very effective in producing food for self consumption and having access to markets and retailers in the region. In 2015, more than 100 small-scale mixed farms have generated an income of BAM 550,115 from selling various products, either through established collection channels or directly to the consumers at the farm gate⁹⁸.

Under the *Investment Support Measure*, SRRP in collaboration with the Municipality of Srebrenica, organized an Investment and Development Conference that promoted collaboration among investors. As a result, an amount of over BAM 13 million was raised for the development of the Municipality of Srebrenica. These funds were to be invested in economic infrastructure and other public projects, already started as part of the SRRP project. The BIRAC programme exceeded the BAM 1 million target level of public investments attracted for economic development that was actually BAM 7.5 million in 2018. Programme was the main factor in attracting three more external investments than in 2015.

First Job Project

This sub-project was ongoing at the time of evaluation. As of 31st December 2017 the employment of 57 unemployed persons without work experience was supported. The identification of potential interventions to introduce new services and/or enhance existing ones for providing job search and mediation was completed as part of the Territorial Employment Pact formulation. Further, the assessment of the existing mainstreaming social mentorship methods in Western Balkan (5 countries) completed. Following territorial participatory labour market assessment, an appropriate strategy to combat unemployment in the target region, was formulated with the technical support from the UNDP Istanbul Regional Hub as part of a sub-regional project, “Promoting Inclusive Labour Market Solutions in the Western Balkans”. As part of the strategy, a set of 7 interventions was defined. Moreover, a first pilot active labour market measure has been tested for all five municipalities. The municipalities of Srebrenica, Bratunac and Milići were covered by the Birac 2 project while the municipalities of Vlasenica and Zvornik by the First Job project.

⁹⁷ Ibid 54.

⁹⁸ For this category of farmers, it is difficult to accurately assess the increase in revenues generated. Namely, the support provided to small scale farmers has two objectives: increase in production for self-consumption (income substitution); and increase in sales through either commercial channels or directly at the farm gate. Unfortunately, the increase of production for self-consumption is difficult to accurately measure.

3.4.4. Infrastructure, housing and public services

Component objective

To support the return process and economic development through the reconstruction of infrastructures and living units

With the level of war damages, lack of operation and maintenance in the Srebrenica region, infrastructure was an impediment to human development and return process. In any recovery process, infrastructure growth and services play a critical role in economic growth and poverty reduction, and enhances human security. In that sense, SRRP adopted the improvement of infrastructure as a reinforcing element to local governance, component in terms of participation, transparency, efficiency and effectiveness in the use of public funds, as a mean to achieve poverty reduction. It was an important and necessary complement to the economic and local governance components.

The General Framework Agreement for Peace at Annex 7 – Agreement on Refugees and Displaced Persons (December 1995) provides 25 Articles regarding the context, entitlements and dispute settling procedures for returnees in BiH. The multi-faceted approach of SRRP in the Srebrenica region ensured that, in part, the various barriers to returnees were being addressed in a coordinated way in conjunction with other international agencies (notably UNHCR, the Entity governments and where relevant, State Government), relevant municipalities, local and international NGOs, the private sector and citizens. The initial precondition of availability of living space to encourage internally displaced persons (IDPs) to return was met by Sustainable Transfer to Return-related Authorities (SUTRA) and SRRP by reconstructing many houses to the requirement level in the region.

SRRP defined strategic directions that encompassed all these elements, identified through the participatory budgeting exercise with MZs, partnerships groups and municipalities included, roads repairs, social and economic infrastructure, water supply and power supply. Roads, transportation and electricity infrastructure enhances the efficiency and effectiveness of local government and administration. Governance of infrastructure requires institutional reforms and capacity development. In the context of SRRP, infrastructure investments were tightly linked to capacity development and institutional reforms within the local governance component and addressing: public and community participation, corruption, and technical capacities at municipal level and gender consensus.

There have been significant results in terms of restoring basic services (power and water), reducing the isolation of rural returnee communities (rural roads) and supporting housing reconstruction, both directly and by other agencies. Most of the results were achieved according to work plans that are bringing improvement in the quality of life for the citizens of Srebrenica, Bratunac and Milići.

Overall, more than 10,835 households with 49,870 inhabitants and about 2,900 youth directly benefited from infrastructure (171 projects) improved by the programme, including the reconstruction of rural roads, water supply systems, and power grids. By implementing 22 projects, SRRP repaired and/or improved about 212 kilometers of roads that provided access to about 3,120 households with more than 10,600 persons to the services and market. Water supply system of 17 villages was restored and upgraded water supply systems in the towns of Srebrenica and Bratunac that provided healthy water to about 5,085 households with over 9,100 persons. This intervention resulted to constant water supply, reduction in water losses, improved hygienic conditions and control of water-borne diseases. SRRP provided assistance to rehabilitate 30-40 years old water supply system in Srebrenica.

Improved power supply was provided to 1,500 families and 6 businesses benefiting more than 4,420 persons, including 479 returnee families in Srebrenica and Bratunac.⁹⁹ SRRP assistance was crucial as the power

⁹⁹ Ibid 54.

distribution company had limited resources to improve supplies or install new grid lines. It complemented USAID funding in the sector (with its limited mandate for reconnection to returnee villages) and thus benefited all communities who would otherwise have been left without electricity supply. Constant supply of electricity has improved the quality of life of the families through carrying out household activities which are based on power supply. This facility has also provided the businesses with an opportunity to run their business operations with enhanced capacity. 90 houses were reconstructed enabling the return of 243 persons of the displaced families to their pre-war residences (55 in Srebrenica and 35 in Bratunac), enabling the return of displaced families to their pre-war residences.¹⁰⁰

Through rehabilitation of 10 elementary and high schools, 4 Kindergarten schools, and premises of 3 daycare centers, SRRP has upgraded the education and learning conditions of 2,630 students (especially in IT technologies) and children. This initiative will develop the human capital in the region. Through improving 2 outpatient clinics and 3 rural general practice premises, the programme has health faculties for over 11,335 persons in Srebrenica, Bratunac and Milići. Cognizant of the significance of social and recreation activities for the healthy society, SRRP reconstructed 2 cultural centers that helped 762 persons to participate in the cultural activities. Besides, 12 community premises were also rehabilitated. Over 684 citizens are benefitting from the 5 public sewerage systems constructed by SRRP. The assistance also contributed to the capacity building of municipalities and utility companies in their operations for service delivery to the citizens. SRRP promoted cooperation among three public utility companies in these municipalities resulted in the sharing of equipment and the establishment of a Regional Leak Detection Centre located in Srebrenica.

In addition to enhancing the infrastructure of the region and bringing direct benefits to the target population (both providing conditions for return and improving living circumstances for returnees and vulnerable domiciled populations), the participatory budgeting mechanism had been a success and the basis for the institutionalisation of participatory decision making mechanisms and enhancing planning and contracting capabilities in all three municipalities. By strongly including the local authorities in the selection process, the programme succeeded to increase the ownership of the municipalities over the programme. Implementation of tendering and contracting procedures followed best practice of FIDIC rules¹⁰¹ and the new law on public procurement consistent with European Union *acquis* provisions. It also enabled programme's staff to provide coaching services to municipal staff in the implementation of infrastructure projects. The introduction of the mechanism was also of great significance to change citizens' perception of the programme. Until 2004, citizens had not identified themselves with the programme or did not view it as an instrument for the development of the region. It became apparent very quickly that infrastructure interventions could be efficiently used as an incentive to promote good governance by making SRRP's support conditional to application of new procedures and new skills.

Under the first phase and part of the second phase of SRRP, the programme focused on restoring basic infrastructure in terms of access roads, water supply and electricity, especially in rural areas. Later on, it started to implement capital infrastructure investments. By doing so, the programme improved the quality of public infrastructure for the benefit of a majority of citizens. It also resulted in: i) reduction of public expenditures (e.g. heating costs in public buildings, operational costs for the water supply systems and maintenance costs for roads); ii) reduction in household expenditures (e.g. running and maintenance costs of vehicles); and iii) increase in public income by supporting economic activities.

¹⁰⁰ Ibid 54.

¹⁰¹ The International Federation of Consulting Engineers (commonly known as FIDIC, acronym for its French name *Fédération Internationale Des Ingénieurs-Conseils*) is an international standards organization for the consulting engineering & construction best known for the FIDIC family of contract templates. Over the years, FIDIC has become famous for its secondary activity of producing standard form contracts for the construction and engineering industry. Located at the World Trade Center in Geneva, Switzerland, FIDIC aims to represent globally the consulting engineering field by promoting the interests of firms/engineers supplying technology-based intellectual services for the built and natural environment.
<https://en.wikipedia.org/wiki/FIDIC>

In all its interventions within the infrastructure components, SRRP sought a strong involvement of local authorities both in terms of human resources and co-financing. In the road, water supply and social and economic infrastructure strategic directions, the municipalities were involved from the activity design and prioritisation process down to the implementation itself. They had been active partner with equal responsibilities as SRRP. By involving the municipal staff in the different stages of programme implementation, SRRP reformed local institutions and to built local capacities using a combination of specific formal training and direct application of the learnt. Utility companies had improved efficiency to deliver the services. Similarly, participation of citizens was an essential condition ensure appropriateness of planned investments, accountability of local authorities, ownership of citizens over the projects and, as a result, the long-term sustainability of these investments.

Generally, the programme demonstrated overall positive compliance to set output targets. Giving, nonetheless, all the constraints encountered in implementation, including insufficiency of time, and late project start-up, evaluator was convinced that the programme achieved its long-term goal and objectives as highly satisfactory. In general, the communities acknowledged that there have been significant changes in quality of life, provision of services, living conditions, mobility of human and physical resources caused by SRRP intervention.

It was noted, interestingly however, that people's expectations of the project were very high. They looked forward to significant changes in development through this programme, and they believe these changes should be noticed now. A way to manage these high expectations is to further educate the people that it is only through continuous adherence to the principles of sustainable resource management that the huge benefits will be realised and sustained in the long term.

3.5. The Climate change

Climate change is and will remain one of the major challenges for the agriculture sector. Predicted increases in the mean average temperature in the region and BiH, and decreases in precipitation or uneven distribution of precipitation during the year, and more floods and droughts will have a significant impact on the performance of agriculture sector. The impact will be lower crop yields, soil degradation, and more pests and diseases—all bringing potentially significant economic losses to the farmers and economy as a whole. Farmers' and governments' capacity to manage increasing uncertainty will determine how well they can adapt to climate change (Climate change projections and adaptations measures should be integrated in municipal strategic plans).¹⁰²

To strategically address the issues related climate changes, the SRRP IV assessed the potential effects of climate changes on the agriculture sector in BiH, based on the foreseen climate changes scenarios predicted by models at the BiH and regional level¹⁰³. On the basis of this assessment, the mitigation and adaptation measures were designed by SRRP.

A training for trainers (ToT) programme was delivered to 20 agricultural policy advisers and extension officers of the Ministry of Agriculture, municipalities, RES, cooperatives and farm associations. The ToT extension officers then imparted training upon over 400 farmers operating in various agricultural activities on climate change mitigation and adaptation on farm measures and it is expected to continue to deliver the training programme in the future. The programme covered topics on climate changes and their effects so that they could effectively influence decision-makers during strategic and operational planning; and new farming practices to mitigate climate changes and adapt to their effects, including undertaking investments and adjustment to their farm infrastructure accordingly. This resulted in increased awareness among farmers about the challenges of climate change and encouraged them to adopt good agricultural practices and invest more

¹⁰² Mid-term Evaluation of SRRP III, 2012, UNDP BiH.

¹⁰³ The climate changes model at the BiH level was developed with the support of UNDP while the regional data was available from the International Climate Changes Panel reports.

in adaptation measures. Moreover, the training has produced large useful documents such as training materials, training guide for trainers, brochure and checklist for farmers.

Following the recommendations from the assessment for specific adaptation measures in terms of improved irrigation capacities of the region, the programme invested in 4 water catchments to benefit 25 farmers. It also provided drip irrigation systems supplemented with a training package to 98 farmers of raspberries, strawberries and berry fruits. As a contribution to climate change mitigation through reduction of CO₂ emission, the SRRP framework continued to promote the introduction of biomass as a substitute to fossil fuel¹⁰⁴. This intervention was jointly implemented with the Municipality of Milići and “SAVOX,” a company specialised in pellet production.

Further, the programme helped the RS Ministry of Agriculture in preparing a regional weather forecast and early warning system, which covers the regions of Bijeljina and Birac. UNDP provided 2 agro- meteorological stations to the RS Ministry of Agriculture Extension Services Department for the establishment of regional network for weather forecast and diseases monitoring. On the basis of data collected a specialised software¹⁰⁵ has been developed to provide weather forecast at a micro-level (temperature, humidity, precipitations, and information related to extremes such as frost and torrential rains). This system disseminates the information to farmers and extension services on the suitability of conditions for ploughing, planting, or harvesting. This set up also includes an early warning system that informs farmers and extension services about the danger of diseases or pest emergencies.

3.6. Contextual analysis and external factors affecting the development of the region

The following section presents factors that have impacted the programme operation and the region:

Government policies

At the earlier stage, the government policies and legislation supported the SRRP implementation in many ways. The BiH Council of Ministers provided grants to Srebrenica Municipality that complemented the Programme’s efforts for returnees. There was considerable evidence of financial and policy support especially in the area of returns from FBiH. At the same time the RS endeavoured to address issues related to poverty and infrastructure needs in the region, within its competing demands and own priorities. There was evidence that the RS provided specific and tailored assistance to the region in addition to that which would ordinarily be required. State and entity legislation (e.g. Rule Book used for farmers) on grants and subsidies to the farming (dairy, fruit and sheep farmers) communities also facilitated SRRP in the smooth and transparent selection and distribution of benefits to the community in the region.

Political factors

Local politics has affected the project in various ways. Firstly, the non-existence of continuity in the heads of departments in most municipalities, except in Milići. After each election, the heads of departments within the municipal administration had been changing. With more continuity, the project could have reached better results in terms of capacity development of the local administrations. Secondly, the limited municipal budgets reduced the possibility of more integration between UNDP activities and the municipal interventions. At the beginning of the programme, some of then-political dynamics impacted project field implementation.

Higher-level politics also influenced the programme activities. The first factor was related to the returnee population and their perceptions in terms of security and future. Because of this, the programme’s returnee beneficiaries didn’t fully commit themselves to the implementation of

¹⁰⁴ The promotion of biomass in the Srebrenica region was started by another UNDP project with the support of the SRRP III.

¹⁰⁵ Some of the parameters of the software will be depend on the type of the agriculture production of the region.

interventions, which affected initial levels of trust between UNDP and beneficiaries.. This changed with the passage of time and is now marginal.

Human Resources

As for the human resources, the region was more depleted than the rest of BiH. This mainly affected the implementation of the first phase and partially the second phase. Gradually, the influence of this factor decreased. Human resources are the biggest factor that affected the programme implementation, more precisely its lack of human capital. Its effects were felt in all interventions as programme lacked: leaders, entrepreneurs, qualified labour force, progressive farmers. This has constrained the region to take full advantage of the programme. As a result, it took more time for the programme to identify the right champions.

Use of international development assistance by municipal and entity governments

The Srebrenica, Bratunac and Milići municipalities had very good working relationships with the Programme and made the best use of the donors' assistance, in part because the implementation strategy was set by SRRP itself. The interventions were demand-driven and based on the needs of the beneficiaries and regional priorities. Also, most of the procurement was processed by UNDP. Additionally, Memorandums of Understanding (MOU) were signed wherein responsibilities and financial contribution were agreed among the Programme and various partners. There had been a continuous process of interaction between the Programme and Mayors (and their Municipal officials) to discuss progress and issues. Similarly, most of the projects were implemented and supervised by the donors themselves with the participation of municipalities and the line departments that also ensured the optimal use of donor funds. Municipalities in the region developed (or are developing) their Strategic Plans (and related plans such as Spatial Plans) with the assistance of SRRP for implementation of their development programmes. Entity governments adopted and recommended for use the MIPRO that applies an inclusive and integrated approach taking into account economics, social, environment and political factors.

3.7. EU Accession

EU accession will have various effects at the local level. The first one will be in the introduction of new more strict standards in the private sector. This will affect local economic actors as the introduction of these new standards will have the financial implications. The second effect will be the availability of more rural development funds, EU IPARD funds. But to be able to access these funds, municipal authorities, local actors (civil society and private sector) will need to meet strict selection criteria and be able to submit quality proposals.

These elements have been taken into account in the support provided by UNDP under the SRRP IV and BIRAČ 2. Since the agriculture and rural development will remain the main focus in the BIRAČ region related to IPARD, assistance was provided to leading progressive farmers to move forward in meeting EU production standards. Regular training was organized for local agriculture producers to better understand the challenges in front of them in regard to EU accession. Some of leading dairy farmers already have met these standards as such their milk is used for export to the EU market. The capacity of the RES has been developed so that they could continue to organise these trainings on a regular basis.

The establishment of the LAG was directly linked to future EU funding opportunities for rural development. All actors that are part of the regional development forum and LAG received intensive training on EU rural development funds and how to apply to these. In addition, under the BIRAČ 2 project, UNDP conducted a training on IPARD funds targeting extension officers and market agents in the Birac region in order to create a base of knowledge to support farmers and small processors in their future application to EU IPARD funds.

The EU continued to provide guidance to the country's authorities on reform priorities on the country's EU membership path. Political and economic dialogue took place between the EU and BiH in the framework of

the Stabilization and Association Agreement (SAA) structures which continued to operate smoothly: Stabilisation and Association Council, SAA Committee and various sectoral sub-committees. At the same time, while the Stabilisation and Association Parliamentary Committee (SAPC) was established in November 2015 as part of the SAA bodies, it failed to adopt its Rules of Procedure due to insistence of some delegates from BiH on the inclusion of a voting mechanism provision which would not comply with European standards. The European Parliament adopted a Resolution on the Commission report on BiH in April 2017. A Reform Agenda, adopted by the country authorities in July 2015 and aimed at tackling the difficult socio-economic situation, advancing the judicial and public administration reforms, as well as further advancing the country on its EU membership path continued to be implemented at a slower pace in 2017.¹⁰⁶

The new IPA provides preferential market access for both, EU agricultural and food products into BiH and BiH agricultural and food products into the EU market. This market access reflects trade preferences and trade flows that existed between BiH and Croatia under CEFTA. Under the terms of the new IPA, agricultural and food producers from BiH benefit from access to the EU through the increase of relevant quotas for exports of wine, sugar and fish. EU agricultural and food producers will have market access to BiH through the creation of tariff rate-quotas (TRQs) for a number of products.

