**TERMS OF REFERENCE**

**External Review of the**

**Municipal Environmental and Economic Governance (MEG)**

**in Bosnia and Herzegovina, Phase 1**

**(7F-08325.01, phase duration: 01.07.2014 - 30.06.2020)**

Mandate duration: June 2019 - July 2019

**1. Background Information**

The Swiss Agency for Development and Cooperation (SDC) has been supporting local governments in Bosnia and Herzegovina in the last two decades. It has established a good reputation and close partnership with authorities. The MEG project relies on the success of the previous SDC local governance projects, specifically related to the sector of water and environment (GOV-WADE project) and strategic planning (ILDP project).

Phase one of the MEG Project (01.07.2014 – 30.06.2020) is financed by SDC, with an amount of CHF 12 million, and implemented by the United Nations Development Program (UNDP). The current four years implementation period (01.06.2016 - 31.05.2020) of the Main Phase[[1]](#footnote-1) was jointly prepared in 2015 by SDC and UNDP during an Entry phase, in consultation with BiH authorities and stakeholders. The implementation period of the whole project is planned to be 12 years in total, with a second five-year phase and an additional three-year (consolidation) phase.

The project overall goalis that local governments, assigned with appropriate competences and finances, have improved their democratic governance, apply sound public policy and performance management systems and provide public services in an inclusive, effective and efficient manner, particularly those related to the environmental and economic sectors

The project has three outcomes:

1. Supported local governments apply effective development management systems characterized by stronger oversight of the legislative and greater accountability towards the citizens.
2. Citizens and businesses in target localities benefit from good quality services provided by local governments in the environmental and economic sectors.
3. Improved regulatory framework at higher and local government levels and proactive networking accelerate sector-specific reforms and enable more effective local public service delivery.

The Project is active in 18 municipalities in two geographical clusters[[2]](#footnote-2) (northwestern and northeastern), intervening in both BiH entities. It supports the development of a coherent legal framework for local governance. Direct project beneficiaries are local governments (mayors, municipal administrations, municipal councils), providers of municipal services (utilities), entity municipal associations, as well as local governance professionals and their networks. End beneficiaries are the citizens in partner municipalities, particularly disadvantaged and vulnerable groups, who are more prone to suffering from poor access to and quality of services than the general population.

By the end of the Project (all phases), municipalities and cantons should practice good governance and serve citizens’ needs by providing quality, equitable and sustainable services in line with democratically defined priorities. A favorable framework will be enabling them to shape and manage local development, and to exchange and cooperate across governance levels, territorial units, ethnic groups and professions, thus reducing the conflict potential.

Municipalities and their utilities play a key role in the implementation of the Project. Among utilities, the focus is on water utilities. UNDP has been awarded a mandate for the implementation of the first phase. It plays a facilitation and quality control role, and provides technical assistance and implementation support. Whenever possible, interventions are made through the existing country systems, with the aim to improve these systems and to ensure sustainability of the Project’s achievements.

The Project has three main components:

1. Support to municipal democratic processes, and public policy and performance management: The Project promotes an integrated management of the municipal development and active engagement of all local stakeholders. Mayors, municipal administrations and municipal councils engage in participatory designed capacity development and improving public services delivery. Citizens, businesses and civil-society organizations engage in policy design and participatory monitoring of the service delivery based on governance benchmarks and citizens’ needs. On-the-job coaching and analytical and expert support will help to introduce integrated municipal performance management systems with a strengthened oversight role of municipal councils. This includes: i) developing annual departmental plans; ii) investments planning; iii) introducing e-tools; iv) strengthening capacities to utilise external funding v) improvement of sector specific procedural frameworks; vi) inter-municipal cooperation in infrastructure projects.
2. Support the provision of quality public services in the economic and environmental sectors: The focus in the environmental sector is on water services. Water utilities are improving their technical and management capacities (e.g. with regard to water losses) and increase efficiency. Introducing public service agreements (PSA) to clarify roles and responsibilities of water utilities and municipalities, including the oversight role of local councils. In the economic sector, the focus is on improvement of the business environment and administrative services to businesses (e.g. registration). Municipalities are supported to i) sustain the public-private dialogue; ii) design and implement employment-conducive measures; iii) improve competitiveness of local businesses. Improvements of municipal infrastructure are supported by matching funds with municipalities and implementing priority investments as defined in annual plans. Municipalities are supported in increasing access of marginalized groups to public services (particularly water supply), equal employment opportunities and jobs.
3. Improvement of the regulatory framework and networking related to public service delivery: Entities, cantons and municipalities are supported in developing new or revising existing laws, bylaws, methodologies and procedures towards more inclusive and effective local service delivery in the environmental and economic sectors, and in applying gender-sensitive legislative formulation. Enforcement is facilitated by model guidelines and regulations. Entity municipal associations are promoted as voice of municipalities and actor in the field of municipal services. Municipalities are being empowered through national thematic professional networks for best practice exchange, knowledge transfer and advocacy.
4. **Purpose and Objective of the Review**

**2.1. Purpose**

The purpose of the Review is to provide an in-depth assessment of the Project, its achievements and challenges, performance, and prospects. SDC will use the findings and recommendations of the Review to strengthen the implementation of the last year of the first Project phase and to inform the second Project phase.

**2.2 Objective**

The specific objective of the Review is to review and assess the relevance, effectiveness, efficiency, impact and sustainability of the Project. Based on the findings of the assessment, the Review will provide evidence-based recommendations for the next phase of the Project in terms of the theory of change, objectives, strategy of intervention, modalities of implementation and geographical areas for interventions, in line with the Swiss Cooperation Strategy Bosnia and Herzegovina 2017-2020.