The detail on impact of SAA on BiH agriculture is provided in **Annex 10**.

3.8. Theory of change

This section describes the institutional change, as an external factor, which occurred and impacted on agricultural sector and projects implementation.

A ‘theory of change’ (ToC) explains how activities are understood to produce a series of results that contribute to achieving the final intended impacts. A theory of change can be used for strategic planning or programme/policy planning to identify the current situation (in terms of needs and opportunities), the intended situation and what needs to be done to move from one to the other.¹⁰⁷ ToC articulates the assumptions about the process through which change will occur and specifies the ways in which all of the required early and intermediate outcomes related to achieving the desired long-term change will be brought about and documented as they occur. ToC allows to detect:

- i. what went right when a project or organization achieves its expected outcomes and what wrong when that does not occur: and
- ii. how to adjust along the way. It is a living document that can be adjusted as learning takes place about what works and doesn’t work.

The change is generally measured against a project impact hypothesis. The hypotheses were not developed in the project documents of SRRP and BIRAC 1. However, in the final reports as well as in the background section in the project documents, information was provided on the change in local conditions. In the final reports, this helped to document the change registered in the region towards the achievement of the impact hypothesis. For example, statistical data was used to demonstrate the growth rate of the region compared to the rest of the country. An example of it can be found in the final report of the SRRP III, section II, Changes to the Project Environment. Also, it has to be pointed that the formulation of indicators for the SRRP IV and BIRAC 2 at the output level included indicators measuring the changes to the local conditions and comparing them to the entity or national trends.

¹⁰⁶ Bosnia and Herzegovina 2018 Report, Accompanying the document, Commission Staff Working Document, 2018 Communication on EU Enlargement Policy, {COM (2018) 450 final}, Strasbourg, 17.4.2018 SWD (2018) 155 final, EUROPEAN COMMISSION.

¹⁰⁷ Theory of Change, Methodological Briefs Impact Evaluation No. 2 Office of Research – Innocenti, UNICEF, 2014.

3.8.1. Birač Region Context

Located in eastern BiH and covering geographically coherent territories of Bratunac, Milići, Srebrenica, Sekovici, Vlasenica and Zvornik municipalities, the Birač region is endowed with abundant natural resources, including minerals such as zinc, lead, bauxite, forests,¹⁰⁸ water and fertile land suitable for agriculture. The region of today has faced with great development challenges, which stem from the devastating consequences of the 1992-1995 conflict and thereafter difficult overall socio-economic transition. The entire region experienced a significant decrease in its population size compared to 1991. According to the existing estimates, the region has over 130,000 inhabitants, out of which there are close to 30,000 returnees. Due to the paucity of economic opportunities, the out-migration continues, specifically from remote areas where the loss of young people was particularly high. Considering its average population density, the Birač region is considered as predominantly rural region.¹⁰⁹ Zvornik is the only Birač region municipality falling into the category of developed municipalities as per the official RS Entity Government categorisation.¹¹⁰ The Birač region has received special attention from the international community since the start of the return process in 2000 and 2001, which triggered the inflow of considerable financial assistance, specifically by the Government of the Netherlands whose support to the SRRP and BIRAC frameworks amounted to close to USD 50 million. In this period, significant progress was made in terms of return, improvement of public infrastructure and economic development.

3.8.2. Change in Economy¹¹¹

During its whole duration, the programme saw significant changes to its environment both as a result of its interventions and also as a result of the development efforts realised by the international community, national and entity governments, and local authorities.

In terms of economic development, the biggest achievement of the programme has been to build confidence among local economic actors in their ability to grow by themselves. This is expressed by the constant increase of investments by the local private sectors from MSMEs to farmers. Of course, this level of confidence wouldn't have happened if the programme hadn't made key investments in terms of knowledge transfers, production capacities and access to market. Apart from creating the new employment opportunities and the basis for economic growth, UNDP's assistance has also contributed to a growing sense of positivism.

Despite the slow economic improvement in BiH during the past years, the economy of the five targeted municipalities has continued to experience a stable growth higher than the state level. The accumulation of wealth in the region has continued which translated into an increase in consumption, on one hand, and investments, specifically in agriculture, on the other. GDP per capita in the region¹¹² has scored a nominal increase by 14% between 2012 and 2015, or a real increase by 14%¹¹³. Two sectors that scored the highest growth between 2012 and 2015 were agriculture and wood-processing. In agriculture, volume of primary production has increased by over 40%, despite extreme weather conditions faced in 2014. During the same period, the sales experienced a positive cumulative change of more than 26%. In addition, the cumulative growth in investment by farmers¹¹⁴ reached more than 25% compared to 2012. The improvements in both volume of production and quality of products put the region on the map thus attracting more buyers. The

¹⁰⁸ Forests cover 60% of the region territory and are among the largest in BiH.

¹⁰⁹ OECD methodology to define rural areas: municipalities are identified as rural if their population is below 150 inhabitants/km²; regions are classified as predominantly rural if more than 50% of the population of the region is living in rural communes with less than 150 inhabitants/km².

¹¹⁰ Ministry of Administration and Local Self-Government, 2010, <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/muls/Documents/strategija%20razvoja%20lokalne%20samouprave%20u%20republici%20srpskoj%20za%20period%202009-2015.pdf>.

¹¹¹ Most of the data was extracted from the RS Statistical Yearbook published by RS Statistical Institute.

¹¹² The calculation of the GDP per capita is based on the methodology used by the B-H Direction of Economic Planning. It is based on the number of employed persons and the average net salary.

¹¹³ The recorded inflation during that period is 0.03%.

¹¹⁴ Investments recorded through a survey conducted at the beginning of 2016.

direct consequence thereof, particularly in the fruit sub-sector, is the increase in the wholesale prices to the benefit of the farmers. At the level of food processing, sales also recorded a rise of 11% during the period of 2013 to 2015¹¹⁵ while the value of fixed assets grew by 7%. The forestry and wood-processing sector has significantly transformed itself moving from mainly primary processing to semi-final to final products. Large investments were made during the period from 2011 to 2013 which translated into positive changes in terms of employment, sales, export and net profit.

The changes in *retail trade turnover* provide good indicators in terms of household consumption. Since 2012, the index for the region has increased above 21%, while consumer prices in the same period declined by 3%. In other words, the overall consumption in the region has jumped by 24% during the last four years, which can be easily explained through the rise in household revenues and improved confidence.

Formal employment in the Birač region increased by 5% between 2012 and 2015, compared to 3% at the state level for the same period. Within the same timeframe, net wages jumped by 9%. In total, annual household revenues from formal employment were raised by BAM 17.5 million (14%) or BAM 409 per household in average, almost the value of a half-month average net wage.¹¹⁶ In 2013, the average number of employed persons was 5,053, with an average monthly net salary of BAM 742. Four years later, the figures are 5,690 employed persons with the average monthly net salary of BAM 783. This represents an increase in annual revenues from formal employment of BAM 8.5 million, in figures, or 19%, in percentages, compared to 2013. During the same period, annual net revenues from formal employment in BiH were increased by 7%. UNDP directly contributed to the creation of 278 new jobs with an average net salary of BAM 575, amounting to BAM 1.9 million in annual revenues. This increase in formal employment also led to the increase of municipal annual revenues by BAM 191,100 as well as local consumption by BAM 7 million.¹¹⁷ In terms of employment, the programme supported the creation of more than 500 jobs, mainly in the municipalities of Srebrenica, Bratunac and Milići. It represents a large contribution to the increase in formal employment registered in these three municipalities. In addition, the programme paid special attention to the employment of minority returnees. Such employment was very marginal in 2003, if not inexistent.

Continued investments in fixed assets by the formal private sector (3% yearly average)¹¹⁸ and by farmers (14% yearly average)¹¹⁹ for the past four years as well as continuous positive net employment growth suggest that the investment climate in the Birač region created by the local actors is now more favourable. The private sector has also changed significantly during the past years with improved results in terms of sales, especially export sales, which indicate that local companies are more competitive on the domestic and foreign markets than a decade ago. In terms of productivity, the data collected at farm level by UNDP demonstrate a constant increase. Using sales per employee as a proxy indicator to productivity, the increase in sales per employee registered by the industry¹²⁰ in 2015 compared to 2013 is 15%.

3.8.3. Change in infrastructure

Investments in public infrastructure continued and brought significant improvements in the quality of life. Investments in public infrastructure, the level during the period 2012-2015 remains similar to that reached during the period 2008-2011. According to the official data, more than BAM 80 million has been invested in public infrastructure in the period 2012-2015 including road upgrading, bridges and water supply systems. During the period of 2008 to 2011, the total amount of investments in public infrastructure was BAM 72 million. These investments will not only reduce the financial burden on the municipal authorities to maintain public outdated infrastructure, but they will also be increasing revenues in rural areas.

¹¹⁵ The data is collected from a business intelligence service, TRON. Data is only made available for the years 2013 to 2015

¹¹⁶ Annual report of BIRAC 1, UNDP BiH, 2016.

¹¹⁷ Final Report of SRRP III.

¹¹⁸ TRON Business Intelligence services.

¹¹⁹ Internal survey conducted by UNDP on a sample of 121 farmers in February and March 2016.

¹²⁰ Industry is defined here in its statistical meaning which includes only the agriculture, mining, manufacture and electricity sectors.

3.8.4. Change in Public Services and Finances¹²¹

While there has been noted improvement in the capacities of local authorities to enable local development, some of the issues identified in 2012 and 2013 linger. In terms of public expenditure, the municipalities of the Birač region increased their expenditures by more than BAM 6 million between 2012 and 2015 or 18%. The increase in revenues is mainly the result of better revenues collected directly by the municipal authorities. Although, the municipal authorities have now grasped the importance of using integrated municipal strategies based on solid financial planning, the limited municipal resources for investments hamper the annual municipal budgets to reflect the strategies' operational plans. As an integral part of their new development strategies, all five municipalities have updated spatial plans that will guide them in their territorial development and help them plan capital investments. In terms of public expenditure, the municipalities of the Birač region increased their expenditures by more than BAM 6 million between 2012 and 2015 or 18%. When analysing the data, one can see that the increase in revenues is mainly the result of better revenues collected directly by the municipal authorities.

3.8.5. Changes in agricultural technologies

Socially, economically and ecologically, agricultural technologies are changing rapidly and globally. However, intensification and impact of these changes are more pronounced in the countries that are in transition and developing countries.

Since most of the cutting-edge technologies are knowledge intensive, new institutions and organizations are needed for their development, management and use. In particular, the participation of private sector in agricultural research and development and agribusiness, and the protection of intellectual property right, including plant varieties, seed require reorientation of the existing agricultural institutions. The experience of various models has also shown that besides technological advancements, supporting institutions like Zirat Bank for credit, land reforms, etc., as well as incentives like prices, are of paramount importance for agribusiness-led growth in agriculture. Therefore, the development of knowledge-based modern agriculture requires changes in all these institutions.

In agriculture sector, the UNDP had profound implications on agriculture and value chains, as it has become easy for the farmers to have access to improved technologies and innovations and their attributes (characteristics, sources), actual benefits, etc. The institutions, such as RES are now geared towards promoting and harnessing these technologies for increasing productivity and production in the Birač region.

The performance, outcomes and impact of agricultural sector are guided by organizations and institutions. The latter must be innovative to ensure effectiveness and efficiencies. Agricultural development programmes in the RS Ministry of Agriculture and municipalities, community-based and farmers-based associations within the agriculture and value chains must be further strengthened and institutionalized to enable them effectively and efficiently run their farming and processing enterprises and value chain operation. An organizational performance assessment must be in place to guide innovation systems set up by the institutions. This evaluation is therefore, timely as it carries out institutional analysis regarding innovations, roles played by different actors or stakeholders, rules governing the behaviour and practice of stakeholders, engagement of small-holders in capacity development and institutional learning, and economies of the investments.

Stakeholders in the food and agricultural value chains must understand the laws, regulations, traditions, costume, beliefs, norms, and nuances of society and EU countries that prohibit, permit or require certain actions. For instance, financial institutions, like Zirat Bank, provide entry points into investments and communities.

A logic model is a tactical explanation of the process of producing a given outcome. It outlines the program inputs and activities, the outputs they will produce, and the connections between those outputs and the desired

¹²¹ Final report of SRRP IV, 2017, UNDP BiH .

outcomes. Alternatively, TOC, is a strategic picture of the multiple interventions required to produce the outcomes that are preconditions of reaching an ultimate goal.

At the regional level the Programme's efforts have contributed to the following trends in agriculture sector:

- **The organization of value chain for milk wholesale purchase and control**, which used not to be in place and is now becoming stronger. About 95 farmers now bring milk to 14 cooling facilities in the region. The milk production in the region from 2010 to 2011 increased 38.27%. Hygienic quality of milk in these municipalities has surpassed the averages in RS and Federation.
- **Raspberry value chain** and fruits having entered the ripe stage of development with more stable producers, yields and the organization of wholesale purchase resulting in constantly increasing significance of this commodity for the region and BiH as a whole. The results achieved by the raspberry value chain production recorded an increase of at least 16% between 2013- 2016. The total gross income reached BAM 3.29 million with an average annual revenue of BAM 9,960 per farm, 39% higher than in 2013. The total income from raspberries realized in 2016 was estimated at significantly higher than in 2013 –a full 96% - due both to an increase in production capacities and in prices of berries.
- **The opening of processing facilities** that play a vital role in the development of agriculture. For example, fruit-freezing (raspberries and strawberries) factory Boss Agrogood, fruit processing line in Insiem refrigeration plant. Since 2014, the cooperative “Agro-food” has started to sell directly to consumers in Sarajevo through the newly established Bosnian Market. To expand the offer to its customers in Sarajevo, the Cooperative “Agro-food” is now also buying final products such as jam and fruit juices from local producers in the region.
- **Development of farmers associations**, which started primarily as a project, but the associations (mainly raspberry producers) have demonstrated results, clear democratic decision-making system and sustainability.
- **Regional Extension Services**, which has managed to build, within a short time of period, the trust of producers, on one hand, and the RS Ministry of Agriculture, on the other hand, enabling them to play the key role in the agricultural development of the municipalities and organizing farmers in Srebrenica, Bratunac and Milići municipalities. Now 50% farmers and value chain agents are being served by RES. As 2017, the RES now covered 668 farmers and 51 value chain marketing agents. The RESB provided in total more than 10,000 services.
- **BIRAC-Drina Local Action Group -LAG:** Using LEADER approach, the LAG has successfully implemented 16 projects with an input of US\$ 2.15 million covering agricultural, social and infrastructure activities. The projects are implemented through LAG that have benefited 6,723 individuals directly while indirect beneficiaries are accounted for 13,492. Out of LAG total beneficiaries 36% were women.
- **Sensitization of municipalities** on the significance of agriculture sector. SRRP's interventions in the agriculture sector involved municipalities and the farmers in various activities that gave a chance to the municipalities to see the results of support to the farmers and revisit their opinion about significance of this sector.

4. CONCLUSION AND RECOMMENDATIONS

4.1. Conclusion

The local authorities and donor projects try to work hand in hand today, whenever and wherever possible. The Mayors of municipalities in the region wanted to convey a sense of partnership and mutual respect with their UNDP partners. In most cases, priorities are determined jointly and based on the needs of citizens and communities, which have been articulated through participatory mechanisms that have been put in place. The beneficiaries have become great advocates of donor projects, especially of UNDP, which is seen as fully embedded in the local context and has a good familiarity with the situation. The most successful of beneficiaries are now offering services to citizens who had not benefited previously from UNDP's projects, and seek to share their knowledge and experience. That in itself is a strong factor of sustainability.

Many interviews conducted during the field research had a positive tone and emphasised that visible change has been taking place in the region over the past 4-5 years. This can be attributed to a number of factors.

First of all, the general economic situation in the country has been improving, in spite the difficulties occurring from the global economic crises, unstable political situation, as well as the climate changes and disruptions.

Secondly, the international community has adopted a more pragmatic, holistic approach to the planning of its assistance in the region, focusing on economic development and regional re-integration. This has been in particular attributed to UNDP SRRP's approach, its flexibility, embeddedness in the context, and pragmatism. SRRP has been praised by both beneficiaries and local authorities for their orientation towards the needs on the ground and responsiveness to the interests and priorities of local communities.

A third factor is the change of attitude more generally. The beneficiaries demonstrate a high degree of enthusiasm for participation in donor projects, they feel to be part of those initiatives, and they clearly see how donor assistance benefits them and their communities. This is quite a change from the initial period when there was resistance and even resentment towards donor projects in the early days of recovery.

Finally, there is a clear vision and determination on the part of local authorities, which is an indication of strong community leadership, which was lacking before. The mayors who were interviewed insisted that economy and employment are crucial for improvements in all other aspects of life everywhere in the region. The SRRP IV is a clear response to those demands, and it is among the main actors which drive the economic development of the region.

Admir Sejdinović, production manager in 'Prevent' factory says that "the best way to help Srebrenica is to help investors come"

Senad Subašić, Municipality of Srebrenica "Sustainability is best guaranteed when an individual also has an economic interest to return"

4.2. Impact

Impact is referred to measures changes in human development and people's well-being that are brought about by development initiatives, directly or indirectly, intended or unintended. Evaluation of impact generates useful information for decision making and supports accountability for delivering results.

Handbook on Planning, Monitoring and Evaluation for Development Results, UNDP, 2009

Development that has unfolded over the past 15 years in each UNDP programme thematic area has already been explained in detail in last section. This section reviews the impact of the UNDP interventions and results of both SRRP and BIRAČ programme in terms of the progress in each of the components over time, juxtaposed against the objectives set in the programmes.

It was difficult for the Evaluator to segregate the impact of each phase from the overall impact of both programmes since the implementation period and interventions of SRRP phase II and phase IV overlap those of BIRAČ 1 and BIRAČ 2. However, through analysis of primary data collected through field research and secondary data drawn from desk review of documents, the Evaluator has an approximation of the degree of UNDP programmes' effectiveness in all interventions. The component wise impact on target groups and beneficiaries made by the both frameworks is described below:

4.2.1. Overall impact on the region

The presence of the UNDP programme has made a vast impact on many walks of life, economic, infrastructure, social aspects, local governance, businesses, public services, education, health, water and electricity supply. The impact was visible at the institutional as well as individual levels, at the local as well as regional level. Generally, a very high praise for UNDP and the programme team by the beneficiaries and stakeholders was witnessed during the interviews, meetings and field visits. There were genuinely emotional scenes particularly among farmer beneficiaries on hearing the news that programme was leaving the region. The staff of municipalities and other partners had the same feelings about the programme. Further, it was found that UNDP has successfully established its niche as a trusted and reliable donor and partner in the region.

Also, by launching SRRP, UNDP opened the doors for other donors to mobilise resources and start assistance in the region after the sufferings of 1995 war. UNDP was well-positioned for further regional or national engagements. Programme's strong local engagement approach helped UNDP to earn a greater presence in the region, as well as paved the path- ways for longer term development goals in the region. Overall a behavioural change of all citizens was observed in urban and rural areas towards participation in the social and economic development activities. There was existence of a high degree of enthusiasm among local communities for participation in donor projects. The discussions indicated that they have now gradually changed their perception and attitude towards the ownership of facilities provided by UNDP and other donors, and they are now clearly aware of the benefits of donor assistance for the communities.

There was a visible improvement in the physical infrastructure including roads, schools, premises of municipalities and utility companies, hospitals and houses where programme support was provided. An environment of peace, harmony, reconciliation and trust was seen among ethnic groups in the region- as they now jointly partake in development activities. In a faster pace of economic growth in the region than BiH during the past decade, UNDP programmes can be considered as one of the contributing factors behind this success in many ways: increased agricultural and industrial production, export and revenue, impact of value chains, job creation, programmes implemented and services provided more efficiently by the municipalities and utility companies with enhanced capacity, increased investment and businesses, increased number of returnees and their contribution in the regional economy, etc.

4.2.2. Impact of Local governance

Considerations of local governance were at the forefront of the UNDP programming given the complex political and social context of BiH and the Birač region. Local governance was supported in their efforts to improve the capacities to service citizens, and to effectively and efficiently deliver their responsibilities. That was a process through which the delivery of services and municipal competencies evolved, from very basic provision of services to citizens, to advanced competencies in quality assurance, strategic planning and economic development.

UNDP interventions under this component focused on strengthening local governance structure and capabilities and building leadership and advocacy skills. Participation and inclusion in producer associations and community decision-making bodies increased and the capacity to engage with government institutions improved. This influenced policy decisions and/or led to increased resource allocations. Efforts to improve public sector management and service delivery within the municipalities achieved meaningful results.

Overall improved working environment was improved in the local institutions, municipalities, public service providers, such as utility companies and NGOs with the improved facilities and infrastructure. Governance at the local level in the region has significantly improved through making improvement in the participatory decision making, municipal budgeting, simplifying procedures, public hearing, one-stop shops, training, study tours and exchange of practices with other municipalities. The institutional strengthening enhanced the efficiency and effectiveness of services to citizens provided by local public institutions through the improvement of their business processes, their ability to rightly outsource services to the private sector and to collect accurate data on citizens. With elevated functional and technical capacity at the institutional and individual levels, municipalities are now capable of and started developing strategic plans and proposals with the quality acceptable for approval and funding from the local and foreign investments. For example, Srebrenica Municipality has developed a comprehensive plan for rehabilitation of industrial zone. The capacity of municipalities has increased by 40%, measured using the UNDP capacity assessment methodology.¹²² The municipalities' staff now apply skills and knowledge more confidently gained from the programme to hold dialogues and networking with the actors in the local development, including local and foreign investors, donors, NGOs, CSOs, etc. Further, municipalities now have commitment, will and vision for exploring new avenues and opportunities for partnerships and economic development – collaboration with other municipalities within and outside the region for increasing revenues.

During *first phase*, SRRP saw significant changes to its environment both as a result of its interventions as well as the development efforts realized by the international community, national and entity governments, and local authorities. In the municipalities, processing time for issuing of official documents to 4,800 citizens monthly, in average, reduced by 20% by June 2006.¹²³ Registries were digitalised. The municipal administration was well acquainted with state rules on public procurement and conduct procurement in lines with these regulations. The state rules on procurement were properly and efficiently used by the municipalities. The municipal administrations were being audited by the entity internal auditor.¹²⁴ Awareness was created among CSOs¹²⁵ about the need to change and demonstrate better practices in terms of governance. They tended to specialise in specific fields like: agriculture development, environment, business development services, youth, gender, children with special needs and community mobilisation.

In the following phases, SRRP helped increase participation during the planning of municipal budgets, and the participatory mechanisms were extended to include prioritisation and implementation of development projects, as well as the design of strategic documents. The programme interventions achieved the long-term results, including higher level of interactive participation of citizens, civil society and private sector in municipal development planning and resources management. SRRP efforts resulted in increased transparency, sustainability, volunteerism and responsiveness of CSOs to their constituents through grant-funded projects and trainings. Further, programme saw increased capacity of municipal and public utility staff members in strategic planning and project cycle management, project appraisal, monitoring and evaluation, proposal writing and public finance budgeting. 30,000 citizens in rural areas of Srebrenica, Bratunac and Milići had improved health services through the establishment of the health mobile team that improved their health and productivity. Through improved education, especially in IT technologies,¹²⁶ 2,088 students had better chances of developing their career and employment. The capacity of utility companies, public service providers, has

¹²² Ibid 54.

¹²³ Ibid 54..

¹²⁴ Ibid SRRP External Evaluation, 2005 UNDP BiH .

¹²⁵ 37 SCO staff received training in various aspects.

¹²⁶ Ibid 54.

been built to the extent that those were capable of running their operation on a sustainable way. For example, water supply charges have not been imposed on the water users in Srebrenica since 2010. Renovated water supply system has improved the quality of water, minimized water losses to a great extent and reduced the incidence of water borne diseases.

The functional and technical capacities of local governments necessary for development of strategies and programmes improved during the *third and fourth phases* of SRRP. Those dimensions of municipal operations progressed from building capacities to absorb external aid, to strategic thinking about absorption of EU funds in future. Municipalities also improved municipal business processes and their ability to outsource services to the private sector. There has been a significant mentality shift in the way in which local governance was perceived by authorities and citizens, manifested in notable advancements in accountability, transparency, and responsiveness to the community needs. Assistance was targeted specifically in building the capacities of municipal authorities to design and lead the processes of development, resulting in the design of integrated development strategies in three partner municipalities using the methodology developed by UNDP, while ensuring sufficient representation of excluded groups.

“Small municipalities need to prepare on time, we will not be able to individually apply for EU funds. All municipalities in the region need to work together in order to access larger development projects.”, Nedeljko Mladenović, Mayor of Bratunac.

“UNDP is helping us think about access to EU funds in future, but it will only work if we all recognise a need and value of working together”, Nada Marković, NGO “Maja”, Kravica.

During *third phase of SRRP and BIRAČ 1* on an average, the technical capacity of municipalities increased by 40% between 2008 and 2013. In the same period, the capacity of Bratunac, Srebrenica and Milići increased by 41%, 32%; and 47%, respectively.¹²⁷ This increased the efficiency of the staff of municipalities that enabled them to perform their tasks more efficiently and provide services to the citizens more effectively. Similarly, during the same period, on an average, the capacity of 3 NGOs was boosted (Priatelji Srebrenice, 31%, SRES 32%; and SARA 18%). The municipalities of Bratunac and Srebrenica started planning resource mobilisation in line with operational plans, and also the municipal development strategies were the basis of UNDP's design of activities in support of economic development of the region in the fourth phase of the project. Increase in resource mobilization based on project proposals by Srebrenica Municipality was estimated at US\$ 987,875, and US\$ 3,500,000 (development loans) + US\$ 3,500,000 (commercial loans) and US\$ 335,000 by Bratunac¹²⁸ and Milići, respectively.

Srebrenica and Milići municipal administrations became more pro-active in both identifying the problems faced by MSMEs currently operating on their territories and finding ways to effectively communicate with the owners in order to resolve these issues. Such an approach has resulted not only in maintaining jobs, but also in sending a strong message to entrepreneurs that the municipal authorities are a reliable partner. While lagging behind Srebrenica and Milići, Bratunac too have started putting in place new mechanisms that should enable the municipality to improve their offer to the private sector.

The aim of Phase IV and BIRAČ 2 was to prepare the region to take full ownership over its development. Looking at the experiences from other countries, the project team saw an opportunity in the establishment of a Local Action Group. For UNDP, it had two purposes. The first one was to create a joint platform between the five municipalities representing actors from all three sectors: public, civil society and private. Namely, it was clearly identified that there was a lack of cooperation and collaboration between actors but also between municipalities. The second purpose was to establish the vehicle through which some of the EU funds for rural development will be channelled. The EU has developed a mechanism/approach to rural development called

¹²⁷ Using the UNDP capacity assessment methodology.

¹²⁸ The resources shown for the municipality of Bratunac are for multi-years projects but represent the amount of funds they mobilised in 2013.

the EU LEADER approach. The vehicle at regional/local level to implement the initiatives supported by the LEADER approach is the LAG.

The LAG mechanism has now been developed in the Birač region and operational. Since its registration, it has developed its own development strategy and based on it, also formulated various project proposals for funding with the support of UNDP. Together with UNDP, it implemented projects under the BIRAC 1 and 2 for which financial contribution from the municipal authorities and other partners were secured.

UNDP directly contributed to the creation of 278 new jobs with an average net salary of BAM 575, amounting to BAM 1.9 million in annual revenues. This increase in formal employment also led to the increase of municipal annual revenues by BAM 191,100 as well as local consumption by BAM 7 million.¹²⁹

4.2.3. Impact of SPI

Through creation of SPI commissions in collaboration with UNICEF the programme has not only created awareness among parents of children with special needs about the opportunities for development for their children. A significant contribution has been made to raising awareness of the general public on social protection and inclusion. Overall, the Birac programme significantly contributed to the creation of a conducive environment for employment of the most vulnerable groups through improved institutional capacities, tailor-made approaches and facilitation of a dialogue between the public and private sectors for integrated social and economic development. The programme ensured strong involvement of all social actors, including the target population, in the design and implementation of social policy measures in direct support to increasing the employability of vulnerable groups and tackling social exclusion.

UNICEF was recognized as a reliable partner and convener among local level policy makers, service providers and beneficiaries. The results of a final survey among the SPI Commission members and OTs indicated that the SPI local model methodology yielded strong and sustainable results. However, considering the overall socio-economic situation in the country and especially slow development of this region, some challenges still persist. For example, upcoming elections in October 2018 may slow down the completion of the SPI MAPs due to the political engagement of key stakeholders. Furthermore, the change of local Mayors and ruling majority in Municipal Assemblies may lead to sudden changes of priorities and decreased funding for social sectors. Further, the lack of adequate human and material resources at local level, as well as frequent turnover of staff from local social service providers may have a negative impact on the sustainability of interventions. Newly appointed members of the SPI Commissions may not necessarily feel fully accountable for the implementation of the SPI work plan.

4.2.4. Impact of Economic Development

Economic development evolved, both in the way it was perceived and how it was conceptualised in government activity. The main impact created during the second phase of the project was the expansion of access to financial services, primarily focusing on enhanced rural outreach, and improvements in business environment and increased income levels. Perceptions of local authorities were changed primarily through informed decision-making in business investment. The pertinence of UNDP's interventions in the field of economic development is visible at a regional, community, and individual level.

In terms of economic development, the biggest achievement of the programme has been to build confidence among local economic actors in their ability to grow by themselves. This is expressed by the constant increase of investments by the local private sectors from MSMEs to farmers. Of course, this level of confidence wouldn't have happened if the programme hadn't made key investments in terms of knowledge transfers, production capacities and access to market.

¹²⁹ Final report of SRRP IV, 2017, UNDP BiH .

Agriculture

UNDP interventions have improved the access of families to food, nutrition and income to increase the resilience of livelihoods to food and agriculture threats and crises. A great enthusiasm was found among beneficiaries for carrying on the programme activities. Besides, a sense of self-confidence and self-reliance on their own capabilities and resources were also noted among them. They have found the ways to savings, networking with financial resources/banks, agricultural services, associations and processors. The programme has played a major role in the transformation of agricultural activities from subsistence to commercial oriented production through increased productivity and production, developing linkages with existing and new buyers. Agriculture producers have now access to more market opportunities than before, which has resulted in better trade conditions. After achieving the stability in farming, many farmers have now diversified their farming activities, i.e. fruit and vegetable production, sheep and cattle rearing and, running milk collection centers. Apart from creating the new employment opportunities and the basis for economic growth, UNDP's assistance has also contributed to a growing sense of positivism.

Individual stories by farmers show how they have increased production capacities multi-fold over the past few years with the help from UNDP. Predrag Jevtić from Skelani, who has been a beneficiary of UNDP's programmes since 2009, increased his flock from 3 to 100 sheep within 5 years. He praised UNDP for providing him with knowledge, access to new methods of breeding sheep, expansion of feeding alternatives, and provision of equipment, which he says he “could have only dreamed of”. Other sheep farmers now feel confident that they could become fully independent over the next 4-5 years. They pointed out that the study trip organised by the UNDP was an opportunity for a shift in mentality, based on the evidence of successful farming practices in France.

The development of value chains for agricultural commodities by the programme has transformed the fruit and dairy farming beneficiaries from subsistence to commercial oriented farmers in the Bosnian context by applying improved and best farming practices learned from SRRP. This is evident from the increase in the production volume, improved quality growth in the income. The income of participating farmers has increased in the range of 15% to over 400% in the span of 5 to 10 years.

The programme interventions have caused the economic stability of the participating households with increased volume of agricultural production, resultantly rise in household income and availability of employment opportunities. SRRP phase III impacted 50% of the overall increase in agricultural production between 2009-2013, while its overall impact on agriculture development can be estimated at 70%.¹³⁰ The latter is the result of the introduction of new production technologies by the project that have been gradually adopted by farmers not assisted through SRRP directly. The significantly increased levels of agricultural production have positively impacted the living conditions in rural areas and contributed to the stable growth of economies and increases in employment rates in all three municipalities. Furthermore, the positive results of the UNDP's efforts attracted four new market integrators and buyers in the region and contributed to the increase in prices, especially in the fruit sub-sector. The productivity of the farmers,¹³¹ supported by UNDP and its partner the RES, was 15% higher than the average productivity in the region. Comparative data shows that the region has recorded better results than both the entity and state levels of government, and a faster pace of development than any other region within the RS. The household budget surveys conducted in 2010 and 2013¹³² confirmed an improvement in the quality of life. Through the use of a proxy indicator, namely the increase in retail trade turnover, the economic growth in the region over the past four years was measured at around 21%, and the contribution of the project to this increase is estimated at least at 50%.¹³³

¹³⁰ Project Document SRRP IV, 2013 UNDP BiH.

¹³¹ Productivity is calculated separately by type of production. In this specific case, UNDP took as a reference: dairy, sheep and raspberries.

¹³² UNDP had to use a smaller sample than in 2010 due to the proximity between the survey's field interviews and the 2013 Census field visits but it made sure that the statistical validity of the results will not be compromised.

¹³³ Ibid 130.

The objective of SRRP phase IV and BIRAČ 2 was to consolidate the changes and preparing the region for the future. The levels of agricultural activities gradually increased during the second and third phase of the project, and they are increasingly progressing during SRRP phase IV. The focus on agricultural sub-sectors, particularly dairy production, sheep farming, and raspberry production, has emphasised the endogenous growth potential, which has now become the overwhelming philosophy among decision-makers as well as the existing and potential agricultural producers. Programme interventions were the instrumental behind the increase in the productivity of sheep (17%) and dairy (10%) sub-sectors between 2013 to 2016. during the same period cumulative Increase in gross revenues per unit of production was estimated at 93%. This was a significant change during this short period.¹³⁴

Senad Omerovic,¹³⁵ a farmer received technical assistance and equipment from SRRP II started vegetable growing in 3 green houses with a capacity of 900 sqm in 2009. With mobilizing alternative resources, now in 2018 has 4,000 sqm of green houses and 600 sqm of tunnel system for vegetables and strawberries. He started this activity single handily now have 30 members' cooperative. In BIRAČ 1, following the receipt of support from the programme, he now has 1,000 sqm of cooling and storage facility. Besides, on cost-sharing basis he was able to obtain from USAID (40% vs 60%) seeding machine that led to the establishment of vegetable nursery on commercial basis.¹³⁶

Hamed Ibrahimović,¹³⁷ a dairy farmer was helped with 7 cows in 2011 who now has 21 cows, also the milk production has jumped from 60,000 liters in 2016 to 90,000 liters in 2017. Mujic Pasan¹³⁸, a farmer who started dairy farming with 2 cows in 2005, was helped with 6 cows by SRRP in 2009 has added another 12 cows to his herd and plans to increase the number of cows to 30 in coming years. Besides, he is rearing 42 heifers for lactating and beef production. Zahid Hasanovic, a sheep farmer Milići was provided with 25 sheep, 1 ram, equipment and technical knowledge in 2009 has increased the herd to 40 breeding and 32 young sheep and 2 rams.¹³⁹

Senahid Hasanovic in Srebrenica was provided with 50 sheep, equipment and technical assistance in 2005. He increased his herd to 70 in 2006 and 150 in 2016. He discontinued sheep rearing and have shifted to dairy farming activity with 10 bull fattening herd due to non-availability of labour. During this period, he had best herd in the region, and every year won Gold medal in sheep farming competition. Sheep farming provided him economic stability to meet household food, education and social needs.

Before quitting sheep farming, he formed RADAVA Sheep Association of sheep farmers of Srebrenica and Milići. Senahid transferred the equipment and technical knowledge provided by SRRP to the Association to share the use of equipment by its members.

Apart from the increases in gross revenues, the level of investment by farmers¹⁴⁰ has tripled during the third phase of the SRRP. Commercial and semi-commercial farmers¹⁴¹ became more numerous and the increase in both volume of production and the quality of products put the region on the map thus attracting more buyers. Annual revenues increased by BAM 4.0 million in 2016 compared to 2013, which is BAM 1 million more than what was anticipated in 2013. The measured increase is only for the farmers covered by the project either directly or through the RES.

Value-chain projects supported producers in increasing the productivity and quality of their products. Significant productivity gains were made. 25 farmers and 10 value chain agents were enabled by the programme to meet the minimal eligibility criteria for accessing IPARD funds by the end of 2017.

¹³⁴ Final Report SRRP IV, UNDP BiH.

¹³⁵ Senad Omerovic, Vegetable value-chain development and cooperative development, Konjevic Polje, Bratunac.

¹³⁶ Findings are based on interviews by the Evaluator, May 2018.

¹³⁷ Hamed Ibrahimovic, dairy farming, Biljaca, Bratunac

¹³⁸ Mujic Pasan, Dairy farm and milk collection center, Pale Srebrenica

¹³⁹ Findings are based on interviews by the Evaluator, May 2018.

¹⁴⁰ Investments recorded through the Regional Extension Service.

¹⁴¹ This is estimated through the number of farmers selling their products through official buyers.

MSMEs and private sector development

Under this initiative the programme made a major breakthrough in the region by developing and promoting PPP through synergies between municipalities, SMEs and the Programme. This initiative, by creating an enabling environment in the region, also built the confidence and raised the interest of other SMEs to invest. This Programme initiative was also instrumental in consolidation of the return process through creating new jobs and securing the existing ones in MSMEs. The programme efforts have created a favourable and conducive environment for public private partnership opportunities, to attract local and foreign investors, and employment. For example, revitalization of Potočari Industrial zone in Srebrenica providing employment to 350 worker, employment subsidy, equipment, training, mobilization of resources, certification system. Another impact brought about by the programme was the change in official employment figures in the region 1.99% compared to the BiH trend. High level of confidence and self-reliance was witnessed among MSMEs on their abilities to grow their businesses by themselves through applying the knowledge provided and networking established by the programme. The businesses in the Birač region have now awareness about and production of industrial goods with improved quality that is closer to the EU standards and requirements, through the support provided for certification in international standards required for them to access higher value export markets, study tours and conferences organized by UNDP programme. The private sector was constantly growing in the region in terms of sales, export and gross revenue, e.g. value of export sales by companies was BAM 354.59 million or 30% higher in 2017 than 2015, while increase in export sales of BiH was 17% for the corresponding period. The gross revenue of 10 programme supported MSMEs grew from BAM 11.18 million in 2009 to 20.34 million in 2013, an accumulated increase by 265%.¹⁴²

The use of BDS by local MSMEs supported by the programme increased by the end of 2013 was 53% and competitiveness measured through their increase in sales, was 47% between 2010 and 2013 and 10% in 2016. Their cash flow and debt Management capabilities could not be measured because the original phrasing of this indicator was unrealistic. To measure this indicator, companies should have granted UNDP an access to their detailed financial records. Only a very limited number of companies expressed willingness to do so, hence it was not sufficient to obtain a representative sample.

The annual sales of the private sector in the Srebrenica Region for the period 2014 – 2016 were increased by 38%, almost five times more than the 8% increase of the private sector sales in the country as whole during the same period. Recorded progress in sales per employee in the private sector suggests a more efficient use of equipment and human resources. Moreover, increased productivity of labour, coupled with other positive trends, denotes a consolidation of private businesses in this location, which leads not only to lesser probability of capital flight but also to better job security and overall better prospects for the future of the local economy.

Increase in volume of investments by the private sector in 2016 jumped to 168% compared to 2013 and increase of revenues in retail trade was recorded as 12.16% during the same period. In 2016 the level of investment by public institutions in the region continued to rise, despite substantive decrease in investments by the RS Ministry of Agriculture due to entity budgetary limitations, partly because local companies were able to attract more employment subsidies than in the previous years. The level of public investments attracted for economic development in 2017 was estimated at BAM 7.5 million against a target of BAM 5 million.

To promote business development and trade, the programme provided key investments to help the local private sector in order to improve its competitiveness. When looking at companies' performance indicators, there has been constant improvement over the past ten years, even more drastically over the past five years. Special attention was paid to improve access to the market. Agriculture producers have now more market opportunities than before, which results in better trade conditions. For local MSMEs, the project has supported the certification in international standards required for them to access higher value export markets.

¹⁴² Annual Report SRRP III, Annex 6, UNDP BiH.

UNDP and the Municipality of Srebrenica invested in the construction of a production facility in the Skelani Industrial Zone and made it available to a local investor in the field of tools production (MAGMAL d.o.o.) which moved his production from Serbia to Srebrenica. Most importantly, this investment might have a spill-over effect, as the company is now working together with Prevent to access new markets (Thule, Bosch, Ford), which should result in the establishment of a new production line by Prevent in Srebrenica. If this occurs, the whole product value chain, except the raw material production, from the production of individual components to their assembly into a final product for the export market, will be located in Srebrenica.¹⁴³

Confidence for investments among local entrepreneurs have improved which is translating in investments in new production assets. The CIMOS factory opened in 2005, employing around 100 people. Clothing factory 'Alma Ras' opened a subsidiary in Srebrenica in 2006, employing 48 persons initially, mainly women. The 'Prevent' factory started production of car spare parts in Srebrenica in 2014, employing 80 people for now, and planning an expansion in the next couple of years. There are ongoing plans to open a potato processing factory in 2015, and to other two companies: a pellet production facility, and a furniture production facility. Another successful example is the acquisition by the Prevent Group of the CIMOS factory in Srebrenica, assisted by the UNDP.

4.2.5. Infrastructure

With the level of war damages, lack of operation and maintenance in the Srebrenica region, infrastructure was an impediment to human development. In any recovery process, infrastructure growth and services can play a critical role in economic growth and poverty reduction, and also enhances human security. In that sense, UNDP SRRP uses the improvement of infrastructure as a reinforcing element to local governance as a mean to achieve poverty reduction. It is an important and necessary complement to the economic and local governance components.

The selection of infrastructure investments was done in a consultative manner through the partnership group. The investments had to be in line with the municipal strategy. The benefits of these investments on human poverty alleviation were both direct and indirect. Under the public building strategic direction, the project was able to improve access of people to health and educational services. With the other strategic directions, it contributed to human poverty reduction indirectly by enhancing agricultural productivity, reducing transportation costs, generating more jobs and income – that is by enhancing economic growth.

The needs for infrastructure rehabilitation became much greater since 2008, when there was a greater influx of returnees. The emphasis put on infrastructure in the second and third phase of SRRP was a direct response to a need to provide regular water supply on a 24-hour basis, and to resolve the problem of the quality of water in urban and rural areas, which could not be guaranteed before. The years of destruction and neglect also took a toll on the electrical grids and communications, many of which were repaired based on the high figures of returnee population in specific areas, and in coordination with priorities determined by the RRTF.

Under the first phase and part of the second phase, the programme focused on restoring basic infrastructure in terms of access roads, water supply and electricity, especially in rural areas. Later on, it started to implement capital infrastructure investments. By doing so, the programme improved the quality of public infrastructure for the benefit of a majority of citizens. It also resulted in: i) reduction of public expenditures (e.g. heating costs in public buildings, operational costs for the water supply systems and maintenance costs for roads); ii) reduction in household expenditures (e.g. running and maintenance costs of vehicles); and iii) increase in public income by supporting economic activities.

In terms of infrastructure, the programme invested close to BAM 4.4 million, or close to 76% of all capital investments in the region. Moreover, the programme ensured the application of high quality standards in order to guarantee long lasting effects of the works performed. The project also assisted municipal authorities in the

¹⁴³ Final report of SRRP IV, 2017, UNDP BiH.

preparation of technical specifications which enabled them to mobilize close to BAM 6 million¹⁴⁴ from external sources to finance projects currently being implemented or that await implementation in the forthcoming period.

Programme interventions improved living conditions of about 26,000 persons in the region. The housing reconstruction (90 houses) and infrastructure repair activities directly impacted 6,648 families whose houses had been repaired. Even wider segments of local population in all three municipalities had benefited from construction and repair of over 200 km of rural roads that have been upgraded, which have facilitated the access of displaced persons to return areas and also provided improvements to public infrastructure, particularly in terms of transport services and networks. Improvements in delivery of those public services have indirectly supported the process of integration of the communities and their reconciliation. 6,800 citizens in urban and rural areas have now regular supply of drinking water, which is a result of the rehabilitation of water supply networks in rural and urban areas, while electricity has been reinstated in 95% of households with 1,500 families.¹⁴⁵

The renovation of the municipalities' premises improved the working environment for the employees that has improved their working efficiency. Social conditions have also been improved, including education resulting to increased enrolments and attendance in KG and elementary schools with improved hygienic conditions, heating and recreation facilities. The renovation and provision of recreation facilities has provided space to youth and children for their growth and improve knowledge. The rehabilitation of infrastructure also enhanced the return process of IDPs – refugee resettlement assistance rose during the peak of return in 2003 and again in 2008. The capacity of local institutions and utility companies was built enabling them to provide quality public services more efficiently and effectively, e.g. this was acknowledged by the utility companies during the interview.

4.2.6. The process of return

The General Framework Agreement for Peace at Annex 7 – Agreement on Refugees and Displaced Persons (December 1995) provided 25 Articles regarding the context, entitlements and dispute settling procedures for returnees in BiH. Since Srebrenica was a sensitive municipality, and also the other target SRRP municipalities of Bratunac and Milići, UNDP and many other donors were actively engaged on development activities since the end of the war. The return of refugees and IDPs was one of the main priorities as well as a cross cutting objective that has been supported through the activities of almost all programme components.

The initial precondition to encourage internally displaced persons (IDPs) was the availability of living space (reconstruction of houses) and livelihood. In the first two phases of the project, this priority was addressed more directly through reconstruction of houses and assistance to returnees and IDPs. The contribution of the programme in terms of direct return through the construction of houses has been limited. SUTRA and SRRP reconstructed only 90 houses. However, the presence of the programme and its assistance provided the chances for returnees to remain in the region. In that regard, preferential treatment was given to returnees and returnee communities. However, a lack of suitable housing was not a barrier to further returnees, but that other constraints were also a greater barrier. In these difficult economic times for BiH and more especially for Srebrenica and the surrounding municipalities, the key factors in “attracting” returnees (and retaining them) was access to jobs, good education and health care and general infrastructure. In addition, some returnees (and others) remained concerned about the BiH constitutional and legal frameworks¹⁴⁶.

The return of refugees has been one of the main priorities as well as a cross cutting objective that has been supported through the activities of almost all SRRP components. The multi-faceted approach of SRRP in the Srebrenica region ensured that, in part, the various barriers to returnees were being addressed in a coordinated way in conjunction with other international agencies (notably UNHCR, the Entity governments and, where

¹⁴⁴ Final report SRRP III, UNDP, BiH March 31, 2014 .

¹⁴⁵ Project Document SRRP IV, 2013 UNDP BiH.

¹⁴⁶ Mid-term Evaluation of SRRP III, 2012, UNDP BiH.

relevant, State Government), relevant municipalities, local and international NGOs (especially in the case of Srebrenica- Hilfswerk Austria International), the private sector and citizens.

The direct impact of the project was evident in its correspondence to the dynamic of refugee return to the region. In the first two phases of the project, this priority was addressed more directly through reconstruction of houses and assistance to returnees and IDPs. In the second and third phases of SRRP, there was more emphasis on infrastructure repairs in support of refugee return, especially in rural areas, as well as the improvement of public services and local governance, and provision of employment and income generation opportunities to returnees. The third phase focused on strategic investments that would secure sustainable return through the improvement of general economic conditions and overall quality of life in all three municipalities. A special focus of the third phase was placed on the consolidation of return by providing employment and income generation opportunities to returnees while improving the overall quality of life in the targeted communities. The fourth phase of SRRP focused on strategic investments that would secure sustainable return through the improvement of general economic conditions and overall quality of life in all three municipalities. Its activities seeking to empower government and local community institutions should ensure access to quality social, cultural and employment services for socially excluded and vulnerable groups

The initiatives such as formation of the dairy development cooperative, raspberry farmers' association and sheep farmers' association were a few examples that brought all groups together. This process aimed to develop inter-ethnic relations and also encouraged the displaced to return to their original residences. In the beginning the momentum was fast but with the passage of time, it has slowed as most of the displaced families that wish to return have resettled. These initiatives have helped in retaining the returnees. The contribution of the programme in terms of direct return through the construction of houses has been limited. The presence of the programme and its assistance provided the chances for returnees to remain in the region. In that regard, preferential treatment was given to returnees and returnee communities. At the beginning, it gave them the confidence to see their life in the region.

The number of returnees in Srebrenica, Bratunac, Milići, Vlasenica and Zvornik municipalities was estimated in 2016 at 42,868.¹⁴⁷ More than 75% of the public infrastructure investments went to the returnee communities, while some 65% of the beneficiaries assisted through income generation activities belonged in this category. Also, 62% of all newly employed persons were returnees. Overall, the programme significantly contributed to the consolidation of return process.

Despite all these achievement, significant attention is still required on damage compensation for property that cannot be returned, access to healthcare and to employment, health and social protection, safety and demining, and education. The official data on the internally displaced persons remain to be consolidated. Cases of attacks against properties of returnees show the need to ensure safety and security in order to achieve sustainable returns to pre-war residence areas.¹⁴⁸

4.2.7. The process of reconciliation

SRRP played a significant role in the process of reconciliation in the region. It, through participatory and consultative approach was successful in creating an environment of reconciliation and mutual trust among various ethnic groups, which is a pre-requisite to the economic development in the transitional region. The programme, through its balanced allocation of resources to both communities and with more focus on capital investment benefiting both communities, has contributed to defusing some of the resentments. The Programme provided equal opportunity for Bosniaks and Bosnian Serbs to discuss issues of mutual interest that they are facing. For example, a multi-ethnic dairy farmers' cooperative has been established in the region.

¹⁴⁷ Project Document – BIRAC 2, UNDP BiH, 2016.

¹⁴⁸ Commission Staff Working Document Bosnia and Herzegovina 2018 Report, 17.4.2018 SWD(2018) 155 final, EUROPEAN COMMISSION Strasbourg.

4.3. What would have happened in the region without the programme

UNDP SRRP was the first organization that started its programme and opened the doors for other donors to start their interventions in this region. UNDP programme was the pioneer that first started recovery programme that encouraged other donors to follow the suite. In the SRRP absence, either the donors would have not started any programme or their assistance would have been delayed, resulting in loss of human and financial resources.

Through its implementation approach, the programme encouraged the ethnic groups to work together in the development stream that in turn brought reconciliation and peace among ethnic groups. Without a guaranteed peace and stability IDPs and DPs would have not returned to the region. Further, for peace there should be economic development and income generating opportunities that were provided by the programme. Without SRRP, the return and development process would have been very slow.

The SRRP interventions have brought multiplier economic and social effects in the region. These efforts have increased agriculture production and productivity, have started meeting EU quality standards, stabilized household income, revitalized MSMEs and brought local and foreign investment in the region, generated employment and enhanced human productivity. The economic growth that is currently higher in the region than rest of BiH, would not have been the case.

Fikret Kurtić a non-beneficiary farmer of Bratunac applied for SRRP assistance in 2005 but failed to receive assistance because he did not meet the programme selection criteria. Though, he has 150 sqm of greenhouse and planning to expand raspberry plantation from 0.2 ha to 0.8 ha in 2018, he feels he cannot compete with SRRP farmer beneficiaries in terms of productivity and technical knowledge. He sees clear difference in all aspects, including technical knowledge, interaction with service providers, linkage with markets, availability and use of equipment. He has tried to fill this gap by interacting with SRRP beneficiary farmers.

The governance in the municipalities have improved and their capacity in handling the issues, service delivery and financial management has enhanced. Further their ability to develop linkages with donors has established and partnership with businesses developed on strong lines. In addition, municipalities' staff productivity and working efficiency has significantly been increased with improved working environment as a result of the programme's technical and equipment support and renovation. Municipalities are now capable of producing qualifiable proposal and strategic development plans. Municipalities would have not been able to achieve all these milestones without the efforts of SRRP.

"UNDP has done great things, it has changed the concept of assistance from one-off donations to long-term development". Čamil Duraković, Ex-Mayor of Srebrenica.

4.4. Sustainability

Sustainability measures the extent to which benefits of initiatives continue after external development assistance has come to an end. Assessing sustainability involves evaluating the extent to which relevant social, economic, political, institutional and other conditions are present and, based on that assessment, making projections about the national capacity to maintain, manage and ensure the development results in the future.

Handbook on Planning, Monitoring and Evaluation for Development Results, UNDP, 2009

Sustainability was determined by examining not only the degree to which the outcomes are continuing and have been or will be continued with other funding, but also the socio-political, institutional framework and governance and environmental aspects of sustainability.

4.4.1. Sustainability of SRRP and BIRAČ interventions

Sustainability of interventions has been addressed by incorporating it in the implementation of activities, especially in the last phases of the SRRP and BIRAČ programme. Both programmes have proposed long-term solutions so as to continue to deliver benefits to the beneficiaries and partners for an extended period after the UNDP's assistance is terminated. In that respect, interventions were planned to have long-lasting effects.

To sustain the *local governance* initiatives, a series of training programmes and study tours for the mayors and staff of partner municipalities were organized to build their technical and functional capacities to manage and secure the financial and human resources. Capacity was also built in PCM and skills in holding dialogues and partnership with national and entity ministries and agencies, investors, donors and CSOs. For example, the programme supported the municipal authorities in the development of feasibility studies and project documents as well as assessed their credit worthiness so that they could in the future conduct resource mobilization activities targeting national or donor programmes but also soft loans or commercial loans. To measure increased capacity, the programme used two indicators, one under the SRRP IV and the second one under the BIRAČ 2. These indicators looked at the increase in resources mobilized by the local actors without our direct support. During third phase and BIRAČ 1 on an average, the technical capacity of municipalities increased by 40% between 2008 and 2013. In the same period, the capacity of Bratunac, Srebrenica and Milići increased by 41%, 32%; and 47%, respectively.

Another strong element of sustainability is the human capital that has been built through implementation of projects, among beneficiaries and partners, and within local authorities as well. The most successful projects were driven by individuals with a vision, who remain the most potent leadership capacity throughout the country. Capacity building is an iterative process which requires opportunities to be offered to local partners for human capacity building. The establishment of a national municipal training system through the implementation of the UNDP MTS project has enabled municipalities to access training programmes. Municipal staff learning plans would be part of the annual municipal operational plans.

Sustainability of *economic development* interventions ensured through various actions. For activities related to *agriculture development*, the sustainability of interventions was the key from the start and the selection of the sub-sectors. Two key review documents developed in 2004 and 2012 helped to define it. Both documents provided programmes with the information needed to ensure the sustainability of the investments in the targeted sub-sectors. Based on the data collected at the farm level, it was concluded that sustainability reached in the agriculture sector. That was confirmed by the level of investments by individual farmers or compiled at the sub-sector levels. The solutions offered to development the selected value chains were developed in collaboration with local farmers, experts and local authorities. It took also into consideration the strategic direction of the RS Ministry of Agriculture.

Since 2005, the project has put emphasis on building local structures that will be able to continue assisting farmers develop their entrepreneurship after the termination of UNDP assistance. SRRP assisted a grass-root initiative to establish a local extension service (RES) as a farmer-based organisation that aids local farmers in becoming commercial/semi-commercial producers by providing them with technical assistance. RES also assists the farmers in accessing entity investment subsidies and commercial loans and will play an important role in the EU accession process, both for the farmers and the local communities. SRRP worked with RES in the implementation of its agriculture related interventions, allowing the programme to complement formal training with the transfer of experience and knowledge to the extension service. Two important issues relevant to the agriculture sector: changes in the market and changes in the subsidies system, and climate changes, were also considered by SRRP in collaboration with RES. However, as RES is a citizens' association, its sustainability will depend on its ability to mobilise financial resources. A potential source of income is the

financial contribution by farmers for the services provided by the extension service. It is expected that the RES will be able to adapt to changes in the local and wider environment as its sustainability will depend on its ability to remain relevant to the needs of the local producers.

The ability of local private sector development partners to ensure the sustainability of programmes' achievements were addressed through the capacity development (human and institutional) activities as well as the implementation modalities. The support provided was developed in discussions with the municipal authorities and the private sector recipient of the assistance. In the MSME sector, the interventions planned were designed to increase the competitiveness of companies, either through the improvement of public infrastructure, the provision of key equipment, the improvement of the labour force skills or the introduction of international standards for access to higher value markets. As such, it increased the sustainability of local companies and supported their growth. In parallel, the programme worked on improving the relationship between the municipal authorities and the local companies to ensure that public measures are better designed to support local entrepreneurs. Looking at the statistical data, either related to employment or companies' performance, we can see a constant improvement as well as continuous increase in investments.¹⁴⁹ These trends are good indication of the maturity of the local private sector and its ability to maintain jobs but also to further develop. However, during interviews, MSMEs pointed out that availability of technical staff was a major constraint to their expansion.

The key to the success in implementing projects for sustainable return is having a structural approach that integrates various aspects of durable return, and in which the local governments take ownership. That includes job creation, reconstruction of the housing stock, infrastructure repairs and improvement of the overall situation, including human security. The Birač region has shown the significant signs of progress especially since 2010, aiming towards improving the business climate, job creation, strengthening the voice of the private sector, and addressing the social and economic needs of local population. Those underlying conditions should create more opportunities for private investments in the region, and accessibility of EU funding in the long run.

Sustainability of infrastructure was also ensured through various measures. The level of investments, technical solutions proposed and supervision of physical works in the region met the quality standards. For example, implementation of tendering and contracting procedures followed best practice of FIDIC rules and the new law on public procurement consistent with European Union *acquis* provisions. Investment in rural roads focused on technical improvement of roads (surfacing, path, landslides) rather than their basic maintenance. The involvement of local partners in all the steps of infrastructure projects implementation further enhanced their technical capacities. Additionally, activities on sustainable infrastructure development were extended to higher-level institutions such as the Regional Watershed Agency and the RS Ministry of Agriculture and Forestry and Water Management, and out of the region partnering companies and international financial institutions.

The technical solution offered had to result in a decrease of operation and maintenance costs, at least for the next ten years. In the case of roads, the project assisted the municipal authorities to develop maintenance plans and to include them in their development strategies and ultimately in their annual budget. For the water supply systems, UNDP will seek technical assistance from its partner, Water Bedrijf Groningen to develop together with the utility companies, maintenance and investment plans.

¹⁴⁹ Increase in volume of investments by the private sector in 2016 jumped to 168% compared to 2013 and revenues 2.16%. The level of public investments attracted for economic development in 2017 was estimated at BAM 7.5 million against a target of BAM 5 million. The annual sales of the private sector in the Srebrenica Region for the period 2014 – 2016 were increased by 38%, almost five times more than the 8% increase of the private sector sales in the country as whole during the same period. Detail is given in Impact Section.

4.4.2. Sustainability of LAG

The future of the Local Action Group will depend on factors that are out of its control. Namely, the role of the LAG will be to coordinate rural development interventions, mobilise resources and implement projects. However, the availability of such funding is still restricted. When the LAG was established, it was thought that new funding opportunities like EU IPARD will be available to rural development actors in BiH. However, under current circumstances it appears that it will materialize before 2020. In the meantime, the LAG will carry on the resource mobilization activities through other funding opportunities, like EU Competitiveness Project implemented by GIZ, UNDP and ILO or the EU IPA Cross-border. Local actors are still motivated to keep the LAG active but without the financial support of the mayors it will be difficult to keep LAG active for a longer period. UNDP will continue to follow the work of the LAG and whenever possible provide technical assistance, especially in the preparation of project proposals. The structure of the LAG might change in the near future as some of the staff members are moving to new responsibilities. UNDP suggested to the mayors to appoint one of the municipal staff member as temporary part-time director. As for the general assembly of the LAG, there are no changes envisaged or foreseen. Since all the general assembly members are from the local municipal public institutions or local NGOs, this human capital will remain in the region and available to the LAG in the future.

4.4.3. Sustainability of SPI commissions

Sustainability of SPI initiatives were ensured through MAPs and cooperation with the business sector. Partnership among social sectors, employment bureaus and CSOs was formalized by signing memorandums of understanding (MoUs) with the aim to increase opportunities for employment of the most vulnerable groups in three partner Municipalities: Bratunac, Srebrenica and Vlasenica. Youth Councils continued and strengthened their regional cooperation initiated during the first phase of BIRAČ programme through regional LAG supported initiatives. Regular regional meetings of SPI Commissions' chairs and OT coordinators contributed further to the cohesion within the region. Besides, in order to ensure the sustainability of SPI model, the UNDP programmes supported the development of a comprehensive electronic database to administer and unify data collected from centres for social welfare, public health institutions, educational institutions, internal affairs, judiciary and civil society organizations in target municipalities. This kind of cross-sectoral database represents the first of its kind ever developed at the level of local community. Usually, the data are being kept within each sector separately and neither cross-referenced nor analysed in a comprehensive manner.

4.5. Synergies and collaboration of SRRP and BIRAČ programmes with other relevant initiatives

SRRP and BIRAČ programmes developed synergies and collaboration at local as well as national levels. These were several key stakeholders, whose role, motivation and capacity were crucial for the overall realization of the UNDP support. These were partner local governments, relevant ministries at the entity and State levels responsible for local and rural development as well as to the provision of social protection and inclusion service. The partnership was also developed with the private sector representatives and CSOs and community-based organisations operating in the partner municipalities.

Both SRRP and BIRAČ programmes by their regional nature promoted cooperation among all five municipalities. The targeted local governments were involved in every stage of the programme implementation, consolidation of development partnerships and coordination mechanisms (co-founders of the LAG, members of SPI Commissions) through inclusive planning of the Birač region development to transforming of regional development priorities into community action.

Through the convening meetings of Project Board, the programmes developed interaction with the BiH Ministry of Foreign Trade and Economic Relations (MOFTER), the RS Ministry of Administration and Local Self-Government (MALSG), RS Ministry of Agriculture, Forestry and Water Management (MAFWM), the RS Ministry of Health and Social Welfare, the RS Ministry of Education, and five representatives of partner municipalities. Besides, the programme management also strengthened its partnership with the RS Ministry of Agriculture, the RS Agency for MSME Development and the Federation of BiH Ministry for Displaced Persons and Refugees.

In the beginning, the SRRP did not develop a systematic approach to increase the cooperation between local communities. However, through the implementation of its community micro-project sub-activity, it improved collaboration during the development and selection of micro-projects. Incentives were given to inter-community projects. SRRP/ BIRAC and region's civic and economic stakeholders (including private sector and civil society representatives) within the region were actively involved throughout the programme implementation through intensive public consultations, community mobilization and facilitation, as well as targeted training inbuilt within key project activities. Among others, their representatives were involved as founders in the work of the LAG. Moreover, civic and economic stakeholders played a key role in the Regional Development Forum, a community body which will consult and advise the LAG on regional development directions. Moreover, BIRAC project was picked up by the entrepreneurs in the forestry and wood-processing sector that were genuinely interested to revive this cluster. SRRP was able to develop an apprenticeship programme in the wood-processing sector with the public and private sectors in Milići. Moreover, SRRP and BIRAC also developed strong linkages with each other.

During the course of implementation, SRRP also developed cooperation with other donors and agencies in the region, either directly or indirectly through their national partners. SRRP collaboration with the World Bank stated in 2004 on Srebrenica water supply system, will continue on their regional solid waste disposal site. The Programme also collaborated with the USAID FARMA Project in exchanging information on the fruit and vegetable sector, and in supporting local farmers in their application to grant support provided by the USAID FARMA, and with USAID/SIDA GAP in the development of one-stop shops. Collaboration was also developed with USAID in the power distribution field and with CARE on local economic activities, and with USAID and the World Bank on forestry related activities, and with the World Bank/RS Development and Employment Foundation in co-financing water projects in Bratunac. There were also good results achieved with RMAP on the introduction of consultative mechanisms in all three municipalities. Through developing cooperation with IFAD at the national level as well as with their implementation unit at the RS Ministry of Agriculture, SRRP supported local raspberry producers to receive assistance from the IFAD project in setting up a local Raspberry Producers Association.

SPI involved local institutions and authorities of five municipalities and the cooperation was extended to include the employment bureaus from all five municipalities, as well as the private sector. At the entity level, UNICEF cooperated with the relevant line Ministries and institutions, such as Ministry of Health and Social Welfare, Ministry of Education and Republic Pedagogical Institute. Municipal SPI Commissions also involved CSOs representatives to ensure their voices are duly considered, while CSOs also supported development and delivery of services to vulnerable families and children. Moreover, civic and economic stakeholders played a key role in the RDF, a community body which was designated to consult and advise the LAG on regional development directions. Programmes' other partners included, local NGO Prijatelji Srebrenice; Regional Extension Service Bratunac (RESB); Maja Kravica; ZZ Srebrenica; Agro-food, Konjević Polje; the water supply utility companies; and the power utility company. Local media acted as the main visibility partner in the project, which mobilized also the media outside the region, including the public broadcasting systems (FTV, RTRS, BHT), and international media covering the issues in BiH (Al Jazeera, N1 and Anadoly Agency). Local radio stations "Birac" and "Magic" from Milići, as well as "Osvit" from Zvornik had important role, not only in the promotion and visibility of project results, but also in assuming proactive roles as the members of the SPI Commissions.

4.6. Cross-cutting issues

4.6.1. Gender mainstreaming/equality

Gender mainstreaming perspective is the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes.

The cross-cutting issues were well addressed by the UNDP programmes in the region. During initial phases, at the programme level, gender considerations were not well integrated into planning and reporting. A separate component on gender mainstreaming was also not a specific part of SRRP Phase III design. However, an attempt was made to ensure equal participation of women as partners and beneficiaries in the following phase and BIRAC framework. The programme worked on the economic empowerment of women through specifically tailored interventions like provision of micro-finance and employment. Employment of women was also promoted through active labour market measures. 48%¹⁵⁰ of the total beneficiaries of both programmes were also women.¹⁵¹ While this is a relatively good result, there is a need to aim for participation of 50 % of women. Local women associations and cooperatives were also supported. Entrepreneurship programmes for women were also implemented. The participation of women in decision making was also promoted not only at the municipal level but also at the local community level. Of the total number of jobs created with the support of the programme, 35% of the beneficiaries were women. The first women's multi-ethnic agricultural cooperative 'Zena' – planted 10,000 raspberry seedlings and received assistance from the Programme

The diversity of projects and activities undertaken by SRRP resulted in engagement and empowerment of some small but significant groups and issues in the communities such as education support, social mapping (via a NGO), youth and children (via a NGO), ecological issues (via a NGO) and culture (festival assistance to NGO). Data disaggregated for individual beneficiaries show that close to 43% participants in the training events were women. For the selection of rural micro-projects, the representatives had to demonstrate that a minimum of 30% of women or men were consulted during the preparation of the project proposals. The improvement in infrastructure is benefiting equally men and women.

At the appointed official levels within the municipalities, the women are also generally underrepresented, especially at middle and senior executive levels (although Milići has women in all four executive positions). At the elected member level women remain poorly and grossly underrepresented within the Municipal Assemblies although some of the "blame" lies with the political parties which select candidates, voters who "resist" female candidates and of course the willingness and availability of women to wish to participate at the elected member level in municipalities. In terms of employment at municipalities, each should be required to report annually on their recruitment policies. There is a need for all five municipalities to ensure that they adopt gender positive policies and approaches through such vehicles as their strategic plan and public consultation approaches.

4.6.2. Human rights

During Phase I, SRRP did not describe itself explicitly in any of its documentation as a rights-based programme, and did not articulate any general commitment to, or strategy for, rights-based programming. Nonetheless, SRRP in a number of respects operated consistently within the principles of rights-based programming, even if staff articulate the approach in terms of other conceptual frameworks (e.g., good governance, non-income dimensions of poverty or participatory development). The information collection

¹⁵⁰ 30% is widely considered an important benchmark for women's representation. However in the European context, we should aim for a higher participation rate.

¹⁵¹ Ibid 54.

and analysis carried out by SRRP on human rights and social needs had not been systematic, particularly in comparison to the very detailed research and analysis used to prepare interventions in the economic development component. However, SRRP displayed key strengths in the areas of: (i) participation of citizens in the programming of its interventions; (ii) equality and non-discrimination; and (iii) adherence to the principles of transparency, accountability and the rule of law. In these areas, SRRP could be considered a leader in developing good practice in the relatively new field of local rights-based programming.

The strongest rights orientation within SRRP was in the area of public affairs (participatory budgeting mechanisms, and the revitalisation of MZ structures around its infrastructure grants) and access to public services (e.g. development of municipal front offices designed to introduce a stronger service culture into the municipal administrations). It also practiced non-discrimination on the basis of gender and ethnicity as a fundamental tenet of the Programme. A clear and transparent procedures were developed for the selection of beneficiaries of the programme interventions. SRRP promoted a number of human rights connected to the return process, including: the right to return, the right to adequate housing, the right to peaceful enjoyment of property, and the right to freedom of movement and residence. SRRP also pursued a number of economic and social rights; *viz.* the right to work; the right to just and favourable conditions of work and the right to social security; the right to an adequate standard of living (through livelihood measures); and, the right to health and education.¹⁵²

The focus on human rights by the programme is evidenced from the data on social inclusion of the returnees. The analysis shows that the number of returnees in Srebrenica, Bratunac, Milići, Vlasenica and Zvornik municipalities was estimated in 2016 at 42,868.¹⁵³ More than 75% of the public infrastructure investment went to the returnee families, while approximately 65% of the beneficiaries assisted through income generation activities belonged to this category. Also, 62% of all newly employed persons were returnees. All in all, the programme significantly contributed to the consolidation of return process. Within the SRRP I, UNDP in collaboration with SUTRA helped the return of DPs and IDPs through the reconstruction of 90 houses in Srebrenica and Bratunac. The selection of beneficiaries was done along best practices already applied in BiH, most of them developed by the UNDP SUTRA project.

4.6.3. Environment

The protection of the environment was addressed at various levels. The first one is with the management of forest and the certification of the RS public forest management company in Forest Stewardship Council forest management. Through this certification, the management of forest has to be sustainable. The second level is with the introduction of better practices in agriculture production which preserve the environment. Training was also organized to farmers in terms of adaption and mitigation of climate changes. The third level is investment in public buildings to make them more energy efficient. Also, it has to be pointed that the formulation of indicators for the SRRP IV and BIRAC 2 at the output level included indicators measuring the changes to the local conditions and comparing them to the entity or national trends.

The project has worked with the RS Ministry of Agriculture in preparing a regional weather forecast and early warning programme, which will cover the regions of Bijeljina and Birac. UNDP made available 12 agro - meteorological stations to the RS Ministry of Agriculture department of extension services for establishment of regional network for weather forecast and diseases monitoring. The data collected by the stations will be forwarded to the central office, on the basis of which a specialised software¹⁵⁴ will provide weather forecast at a micro-level (temperature, humidity, precipitations, and information related to extremes such as frosts and torrential rains). The system will then inform farmers and extension services if conditions are appropriate for ploughing, planting, or harvesting. This set up will also include an early warning system that will inform farmers and extension services about the danger of diseases or pest emergences.

¹⁵² Ibid SRRP External Evaluation, 2005 UNDP BiH.

¹⁵³ Project Document – BIRAC 2, UNDP BiH, 2016.

¹⁵⁴ Some of the parameters of the software will be depend on the type of the agriculture production of the region.

4.6.4. Youth

The focus of the programme to youth has been at providing support through economic development component, active labour market measures giving preferences to youth, support youth organisations through micro-grants or reconstruction of youth centre premises and renovation of schools. Overall 5,840 youth (4,520) and children (1,327) benefitted from the UNDP interventions. 950 young agriculture producers were also targeted by the programme while about 2,900 youth benefitted through improved education, cultural centers and local community premises. About 1,327 youth and children were supported through social services, social protection, children's rights and training.

4.6.5. Overall stability

By balancing the interests of the various communities but also by bringing them together around common issues, the programme contributed to the stability of the region in the relation between the different communities. Further, the programme by being implemented by UNDP brought trust in the allocation of resources. It is still too early to predict accurately how inter-ethnic relations in the municipalities will develop. For the municipalities of Bratunac, Milići, Vlasenica and Zvornik, we can expect that there will be only small changes as the mayors were always from the majority community. It can be said that the overall risk for the change in dynamics could stem from how (if) the different relations at the BiH-level might affect the local environment.

4.7. Good practices of the programmes

Development of Fora

Local Development Fora in all five individual partner municipalities were established followed by the establishment of the joint Regional Development Forum as a community body to consult and advise the LAG on regional development. This consultative body is providing the opportunity for involvement of all stakeholders from public, private and civil society sectors, including representatives of vulnerable groups, returnees, IDPs, youth, etc. The Local Development Forums gathered 115 participants in total, while the Regional Development Forum had 77 participants. The members of the LAG assembly were selected through the Birač region development forum.

The second type of fora promoted by the programme is Public Private Dialogue (PPD) fora. The purpose of these is to enable better communication between the public and private sectors, leading to the identification of specific initiatives to be implemented jointly or in the improvement of local policies and measures for private sector development.

Local Action Group (EU LEADER approach)

EU LEADER approach worked well in the region. LAG is a vehicle at regional/local level to implement the initiatives supported by the LEADER approach. UNDP programme has experimented this approach successfully. Using LEADER approach, the LAG programme has successfully implemented 16 projects with an input of US\$ 2.15 million covering agricultural, social and infrastructure activities. The projects are implemented through LAG that have benefited 6,723 individuals directly while indirect beneficiaries are accounted for 13,492.

Regional Extension Service

The RES is a farmers' association that was established with the support of UNDP's SRRP I. The purpose of the RES is straightforward: it is to provide technical advice to farmers in terms of production, investments and marketing. In that regard, UNDP has worked over the past 13 years to develop the capacities of the RES

staff at various levels from technical skills to soft skills like communication with farmers, how to conduct a training.

Over the years, the coverage of the RES has expanded. It now covers five municipalities and targeting farmers in the dairy, meat, fruit and vegetable sub-sectors. It now mobilises financial resources from farmers, cooperatives, agri-food companies, municipalities, entity government and grants from donors. 50% farmers of the region have been reached by RES.

SPI commissions

The SPI commissions are municipal coordination bodies on social protection and inclusion. In addition to the establishment of the SPI Commissions, the BIRAC 1 project also facilitated establishment of the municipal Operations' Teams (OTs). While the SPI Commissions are accountable for evidence-based planning, coordination and management of social protection and inclusion at municipal levels, as well as advocacy and mobilisation of resources for MAPs, the OTs are dealing with the case management and improved service delivery. Both municipal mechanisms have become permanent municipal bodies. Under the BIRAC 2 project, their mandate was expanded to other issues of relevance for social protection and inclusion like employment of vulnerable groups. The SPI Commissions initiated a number of actions aimed at enabling access to social services for vulnerable groups. Some of them include: free transportation of children from rural areas, preschool fee abolition, engagement of professionals and volunteers to deliver services which were not available before, mobilisation of private sector to cost-share the specific actions from the MAPs, etc. All five municipalities allocated budgets for the implementation of MAPs, either through separate budget lines, or under the allocation for grants and joint projects. Cooperation with the LAG has been established and SPI Commissions' chairs are associate members of the LAG Assembly.

4.8. Key Lessons learned

- A degree of flexibility in approach and implementation strategy is desirable (particularly in case of emergency assistance) in order for interventions to achieve their results, and to ensure optimum utilisation of available resources. However, this would require consensus building and mutual compensations by stakeholders; given the reality that all parties within the development framework are integral, the needs and/or institutional mandate of all stakeholders in achieving objectives need to be recognized and respected.
- Putting programme beneficiaries at the forefront of planning and implementation promotes programme ownership and translates into sustainability. Participatory approach and consensus building from the beginning, needs identification, lead to the ownership, beneficiaries' capacity building, transparency, increase in Programme's effectiveness and cost sharing. SRRP developed partnership in the municipalities, with SMEs and farmers in collaborative activities in order to actualize the development needs of the region.
- Constant dialogue with the stakeholders is vital for conflict resolution, partnership and collaboration. The programme manager held a series of meeting on continuous basis with the mayors to bring them on the same wavelength to seek their cooperation for improved and efficient delivery of services to the citizens.
- Involvement of elected bodies at the outset is critical for the success of programme and smooth implementation of programme activities. This is necessary to gain their support, political will and commitment and clear any hurdle foreseen. This approach adopted by the programme was very successful in developing the partnership with the municipalities in various ventures, e.g. developing partnership with SMEs (PPD).

- An effective transfer of skills and knowledge is vital for the sustainability of the learning achievement of trained staff that allows for investments to have maximum impact and life-span. However, building sustainable initiatives should be thought of as a continuous process.
- Public- private partnership is an essential tool for a successful value chain development. The chain works because the people involved know and trust the person they deal with in chain.
- Where more than one geographic area (or municipality) are programme beneficiaries, emphasis should be on the balance in the delivery of activities to overcome perceptions of “favouritism” toward one ethnic group or another.
- Facilitating a culture of mutual understanding and collaboration among stakeholders at different levels through genuine participatory and consultation processes requires a persistent and systematic approach, good leadership skills and dedication that need to be sustained over a long period of time to reach the overall objective.
- The SPI methodology proved its universality and flexibility by incorporating new sector (employment) and smoothly shifting the focus of actions to better fit the requirements of the social development agenda.
- When dealing with levels of government in programme and activity delivery, care must be taken to endeavour to engage with a broad range of executive decision makers, especially the Mayor, Deputy Mayor and Chairperson/President of the Municipal Assembly.
- Funding projects based on a comprehensive need assessment and tailored to match the capacities of targeted stakeholders, matched with intensive technical support, produce significant impact in terms of institutional and individual capacity development and economic development.

4.9. Recommendations

- EU LEADER approach: Following the successful experiment and success stories of EU LEADER approach, this practice may be upscaled gradually in other regions of RS. Initially, this approach may be piloted in a few selected regions before full scale up scaling. Then this system may be expanded to other regions. This strategy will allow the stakeholders to identify the major challenges and solutions to overcome them before the expansion to other areas. All the stakeholders need to recognize and play their roles more strongly and with commitment and will. The line entity ministries and local institutions including, municipalities and CSOs in particular, will have to accept and play major role in this process. A detailed baseline study identifying potentials, risks and threats may be conducted prior to upscaling the approach to other regions, followed by an orientation with the stakeholders on findings and strategy on EU LEADER approach.
- Institutionalization of LAG: Institutionalization on strong footing and availability of financial resources in future to keep the LAG operational will remain major challenges for its sustainability. Local actors are still motivated to keep the LAG active but without the financial support of the mayors it will be difficult to keep LAG active for a longer period. Under these circumstances and to save this successful initiative from collapse, UNDP is recommended to closely monitor the situation and continue LAG’s technical support whenever possible, especially in the preparation of project proposals.

- Implementation of SPI jointly by SRRP/BIRAC and UNICEF is also a success story that can be replicated in other area-based projects in other regions of RS. In line with its strategic objectives in the area of SIP, UNICEF will continue to promote SPI local model replication to other municipalities, including through peer to peer sharing of best practices.
- UNDP team has made concerted efforts to bring visible changes in the Birac region through successfully implementing all its interventions. Following the termination of UNDP programme, an oversight of these interventions will be crucial for their sustainability. Therefore, a mechanism may be in place for constant monitoring of these interventions after the closure of programme by local actors.
- For any future strategy, a genuine interest by all actors to work together is needed, ensuring cross sector and inter-municipal collaboration. Also improved coordination between the local and entity levels would be required. For example, the municipal authorities too often implemented agriculture development measures that instead of being complementary to entity measures just duplicated them.
- *Ex-post evaluation*¹⁵⁵: It is too early to draw conclusion about the impact of certain interventions. There results may appear after a couple of years. It is, therefore recommended an ex-post evaluation of SRRP and Birac programmes. Ex-post evaluations are used throughout the European Commission to assess whether a specific intervention was justified and whether it worked (or is working) as expected in achieving its objectives and why. Ex- post evaluations also look for unintended effects (i.e. those which were not anticipated at the time of the IA or SIA) and look for evidence of causality. Japan International Cooperation Agency (JICA) also conducts ex-post evaluations for its funded projects to know about the impact and gaps in the projects.
- Zvornik and Vlasenica municipalities were the late entry to the programme. Hence, they did not benefit from programme like other three municipalities. The interventions started in these municipalities need to be strengthened. UNDP may consider continuous support to these municipalities.
- As move towards diversification, the systematic production, harvesting and processing of indigenous varieties of plum and other fruits may be promoted through value chain. Further, this sub-sector should be supported by co-financing investment in establishing new small fruit plantations with market demanded varieties and introduction of EU required standards for fresh fruits and vegetables such as IP (Integrated Production) and Global GAP (Global Good agriculture Practices) etc.
- There is a need to further strengthen value chains and reduce post-harvest losses in fruits and vegetable. For future strategy, the support may be considered to transfer knowledge on post-harvest technology to the farmers and processors of fruits and vegetables. This activity will add value to the Value-chains.
- There is a great scope of commercial production and export of high value certified vegetable seed and seed potato in the pathogen free pockets of the East Bosnia region for local and foreign market. This initiative may be considered for any future strategy form agriculture development.

¹⁵⁵ Ex-post evaluation is generally conducted until three years after the project completion with mainly the emphasis on the effectiveness and sustainability of the project to plan and implement more effective and efficient projects. Ex-post evaluations are carried out throughout the European Commission to assess whether a specific intervention was justified and whether it worked as expected in achieving its objectives and why. Ex- post evaluations also look for unintended effects and look for evidence of causality. *Japan International Cooperation Agency (JICA)* also conducts ex-post evaluations for its funded projects to know about the impact and gaps in the projects.

- In the area of SPI, further efforts need to be invested in raising awareness of the business sector on the corporate social responsibility. Regional initiatives and networking may be further explored and sustained, having in mind the scarce human and other resources. Existing employment policies and programmes at entity level, including the disbursement of available funds in support to employment, should be aligned with the specific needs of local labour markets. This requires decentralization of the decision-making processes to local levels.

A N N E X E S

Annex 1: Terms of Reference

International Consultant for the summative evaluation of the UNDP support to local development in the geographic region of Birac (Bosnia and Herzegovina) for the period 2003-2017

Purpose

The purpose of this evaluation is to provide a summative, independent results-focused assessment of the two complementary projects, Srebrenica Regional Recovery Programme (SRRP) and Birac Region Development and Cooperation Project (BIRAC), in terms of the overall effects and impact the interventions brought about to various stakeholders in the subjected geographic area, throughout the entire implementation period (2003-2017). The evaluation is needed at this particular time as the programme is reaching its intended scale, to generate lessons learned and recommendations which are expected to identify appropriate strategies and operational approaches to replicate or inform new UNDP's economic generation programmes across Bosnia and Herzegovina.

Objective

In a conjoint manner, the evaluation should examine the overall performance of the two projects, their inputs and activities, and how the outputs delivered over 14 years added value for the individuals and groups in local communities in one geographic area. In a substantive analysis of the effectiveness of the projects approach, the evaluation should look into cause and effect relations within the projects, identifying the extent to which the observed changes can be attributed to the evaluated interventions.

The specific objectives of the evaluation are to:

- Inform the Government of the Netherlands, UNDP and other relevant stakeholders on the development change resulting from the interventions, measured *inter alia*, by the concrete impact on the rural enterprise development, job creation, income generation and more effective local governance;
- Identify results and successful practices of the projects that can be scaled up/replicated into the rest of the country and provide actionable, forward looking recommendations to UNDP and stakeholders for refining and scaling up support;
- Increase the stakeholders' knowledge about the benefits and challenges encountered during the programme's implementation;
- Enrich future UNDP's country and regional programming in the field of local economic development.

Background information

This evaluation will cover the implementation of two programmes: the Srebrenica Regional Recovery Programme (SRRP) and the Birac Region Development and Cooperation Project (BIRAC). Under the SRRP framework, three municipalities were targeted: Srebrenica, Bratunac and Milici. The BIRAC framework added two municipalities to the three SRRP ones: Zvornik and Vlasenica.

The Srebrenica Regional Recovery programme is a development framework that covered the municipalities in Srebrenica, Bratunac and Milici. The implementation started in September 2002. In total, four phases were realised. The **overall goal** of this programme was **to promote the socio-economic recovery of multi-ethnic communities with strengthened local government structures**.

The programme was initiated to address the specific needs of Srebrenica resulting from the wartime horrors and political obstructions in the post-war period, which made the Srebrenica area one of the most socially and economically depressed regions of Bosnia and Herzegovina (BiH) and lagging behind the rest of the country. The many issues that needed to be addressed at the initiation of the programme were: devastated infrastructures, destroyed private properties, weak governing structures with under-financed public services, weak primary health care, social services and public utilities, and lack of economic opportunities.

With time and progress made in the development of the region, the programme's focus gradually shifted from first responding to the urgent recovery needs of the region towards economic development. The timeline of the four phases is presented below:

- *SRRP Phase 1* Implemented through 2002 to 2007
Focus: Emergency and recovery
- *SRRP Phase 2* Implemented through 2005 to 2009
Focus: Improving the quality of life
- *SRRP Phase 3* Implemented through 2010 to 2013
Focus: Improving the quality of life, then consolidating the changes
- *SRRP Phase 4* Implemented through 2014 to 2017
Focus: Consolidating the changes and preparing the region for the future

The Srebrenica Regional Recovery Programme was designed as an Area-Based Development (ABD) programme. The programme's approach was integrated and designed so that rural economic development and local governance are simultaneously means and ends, thereby strengthening each other, to sustainable human development. Rural economic development interventions aim at addressing poverty and increasing wealth in the region, while being used as incentives, through conditionality in the allocation of resources, to build consultative mechanisms, improve municipal efficiency and accountability. At the same time, local governance and the participatory mechanisms set in place are means to rural economic development in order to ensure equity, ownership, and sustainability of planned interventions. These principles were used all along the implementation of the programme's four phases.

In financial terms, the total implemented budget under the SRRP framework reached **USD 44,808,177**. The information below presents the disbursement of funds by component and phases.

| | Phase 1 | Phase 2 | Phase 3 | Phase 4 | Total |
|-----------------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| Overall Management | 1506,004 | 1,765,288 | 1,962,880 | 616,926 | 5,851,097 |
| Local Governance | 1,840,967 | 1,124,537 | 856,299 | 323,282 | 4,145,085 |
| Infrastructure | 5,209,046 | 3,033,084 | 4,797,891 | 3,219,926 | 16,259,946 |
| Economic Development | 4,807,849 | 5,695,478 | 4,379,647 | 3,669,074 | 18,552,048 |
| Total | 13,363,866 | 11,618,387 | 11,996,716 | 7,829,208 | 44,808,177 |

As stated above, the second framework implemented in the region around Srebrenica is the Birac Region Development and Cooperation Project. A first phase of the BIRAC project started in September 2013 and was completed in August 2016, while the second phase started in September 2016 and will end in June 2018. A sub-project was attached to the BIRAC 2 project in June 2017. This initiative, called the First Job project, intends to promote the first employment of vulnerable categories.

The project was to build on previous and ongoing support to the Birac region municipalities and to encourage inter-municipal and regional cooperation to support bottom-up partnership approach to development and foster territorial cohesion, applying the EU LEADER-like principles in community-led local development at the sub-regional level. The project aimed to contribute to socially inclusive and integrated development of the Birac region through effective mobilisation of development partnerships and resources, setting of the joint regional development agenda and empowering of community stakeholders to undertake development actions and translate regional priorities into visibly inclusive development results. The planned output of the BIRAC 1 project was:

- By the end of 2015, enhanced integrated and socially inclusive development of the Birac region through functional development partnerships and regional development strategy gradually translated into development results.

The second phase intends to build on the achievements of the SRRP framework and the BIRAC 1 project and further strengthen local capacities for development of the region. The BIRAC 2 project is providing key technical and financial assistance to regional development actors, in order to: i) sustain the results achieved so far; ii) enable the region to become a front-runner in inclusive local economic development by designing innovative practices that could be scaled

up to other localities in Bosnia and Herzegovina; and iii) prepare local development actors for exploiting new development opportunities, especially in terms of EU accession. The intended output of the BIRAC 2 project is:

- Birac region able to maintain its path to inclusive economic growth and fully integrated in the wider national development trends.

In financial terms, the total contributions for both projects reach **USD 5,251,651**.

| | BIRAC 1 | BIRAC 2 | TOTAL |
|-----------------------------|------------------|------------------|------------------|
| Overall Management | 477,558 | 502,523 | 980,081 |
| Local Governance | 1,043,335 | 1,061,518 | 2,104,853 |
| Economic Development | 879,864 | 1,286,853 | 2,166,717 |
| Total | 2,400,757 | 2,850,894 | 5,251,651 |

The main results of both the SRRP and BIRAC frameworks are presented below.

Economic Development

- Dynamic infrastructure for commercial production and marketing of three sub-sectors with potential of growth (dairy, fruit, sheep and vegetables) providing directly an increased and stable income to 613 families.
- More than 675 families have increased their revenues through support by UNDP and local authorities in the diversification of their household activities (farming and non-farming).
- More than 50% of farmers are recipient of extension services.
- Close to 509 formal jobs created (30% of jobs created).
- Use of Business Development Services increased.

Infrastructure

- More than 200 kilometres of rural roads repaired and/or improved.
- 15 village water supply systems restored, benefiting 2,500 people.
- Water supply systems in the towns of Srebrenica and Bratunac upgraded benefiting more than 3,500 people.
- 2,000 children enjoy better education conditions.
- Improved power supply to 1,500 families.
- 90 houses reconstructed, enabling the return of displaced families to their pre-war residences.

Local Governance

- Establishment of municipal front offices;
- Increased capacities of local partners in project's planning and implementation, including support to strategic planning and spatial planning in all three SRRP municipalities;
- Support in the improvement of municipal business processes and ISO certification;
- Support in the establishment and strengthening of a Local Action Group (LAG) that includes representatives of the public, private and civil sectors;
- Establishment of a functioning Public Private Dialogue platform to improve the communication between the public and private sectors and resolve local bottlenecks.

Duties and Responsibilities

Main evaluation questions

The Evaluation will cover the entire implementation period (2003-2017) and all interventions implemented by the projects Srebrenica Regional Recovery Programme (SRRP) and Birac Region Development and Cooperation Project (BIRAC). It will answer the following questions, so as to determine the **relevance, effectiveness, efficiency, impact of the evaluated projects as well as lessons learnt and sustainability of their achievements**:

- Were the projects' objectives and outputs **relevant** to the needs of the country and consistent with the partner governments policies and priorities, EU Accession Agenda, Agenda 2030 and other effective strategic frameworks?

- To what extent the projects' objectives addressed the real needs and interests of the targeted groups in the specific geographic area?
- Were the projects' actions to achieve the projects objectives **effective and efficient**?
- To what extent the projects' intended results (outputs and outcomes) have been achieved? How these outputs and outcomes contributed to higher level changes or to the achievement of UNDP Country Programme Document (CPD) and UN Development Assistance Framework (UNDAF)?
- What are the project **effects and impact** in qualitative, as well as quantitative terms from a broader development and system building perspective?
- What are the positive or negative, intended or unintended, changes the projects brought about on various stakeholders? This inter alia, may include an overview of the number of beneficiaries with long-term benefits from the interventions (such as improved service delivery or income generation streams, number of new jobs created, number of jobs maintained, external funds attracted by local governments, SMEs, farmers and small producers supported, local governments with improved leadership and administration, sectoral ministries and development agencies relevant to business and rural development etc)
- To what extent the economic growth of the target region, measured through jobs created and improved income streams in agriculture as well as improved business environment, can be attributed to the projects?
- To what extent the projects managed to institutionalize and anchor the public-private dialogue and local action group mechanisms to address key challenges to economic development and employment in the specific geographic area?
- How successful were the projects' strategies for strengthening specific capacities of national institutions, local governments, private sector, farmers and rural dwellers? How much are public and private sectors equipped to further specialize/professionalize business development services?
- Did the projects manage to spur investments in growth-oriented industrial and agricultural activity, resulting in the increased competitiveness of the region?
- To what extent has the projects' approach (intervention strategy) managed to create ownership of the key national stakeholders? Which are, in this regard, challenges to overcome or potentials to be unlocked?
- To what extent are the intended projects results **sustainable**? Are local capacities, including the recently established Local Action Group, set in place for sustaining achieved results and maintaining economic growth trends while ensuring a more inclusive economic development with strong involvement of social actors? Will the projects results lead to potential actions beyond the lifespan of the projects?
- To what extent are environment, gender equality and human rights principles respected and mainstreamed within the project implementation?
- What are the **key lessons learnt** during the project implementation process? What results and successful practices of the projects could be scaled up/replicated to other regions of the country?

The consultancy will take a broad overview of the projects area by gathering perceptions, aspirations, feedback and data from relevant partners and stakeholders for objective analysis and conduct of the evaluation. The evaluation will look to underline the key factors that have either facilitated or impeded project implementation. To this end, the evaluation will examine the overall performance and impact of all the project components.

Methodology

The proposed methodology consists of a comprehensive **desk review** of project materials and existing information relevant to the project context, followed by **field visits** to selected project sights and interviews with key informants, and the **final report** write up. In addition to individual interviews, focus groups could be organised to serve the purpose of collecting the feedback from stakeholders and end beneficiaries. An integral part of the Final Project Evaluation will be a set of recommendations on possible scale up/replication directions of the most successful projects' results and practices.

The Consultant is required to review the Project Documents, progress, annual reports, previous evaluation reports, UNDP Quality Assurance reports, monitoring documents, financial disbursement reports, key project deliverables and other relevant available documents. The briefing kit will be prepared by the UNDP.

The Consultant is expected to meet representatives of the main stakeholders and implementing partners (i.e. the Embassy of Netherlands in BiH, UNDP, UNICEF), for an initial briefing as well as for the debriefing at the end of the assignment.

Furthermore, the Consultant is expected to interview the project team, partners as well as other stakeholders as needed. To assess project performance, approach and modalities, the Consultant will meet with key project partners, namely:

- the BiH MHRR,
- the RS Ministry for Administration and Local Self-Government;
- the RS Ministry of Agriculture, Forestry and Water Management,
- the Federation of BiH Ministry of Displaced Persons and Refugees; and
- the RS Association of Municipalities and Cities.

In addition, through a tailored field mission of up to 12 working days, the Consultant will meet the representatives from partner local governments, SMEs, development agencies and final beneficiaries, so as to obtain critical feedback and information on the project activities and results, and assess the projects performance, approach and modalities.

During the mission, it is expected that the Consultant will meet with at least:

- 10 representatives of the target local authorities (Srebrenica, Bratunac, Milici, Vlasenica and Zvornik);
- 10 representatives of local institutions, such as the centres for social welfare, the employment bureaus, the utility companies, schools;
- 10 representatives of local associations involved in the implementation of the SRRP and BIRAC projects; and
- 5 to 10 representatives of the private sector and at least 20 beneficiaries in rural areas.

S/he will also meet with representatives of other UN agencies and international organizations active in the field of local governance and local development to assess their cooperation and level of synergies with the projects, if needed. During these meetings, it would be important to record and accumulate inputs necessary not only for the project evaluation, but also for potential projects' scale up/replication. The Final Evaluation Report will capture the feedback by key project partners and stakeholders as well as observations and conclusions by the Consultant.

The Consultant may propose additional elements to ensure better insight into and review of the projects achievements. For the assessment of wider effects and impact of the two projects on different target groups over the period of 14 years, mixed method evaluation is preferred, with both qualitative and quantitative approach to data collection, analysis and interpretation. Specifically, counterfactual analyses may be considered in assessing the Project's impact by answering the question "what would have happened in the absence of the Project". Finally, triangulating the findings of different methods is needed to ensure multiple validity of the evaluation findings.

Prior to the start of the assignment, it is expected that the Consultant will propose a work plan to be approved by UNDP. As part of the work plan, the Consultant is expected to propose the specific data collecting and analytical tools and techniques which will complement standard processes in order to obtain credible data and information, which can measure the actual effects (for example, structured questionnaires to a selected group of individuals, groups or institutions). As the evaluation will reflect assessment of the long-term project effects and impact, the Evaluation Report is expected to provide a broad understanding of processes through which project objectives and impact are achieved. Parameters outlined in the ToR should therefore be taken as indicative. It is expected that elaboration of the detailed evaluation approach to be taken, methods to be utilized will precede to the adoption of a final evaluation schedule.

As a part of the overall evaluation methodology, the Consultant will assess the extent to which the Project has addressed the issues of social and gender inclusion of vulnerable groups. Data need to be disaggregated by relevant criteria of vulnerability in order to assess whether benefits and contributions were fairly distributed by the interventions being evaluated.

The expected duration of the assignment is 40 working days, with the consultancy period to take place in the period March-April 2018.

The Evaluator will provide services ensuring high quality, accuracy and a client-oriented approach consistent with UNDP's Evaluation Policy, UNDP Handbook for Planning, Monitoring and Evaluating for Results and the UNEG's Guidelines for Impact Evaluation in UN Agency Evaluation Systems.

TASKS

The consultancy is divided into 3 principle tasks, as follows:

Task 1 – Desk Review

Following the initial meeting, the Consultant will conduct a detailed review of all relevant project documents produced during its implementation, including the relevant documents from the first project phase. Documentation includes but is not limited to: project documents; project annual work plans; project reports; conceptual and methodological papers and analyses; data on implementation of grant-funded projects supported by the intervention.

Upon review of documentation, the Consultant will submit a detailed work plan for the evaluation process, including: a list of interlocutors; tentative dates and locations of visits planned; interview questions and date for the briefing session. During the desk review, the Consultant will focus on evaluating the project baseline, indicators and targets, as well as the relevance, quality and adequacy of project approach against its outputs and outcomes.

The estimated level of effort for Task 1 is 7 expert days.

Task 2 – Field Visits

Following the desk review, the Consultant is expected to carry out the evaluation of the Project, via direct interviews with key stakeholders and beneficiaries from partner localities, as elaborated in detail above in the methodology section. UNDP will provide support to the Consultant in the organization of meetings and interviews as well as in transport and other logistics, as necessary. The Consultant will also organise focus groups to validate the collected data and information through individual interviews.

The estimated level of effort for Task 2 is 12 expert days.

Task 3 –Reporting

Once the interviews are completed, the Consultant will analyse data and information collected (qualitative and quantitative, and gender-sensitive, where possible) and draft the evaluation report including main findings and a concept for a phasing out stage. A contextual analysis of the environment in which the Project is working and its relevance in fulfilling a role in that environment should also be included both in the final evaluation report and in the concept paper. Based on the set of questions given previously within the ToR, the report shall seek to assess project progress, efficiency and adequacy; process and level of success of partnership building and ownership over project products and results; the quality of project deliverables and importantly – project impacts and effects. The report should include the data, inputs and analysis, as well as success indicators used, and an overview of the effectiveness of the Project from the perspective of various stakeholders. The evaluation will also capture the efficiency of project organisation and management. The draft report will contain the positive or negative, intended or unintended, changes brought about by the project and identify factors which facilitated or impeded the realization of intended objectives. A particular attention will be paid to the sustainability of the project achievements beyond the lifespan of the project.

The draft evaluation report will be submitted to the UNDP team for initial review. The minimum structure of the evaluation report (to be written in English language) is the following:

1. Executive summary;
2. Introduction;
3. Methodological approach;
4. Evaluation findings against the main evaluation criteria;
5. Main conclusions and recommendations;
6. Lessons learned;
7. Recommendations for projects replication/scalability.

A debriefing session will be organised with representatives of UNDP and relevant stakeholders, so as to present the preliminary findings and recommendations of the final evaluation. Following the debriefing session, the Consultant is expected to prepare the Final Project Evaluation Report, capturing the comments and recommendations put forward by UNDP representatives and other stakeholders. Also, any observations that may arise from the evaluation will be incorporated into the final report. The report will be considered as finalised once approved by UNDP.

The estimated level of effort for Task 3 is 11 expert days.

DELIVERABLES AND TIMELINE:

The Consultant is responsible for the following deliverables:

Task 1 – Desk Review:

- Initial meeting with the project team organised (Skype session); Evaluation work plan submitted by the Consultant to UNDP; Performed desk review of documents and the Consultant is fully aware of the Projects - (up to 7 days);

Task 2 – Field Visits:

- Interviews with stakeholders and project beneficiaries conducted and qualitative, as well as quantitative information collected by the Consultant as main inputs for the Final Project Evaluation; Focus groups for validation - (up to 12 days);

Task 3 – Reporting:

- Briefing and validation session with project owners; Prepared draft Final Project Evaluation report; Embedded inputs and comments on the Draft Report; Submission of the final Evaluation Report - (up to 11 days);

Competencies

- Demonstrates commitment to UNDP’s mission, vision and values;
- Demonstrates professional competence to meet responsibilities and post requirements and is conscientious and efficient in meeting commitments, observing deadlines and achieving results;
- Plans and produces quality results to meet established goals, generates innovative, practical solutions to challenging situations;
- Excellent communication skills, including the ability to convey complex concepts and recommendations, both orally and in writing, in a clear and persuasive style tailored to match different audiences;
- Ability to interact, establish and maintain effective working relations with a culturally diverse team;
- Ability to establish and maintain productive partnerships with national partners and stakeholders and pro-activeness in identifying of beneficiaries and partners’ needs, and matching them to appropriate solutions;
- Conceptualizes and analyses problems to identify key issues, underlying problems, and how they relate;
- Contributes creative, practical ideas and approaches to deal with challenging situations;
- Demonstrates substantive and technical knowledge to meet responsibilities and post requirements with excellence;
- Ability to produce accurate and well documented records conforming to the required standard;
- Good knowledge of administrative rules and regulations in civil society sector;
- Responds positively to critical feedback and differing points of view;
- Ability to handle a large volume of work possibly under time constraints;
- Consistently approaches work with energy and a positive, constructive attitude.

Required Skills and Experience

Education:

- Advanced university degree in social sciences, political sciences, public administration or related field.

Experience:

- At least 7 years of extensive project/programme evaluation expertise and experience; experience in evaluations in the area of local economic development and local governance as well as experience in evaluations of UNDP projects are considered to be an asset;
- Sound knowledge of results-based management systems, and gender-sensitive monitoring and evaluation methodologies;
- General understanding and knowledge of the socio-economic, political and administrative context in Bosnia and Herzegovina is considered an asset;
- Proven analytical skills and ability to conceptualize and write concisely and clearly;
- Proven ability to undertake professional research using both quantitative and qualitative methods;
- Proven communication skills, and ability to interact with multiple actors including government representatives, donors and other stakeholders;
- Proven excellent reporting and writing skills.

Language requirements:

- Fluency in English language.

Annex 2: Evaluation Matrix

| Evaluation criteria | Key questions | Data collection methods / tools | Data sources |
|----------------------|--|--|---|
| Relevance | <ul style="list-style-type: none"> • Were the projects' objectives and outputs relevant to the needs of the country and consistent with the partner governments policies and priorities, EU Accession Agenda, Agenda 2030 and other effective strategic frameworks? • To what extent the projects' objectives addressed the real needs and interests of the targeted groups in the specific geographic area? • Whether the activities are in line with the local needs and national priorities (as well as with donor policies) | <ul style="list-style-type: none"> • In-depth desk review of relevant documents and literature • Structured interviews with key informants, partners and stakeholders • Vigorous consultations • Field visits, observations and personal judgment | <ul style="list-style-type: none"> • Project document • Annual work plans and periodical progress reports, Results Framework, MTRs • UNDP-BiH documents including UNDAF 2010-2014 and 2015-2020, Country Programme Action Plan (CPAP): 2010-2014 and CPAP evaluation |
| Efficiency | <ul style="list-style-type: none"> • To what extent the outputs achieved derive from efficient use of financial, human and material resources? • How much time, resources and effort it took to manage the portfolio and where were the gaps, if any. More specifically, how do UNDP practices, policies, decisions, constraints; capabilities affect the performance of the outcome? • To what extent M&E contributed to increased outcome efficiency? What were the roles, engagement of and coordination among various stakeholders in the Sector in programme implementation? • To what extent project was successful in developing synergies between national institutions for UNDP support in project and implementation including between UNDP and donors. | <ul style="list-style-type: none"> • In-depth desk review of documents and literature relevant to project • One-on-one interviews • In-depth consultations • Interview protocols and questionnaires • Vigorous consultations • Field visits verification • Personal observations and judgment | <ul style="list-style-type: none"> • Periodical progress reports (annual, quarterly), annual work plans, budget revisions, project files, minutes of Project Board • /Steering Committee • Perceptions of key informants, and stakeholders, government staff members • Budget revisions • Audit and evaluations |
| Effectiveness | <ul style="list-style-type: none"> • Were the projects' actions to achieve the projects objectives effective • The extent which objectives have been achieved? • To what extent the projects' intended results (outputs and outcomes) have been achieved? • How these outputs and outcomes contributed to higher level changes or to the achievement of UNDP Country Programme Document (CPD) and UN Development Assistance Framework (UNDAF)? • To what extent initiatives were successful in the capacity development of public and private institutions? • What are the achievement in terms of positive changes in the knowledge, attitude, practices and skills of the municipality staff? • What are the foreseen restraints on sustaining the achievements at the local level? | <ul style="list-style-type: none"> • In-depth desk review of project and UNDP documents • One-on-one interviews • Interview protocols and questionnaires • Vigorous consultations • Personal observations and judgment • Focus group discussion with target beneficiaries • Field visits verification | <ul style="list-style-type: none"> • Annual work plans and periodical progress reports (annual, quarterly) MTRs. • UNDP CO, Embassy of Netherlands, UNICEF, other partners, • local governments, Civil society organisations, local communities (MZ), private sector companies, national and entity governments • Projects target beneficiaries – farmers. SMEs |

| Evaluation criteria | Key Questions | Data collection methods / tools | Data sources |
|---------------------|--|--|---|
| Impact | <ul style="list-style-type: none"> What are the positive and negative, intended and unintended effects of project terms from a broader development and system building perspective? What are the positive or negative, intended or unintended, changes the projects brought about on various stakeholders? To what extent the economic growth of the target region, measured through jobs created and improved income streams in agriculture as well as improved business environment, can be attributed to the projects? To what extent the projects managed to institutionalize and anchor the public-private dialogue and local action group mechanisms to address key challenges to economic development and employment in the specific geographic area? How successful were the projects' strategies for strengthening specific capacities of national institutions, local governments, private sector, farmers and rural dwellers? How much are public and private sectors equipped to further specialize/professionalize business development services? Did the projects manage to spur investments in growth-oriented industrial and agricultural activity, resulting in the increased competitiveness of the region? To what extent has the projects' approach (intervention strategy) managed to create ownership of the key national stakeholders? | <ul style="list-style-type: none"> In-depth desk review of project documents One-on-one interviews Interview protocols and questionnaires Vigorous consultations Personal observations and judgment Focus group discussion with target beneficiaries Field visits verification and personal judgement | <ul style="list-style-type: none"> Annual work plans and periodical progress reports (annual, quarterly) MTRs UNDP CO, Embassy of Netherlands, UNICEF, other partners, local governments, Civil society organisations, local communities (MZ), private sector companies, national and entity governments Projects target beneficiaries |
| Sustainability | <ul style="list-style-type: none"> To what extent are the intended projects results sustainable? Are local capacities, including the recently established Local Action Group, set in place for sustaining achieved results and maintaining economic growth trends while ensuring a more inclusive economic development with strong involvement of social actors? Will the projects results lead to potential actions beyond the lifespan of the projects? To what extent are environment, gender equality and human rights principles respected and mainstreamed within the project implementation? To which extent Project was successful in establishing mechanisms to ensure sustainability of the interventions? ^[1]_[SEP] What and to what extent are the outputs that may be sustained and mainstreamed or used for future programming? What are the key lessons learnt during the project implementation process? What results and successful practices of the projects could be scaled up/replicated to other regions of the country? | <ul style="list-style-type: none"> In-depth reviews One-on-one interviews Vigorous consultations Field visits and surveys Focus groups discussion Direct observations and personal judgment | <ul style="list-style-type: none"> Relevant documents, other donor reports Perceptions of the representatives of participating ministries, donors, local government, SMEs, local communities (MZ), CSOs, target beneficiaries Internal assessments Evidence from project technical reports Mid-term review and assessment reports |

Annex 3 A: Questionnaire for participating municipalities

(May 2018)

Name of Municipality:

Persons with designation met:

Q. 1. Assistance starting date: End date:(Month/year)

Q.2. What type of assistance did the municipality receive from the UNDP programme?

- Financial (US\$)
- Equipment
- Technical assistance
- Capacity building/training, in what areas
 - i)
 - ii)
 - iii)
 - iv)

Q3. How did the municipality participate in the programme?

Q4: How did your municipality/staff benefit from the Programme?

Q 5. Is municipality staff now able to apply skills and knowledge that they learned from project?

Q 6. Has municipality staff started applying those skills in your work?

Q 7. What changes and impact the programme has brought about in these areas in the municipality?

- Institutional/organizational,
- Municipality revenues
- Strategic planning,
- Preparation of budget
- Governance
- Institutional and individual capacity,
- Economic,
- Infrastructure,
- Social,
- Businesses/trade/export,
- Partnership with private sector/businesses
- Collaboration with other municipalities, private sector, CSOs, donors
- Employment,
- Human rights
- Gender equality
- Youth development
- Ethnic reconciliation
- EU accession
- Quality of life

Q 8. Attitude of citizens and awareness about economic development opportunities, rights, etc.

Q 9. What is your opinion about the program's performance?

Q. 10. Has any strategy been developed to sustain the activities started and how?

Q 11. Did municipality encounter any problem/hurdle in implementation of project activities and how were they Resolved?

Q. 12. Any lessons learned

Q. 13. Do you have any recommendations for the future strategy?

Annex 3 B: questionnaire for beneficiary

Name of beneficiary:

Address/location:

Q 1. What type of assistance did you receive from UNDP programme?

- Support in kind/material
- Training
- Study tour
-

Q 2. Start date: End date:

Q 3. How your need for assistance was identified?

Q 4. What was your contribution in the project? Cash: Kind:

Q 5. How many family members participated in the project?

Q 6. How did you benefit from this assistance?

- House hold income
- Infrastructure facilitated
- Awareness about development opportunities, rights and participation
- Economic and social empowerment
- Employment
- Building assets
- Any other benefit?

Q 7. Have you done networking with the local businesses? If yes with whom and how?

Q 8. Are you a member of any association? If yes, name of association:

Q 9. How will you sustain this initiative?

Q 10. Have you any plan to expand this initiative? If yes how?

Q 11. Have you shared your skills learned/knowledge with other farmers? If yes, with how many?

Q 12: What is your opinion about the programme?

Q 13. Did you face any problem during implementation of your project? If yes how those problems were resolved?

Q 14. Did you notice any change/impact on overall the community/your neighborhood as a result of this programme?
If yes, what type of change/impact?

Annex 3 C: Profile of scheme/project to be visited (may 2018)

1. Name of the project:
2. Type of beneficiary/stakeholder: municipality, farmers' association, LAG, SME, etc
3. Location:
4. Start date: End date:
5. Total input (US\$):
6. Name of contact person with designation:
7. Detail of project components/type of assistances provided by UNDP project: for example,
Training:
Equipment:
Grant:
Study tours:
.....
.....
8. Expected change
9. Total Number of members: Male: Female:
10. Number of direct beneficiaries: Male: Female:
11. Number of indirect beneficiaries: Male: Female:
12. What change the UNDP assistance has made to the beneficiaries? For example,
Income
Capacity
Social
Conflict
Gender mainstreaming
Ethnic
Youth
Vulnerable
Environment
.....
.....
13. Problems encountered and how those were resolved?
14. Any lessons LEARNT?

Annex 3 d: Questionnaire for beneficiary CSOs/associations

1. What type facilities/assistance did you receive from the programme?
2. Project start date:..... End date:
3. How the need for assistance was identified? E.g. participatory?
4. How did your CBO/Association participate in this programme?
5. How many members/families of this facility?
 - Men
 - Women
 - Youth
 - vulnerable/handicap
6. Did you face any difficulty in receiving assistance from this programme?
7. How did your organization/community benefit from the SRRP/BIRAC programme?
 - What is the impact on income levels?
 - Are you applying skills/knowledge gained from the programme?
 - Any social benefits?
 - What is impact on women empowerment/development?
 - Did the youth gained any benefits? If yes, how?
 - What is impact has been made on vulnerable/exclusives?
 - Has the attitude of community towards development and participation changed?
 - Overall what changes have been brought about by the Programme in your area?
8. Has any mechanism been developed to sustain these benefits? If yes, then what and how?
 - Skills/training
 - Funds (contribution from community)
 - Coordination with other CBOs
9. Have you any plan to expand this initiative? If yes, how?
10. What is your opinion about programme
11. Any suggestions
 -

Annex 4: List of persons met

UNDP Sarajevo

- Resident Representative
- Deputy Resident Representative
- Ms. Adela Pozder, Regional Sector Coordinator
- Nedim Catovic, Regional Sector Associate

UNDP Srebrenica

- Alexander Prieto, Programme Manager
- Mokhtar Ahdouga, PSD Adviser
- Semir Diedovic, Agronomist
- Nejra Basic, Junior Economic Development Officer
- Sanela Muharemovic, Junior Economic Officer
- Nikola Soldatic, Junior Economic Officer
- Natasa Tanasijevic, Project Associate
- Jasmiana Babic, UNICEF

Embassy of the Kingdom of the Netherlands, Bosnia and Herzegovina

- Ms. Loes Lammerts, Deputy Head of Mission,
- Ms. Lejla Fetahagic, Project Officer

Government of BiH

- Nisvet Mujanovi, Chief of Cabinet, Federal Ministry for Internally Displaced and Refugees

Republic of Srpska Banja Luka

- Mr. Boris Pasalic, Deputy Minister, the RS Ministry of Agriculture, Forestry and Water Management
- Mirko Jokic, Technical Advisor, the RS Ministry of Agriculture, Forestry and Water Management
- Marinko Dokic, Director RS Agency for the Development of SMEs
- Maja Knezevic, Senior Associate, RS Agency for the Development of SMEs RS

Other Donors/Agencies

- Ms. Katarina Crnjanski-Vlajcic, Project Coordinator, ILO

Beneficiaries visited

Srebrenica Municipality

- Mladen Grujicic, Mayor
- Nermin Alivukovic, Deputy Mayor
- Nabojsa Stevanovic, Director, MAG-MALSME, Skelani.
- Salavias Canic, Engineer, MAG-MALSME, Skelani.
- Admir Sejdinovic, PREVENT, Potocari.
- Stamenko Katanic, Raspberry collection and storage, Skelani
- Vehdet Nalic, Raspberry production, Suceška.
- Mujic Pasan, Dairy farm and milk collection center, Pale.
- Ivan Todoc, Raspberry cooling and storage, Potocari.
- Hamdija Huseinovic, Raspberry Production and green- house, Suceška.
- Admir Sejdinovic, Plant Manager, Prevent Group, Industrial Zona bb Potocari Srebrenica.
- Nada Markovic, Director Maja and Cooperative OP Zena, Karavica
- Gordana Markovic, Director of Cooperative, Karavica
- Gojzna Mandic, Maja and Cooperative OP Zena, Karavica

- Mr. Miloš Milovanović (assistant director) and Ms. Milenka Tanasijević (head of finance) at the Public utilities company "Polet", Srebrenica.
- Mr. Bego Bektić (head of Division for social affairs and public services, Municipality of Srebrenica administration),
- Ms. Nada Marković (Director, NGO Maja), women's association "Priroda").
- Ms. Željana Pjevalica (women's association "Priroda"),

Milici Municipality

- Momir Lazarevic, Mayor
- Mr. Marko Savić, Head of Office for common affairs, Municipality of Milići.
- Mr. Vladan Trivković, Director, Centre for Social Welfare, Milići.
- Zahid Hasanovic, Sheep breeding, Skugrici.
- Halid Dedic, Poultry farm, Skugrici
- Dragan Cveikovic, Raspberry and vegetable production and green-house, Milici
- Mevludin Sejminovic, Milk collection center - Dairy production, Cerska.

Bratunac Municipality

- Nedeljko Mladenovic, Mayor
- Vjekoslav Stevanovic, Head, Department Economy and Development
- Branislav Micic, Director, Regional Extension Service, Bratunac
- Mr. Vladimir Micić (Director, private company Empro LLC, Bratunac) on behalf of the Local Action Group "Drina Birač".
- Mr. Radenko Vasić (director, Public utilities company "Rad", Bratunac)
- Dairy sub-sector development project, Biljaca.
- Senad Omerovic, (Berry fruit and vegetables), Vegetable value-chain Konjević Polje.
- Hamed Ibrahimovic, Dairy farming, Biljacas
- Nebojsa Stevanovic, Director, BIH Skelani

Vlasenica Municipality

- Miroslav Kraljevic, Mayor
- Jacob ,Economic Development Officer
- Mr. Željko Damljanović, Head of Division for Development, Municipality of Vlasenica.

Zvornik Municipality

- Milan Cvijetinović, Head of Division for Economics, Agriculture and Social Affairs
- Miloš Tomić, Head of Office for Public Procurement, Development and International Cooperation.
- Ms. Mirjana Ivaz (technical secretary, Town of Zvornik administration)

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Annex 6: Selection criteria for grants and participation

Selection of farmers

During the first two phases of the SRRP, criteria were developed in order to select farmers based on availability of resources and given preferences to vulnerable groups (women and returnees). As from the SRRP third phase, the emphasis was more on identifying beneficiaries interested to participate in the implementation of agriculture development activities. Final selection of beneficiaries was then based on the attendance of applicants to training programme, the application of the new knowledge transferred and the performance of farms.

Selection of Businesses

Under the first phase of the SRRP, the project supported private companies through grants. These grants were allocated through call for applications and a set of criteria developed for the call. During the SRRP II, a municipal tax incentive and grant subsidies scheme was implemented. The selection of the grant recipient was done using a call for applications and a set of criteria specifically developed for that purpose. Besides the usual standard criteria in terms of financial records, business plan and market opportunities, the project added criteria to favour the employment of returnees. Given the deteriorated economic situation during the SRRP III, the project used a more flexible approach and tried to respond as quickly as possible to emerging new opportunities. In that case, the only criteria were to support existing well performing domestic companies with well-established products and markets.

Selection of Returnees

Within the SRRP I, UNDP helped the return of displaced persons and refugees through the reconstruction of 90 houses in Srebrenica and Bratunac. The selection of beneficiaries was done along best practices already applied in Bosnia and Herzegovina, most of them developed by the UNDP SUTRA project.

Selection of Local Communities for Infrastructure projects

For the selection of small rural infrastructure projects, clear and transparent procedures were developed. The criteria changed over time but the main ones remain the same: 1) the project had to be identified by the community leaders through consultation with citizens; 2) financial participations of citizens in the small infrastructure project; 3) preference was given to returnees; and 4) number of beneficiaries. Gender aspects were also introduced.

Selection of Local NGOs

During the SRRP I and II, support was given to local NGOs through Micro-Capital Grant Agreement. The purpose of these agreements is to deliver development assistance through local NGOs while building their capacities. The selection of local NGOs was done through open call for applications in which clear selection criteria were defined.

Annex 7: Component/Activity wise planned and actual expenditures SRRP Framework

US\$ (As of 31st December 2017)

| Framework 1: Srebrenica Regional Recovery Programme | | | | | |
|---|----------------------|------------------|-------------------|----------------------|-------------------|
| Programme component/ Expenditures | Programme Management | Local Governance | Infrastructure | Economic Development | Total |
| Phase 1 | | | | | |
| Planned | 1,972,805 | 2,604,900 | 3,855,461 | 3,841,834 | 12,275,000 |
| Actual | 1,506,004 | 1,840,967 | 5,209,046 | 4,499,199 | 13,055,216 |
| Phase 2 | | | | | |
| Planned | 1,765,852 | 1,364,038 | 6,399,414 | 9,679,481 | 19,208,785 |
| Actual | 1,765,288 | 1,124,537 | 3,033,084 | 5,733,974 | 11,656,883 |
| Phase 3 | | | | | |
| Planned | 2,134,460 | 1,405,884 | 4,152,156 | 4,307,500 | 12,000,000 |
| Actual | 1,962,880 | 856,299 | 4,967,511 | 4,379,647 | 12,166,337 |
| Phase 4 | | | | | |
| Planned | 616,926 | 320,551 | 0 | 3,489,240 | 4,426,718 |
| Actual | 616,926 | 323,282 | 3,219,926 | 3,732,560 | 7,892,694 |
| Total | | | | | |
| Planned | 6,490,043 | 5,695,372 | 14,407,032 | 21,318,055 | 47,910,502 |
| Actual | 5,851,097 | 4,145,085 | 16,429,567 | 18,345,380 | 44,771,129 |

Annex 8: Component/Activity wise planned and actual expenditures on BIRAČ Framework
US\$ (As of 31st December 2017)

| Birač Region Development and Cooperation Project | | | | | |
|--|----------------------|------------------|----------------|----------------------|------------------|
| Programme component/ Expenditures | Programme Management | Local Governance | Infrastructure | Economic Development | Total |
| BIRAČ 1 | | | | | |
| Planned | 440,088 | 975,289 | 0 | 735,379 | 2,150,756 |
| Actual | 477,558 | 1,043,335 | 0 | 988,155 | 2,509,048 |
| BIRAČ 2 | | | | | |
| Planned | 494,908 | 976,202 | 0 | 553,750 | 2,024,859 |
| Actual | 502,523 | 1,061,518 | 0 | 1,286,853 | 2,850,894 |
| Total | | | | | |
| Planned | 934,996 | 1,951,491 | 0 | 1,289,128 | 4,175,615 |
| Actual | 980,081 | 2,104,853 | 0 | 2,275,008 | 5,359,942 |

**Annex 9A: Staffing input and Management Expenditures of SRRP according to each category in US\$
(As of 31st December 2017)**

| Phases | Staff | Staff Input (Person Months) | Total Expenditures | % of total Expenditures |
|--------------------|---|--------------------------------|--------------------|----------------------------|
| Phase 1 | International | 108 | 1,120,000 | 9% |
| | UN Volunteer - National and International | 48 | 96,000 | 0.7% |
| | National - Management and Support | 180 | 254,400 | 2% |
| | National - Experts | 434 | 648,575 | 5% |
| | Consultants | | 87,654 | 0.7% |
| | Total | 770 | 2,206,629 | 17% |
| Phase 2 | International | 48 | 712,477 | 6% |
| | UN Volunteer | 0 | 0 | 0 |
| | National - Management and Support | 96 | 145,632 | 1% |
| | National - Experts | 336 | 490,216 | 4% |
| | Consultants | | 224,964 | 2% |
| | Total | 384 | 1,573,289 | 13% |
| Phase 3 | International | 48 | 818,457 | 7% |
| | UN Volunteer | 0 | 0 | 0 |
| | National - Management and Support | 192 | 332,125 | 3% |
| | National - Experts | 768 | 1,328,506 | 11% |
| | Consultants | | 194,612 | 2% |
| | Total | 1008 | 2,673,700 | 22% |
| Phase 4 | International | 37 | 612,986 | 8% |
| | UN Volunteer | 0 | 0 | 0 |
| | National - Management and Support | 111 | 115,719 | 1% |
| | National - Experts | 296 | 308,583 | 4% |
| | Consultants | | 77,903 | 1% |
| | Total | 444 | 1,115,191 | 14% |
| Grand total | | 2,606 | 5,995,520 | 13% |

Annex 9 B: Staffing input and Management Expenditures of BIRAČ Framework according to each category

| Phases | Staff | Staff Input (<i>Person Months</i>) | Total Expenditures | % of total Expenditures |
|--------------------|---|---|-----------------------|----------------------------|
| Phase 1 | International | 4 | 77,819 | 3% |
| | UN Volunteer - National and International | 48 | 96,000 | 3.8% |
| | National - Management and Support | 72 | 188,465 | 8% |
| | National - Experts | 72 | 188,465 | 8% |
| | Consultants | | 87,654 | 3.5% |
| | Total | 196 | 638,404 | 25% |
| Phase 2 | International | 22 | 258,194 | 9% |
| | UN Volunteer | 39 | 58,181 | 2% |
| | National - Management and Support | 48 | 72,816 | 3% |
| | National - Experts | 126 | 352,056 | 12% |
| | Consultants | | 39,687 | 1% |
| | Total | 235 | 780,934 | 27% |
| Grand total | | 431 | 1,419,338 | 26% |

| Annex 10: Raspberry Production and Income Trend | | | | | | | | |
|---|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Number of beneficiaries | 62 | 130 | 179 | 203 | 222 | 290 | 330 | 337 |
| Total Planted Area (ha) | 16.02 | 28.15 | 47.63 | 60.06 | 62.19 | 102.17 | 119.07 | 123.17 |
| Average Planted Area (ha) | 0.26 | 0.22 | 0.27 | 0.30 | 0.28 | 0.35 | 0.36 | 0.37 |
| Total Harvested Area (ha) | 10 | 13.95 | 31.18 | 50.48 | 57.2 | 80.06 | 103.91 | 116.49 |
| Average Harvested Area (ha) | 0.16 | 0.11 | 0.17 | 0.25 | 0.26 | 0.28 | 0.31 | 0.35 |
| Total Production (kg) | 129,706 | 193,955 | 283,430 | 537,602 | 592,661 | 841,701 | 1,014,820 | 1,060,030 |
| Average production (kg) | 2,092 | 1,492 | 1,583 | 2,648 | 2,670 | 2,902 | 3,075 | 3,145 |
| Average Productivity (kg/ha) | 12,971 | 13,904 | 9,170 | 10,946 | 10,692 | 10,656 | 9,923 | 9,100 |
| Total Income (BAM) | 259,473 | 406,873 | 545,737 | 1,645,665 | 1,789,663 | 2,671,390 | 3,286,768 | 2,153,252 |
| Average Income (BAM) | 4,254 | 4,375 | 3,049 | 7,155 | 8,062 | 9,212 | 9,960 | 6,389 |
| Median Income (BAM) | 3,200 | 3,410 | 2,280 | 6,240 | 7,020 | 7,965 | 8,740 | 8,740 |
| Gini coefficient for incomes | 0.32 | 0.32 | 0.32 | 0.30 | 0.31 | 0.28 | 0.27 | 0.00 |
| | | | | | | | | |
| Annual increase in average planted area | | -17% | 23% | 13% | -6% | 25% | 2% | 1% |
| Annual increase in average harvested area | | -33% | 62% | 44% | 3% | 7% | 14% | 10% |
| Annual increase in average production | | -29% | 6% | 67% | 1% | 9% | 6% | 2% |
| Annual increase in average productivity | | 7% | -34% | 19% | -2% | 0% | -7% | -8% |
| Annual increase of total income | | 57% | 34% | 202% | 9% | 49% | 23% | -34% |
| Annual increase in average income | | 3% | -30% | 135% | 13% | 14% | 8% | -36% |
| Cumulative increase in average income | | 3% | -28% | 68% | 90% | 117% | 134% | 50% |
| | | | | | | | | |
| Raspberry Farms - All production included | | | | | | | | |
| | 2014 | 2015 | 2016 | 2017 | | | | |
| Number of beneficiaries | 222 | 290 | 330 | 337 | | | | |
| Planted Area (ha) - raspberries | 64.6 | 107.77 | 119.07 | 123.17 | | | | |

| | | | | | | | | |
|---|-----------|-----------|-----------|-----------|--|--|--|--|
| Planted Area (ha) - blackberries and strawberries | 8.96 | 12.81 | 13.42 | 13.19 | | | | |
| Total Planted Area (ha) - all berries | 73.56 | 120.58 | 132.49 | 136.36 | | | | |
| Average Planted Area (ha) - berries | 0.33 | 0.42 | 0.40 | 0.40 | | | | |
| Total Harvested Area (ha) | 65.64 | 92.1 | 116.36 | 129.44 | | | | |
| Average Harvested Area (ha) | 0.30 | 0.32 | 0.35 | 0.38 | | | | |
| Total Income (BAM) - all berries | 1,871,843 | 2,951,865 | 3,462,098 | 2,416,152 | | | | |
| Additional income from fruit trees | | 54,850 | 60,240 | 66,190 | | | | |
| Additional income from other agriculture production | 684,715 | 709,820 | 949,620 | 1,232,970 | | | | |
| Total Income (BAM) | 2,556,558 | 3,716,535 | 4,471,958 | 3,715,312 | | | | |
| Average Income (BAM) | 11,516 | 12,816 | 13,551 | 11,025 | | | | |