1. **Scope of the Review**

The Review is expected to:

* 1. Systematically assess the following evaluation criteria:
* Relevance
  + Are the Project’s objective and its theory of change still relevant taking into account the current context and its trends?
  + To what extent is the Project complementary to other local governance and local economic development projects, and donors’ interventions (multilateral and bilateral)? Is there scope for improving synergies?
  + Did the selection criteria for the 18 municipalities prove to be the right ones? Should the Project continue to work in phase 2 in the same municipalities?
  + Are the business incentives and employment-conducive measures applied in the Project relevant and effective? (e.g. grants scheme for private sector development and competitiveness)
  + To what extent does the Project contribute to Sustainable Development Goals (SDGs) – 6 (Clean Water and Sanitation), 10 (Reduced Inequalities), 11 (Sustainable Cities and Communities) and 16 (Peace, Justice and Strong Institutions)?
* Effectiveness
  + To what extent have the Project’s results and outcomes been achieved? Are there any unintended results?
  + What is the perspective to achieve the results as set for the phase?
  + What are the main changes in people’s lives and on the system/policy levels?
  + To what extent have the Project initiatives supported or promoted gender equality and a rights-based approach and increased social inclusion?
* Efficiency
  + Have the Project’s resources (financial, human, technical) been used efficiently to achieve the planned results? (this should include a comparison/benchmarking across selected municipalities)
  + To what extent have synergies and linkages to other projects supported by the Swiss government in the local government domain been utilized to deliver results?
  + Was the M&E function systematically applied, and was it delivering information on the outcome level?
  + Are there any weaknesses in the implementation modalities (approaches, management, human resources skills and resources) to reach the objective?
  + Are there any gaps in the Project approach and mechanisms that expose it to conflicts of interest and corruption, including the understanding of the roles and responsibilities of the MEG Project team?
* Impact
  + What is the level of satisfaction of the citizens with the quality of, and coverage by municipal services (change over time)?
  + Do the participative processes promoted by the project deliver better results and address the needs of excluded categories of citizens over time?
  + To what extent does improving water services and engaging in local economic development yield results in improving local governance?
* Sustainability
  + To what extent is the project embedded in a wider strategy or reform process backed-up by adequate budgetary commitments?
  + To what extent has the Project managed to increase budgetary allocation for water services and local economic development.
  + Has new legislation promoted by the Project been implemented, thus supporting sustainability of the results?
  + Are the capacities of the Project’s beneficiaries (at municipal and public utility companies‘ levels) sufficient to maintain the achieved level of performance in the future?

3.2 Based on the findings and conclusions, provide recommendations for the second phase of the Project (considering the objectives of the Swiss Cooperation Strategy Bosnia and Herzegovina 2017-2020), including arguments about their pros and cons on the following issues:

* + What are the innovations/ best practices that need to be further build upon?
  + What are the prospects for replication and scaling-up of good practices?
  + What are the elements that do not deliver sustainable results and should be changed or phased out?
  + Are there any adjustments needed to adequately address the issues of ethics, anti-corruption and conflict of interest in the Project?
  + What is the potential for strengthening gender equality and social inclusion in the future?
  + Does the Project present an opportunity to better link local governance and local economic development (LED)? If yes, how?
  + How can municipalities that are not integrated in the Project also benefit from it?
  + Other emerging issues

3.3 Finally, provide a general vision for the second and third phase of the Project on:

* + Theory of change
  + Focus and main components
  + Linkages and synergies with other components of the local governance and municipal services portfolio of SDC in BiH
  + Modalities of the financial support
  + Geographic area
  + Selection of partner municipalities, including considerations about equity and reducing the gap with underdeveloped municipalities
  + Selection of partners at the meso-level ( e.g. development agencies and professional associations)
  + Role of the Associations of Municipalities and Cities in the Project
  + Implementation partner, structures and roles
  + Others?

1. **Review Approach and Methods**

The review will comprise the following:

* Desk study of relevant documents (project documents, project reports, communication, strategies etc.)
* Inception paper (maximum 3 pages) that summarizes the main findings of the desk study and ensures a broad understanding of the context and of the ToR. This inception paper should highlight the limits and/or the major issues of the Review (will all the evaluation questions be addressed? Is the relevant information needed for the review available?)[[3]](#footnote-3).
* Briefing with the Embassy of Switzerland in Sarajevo
* Briefing with UNDP in Sarajevo
* Field visits and interviews with the entity authorities (Ministry of Administration and Local Self-governance of Republika Srpska, Ministry of Agriculture, Water Management and Forestry of the Federation of BiH, Ministry of Development, Entrepreneurship and Crafts of the Federation of BiH) and other local governance stakeholders (two entity municipal associations, professional networks), municipal authorities, project beneficiaries (users of services, population, including socially excluded), and other relevant stakeholders (private sector, NGOs, donors, projects)
* Debriefing with the Embassy of Switzerland in Sarajevo (discussing key conclusions and recommendations)
* Preparation of the review report and recommendations for the second phase of the project and general vision for phase 2 and 3.

The above list of activities is not exhaustive and the consultants may engage in other activities deemed important for accomplishing this mandate.

The proposed methodological approach may employ any relevant and appropriate quantitative, qualitative or combined methods to conduct the Review, exploring specific, gender sensitive data collecting and analytical methods and tools applicable in the concrete case.

The Review is ending with a Management Response provided by the Embassy of Switzerland in BiH. It shall contain a general assessment of the conducted Review and its process, as well as a statement of the Embassy’s position regarding the conclusions and recommendations given in the final Review report.

1. **Organization of the Review**

An international consultant will be responsible for the preparation and organization of the review process, and preparation of the draft and final report of this External Review.

In order to select the international consultant, several consultants will be invited by SDC to express their interest in this mandate. The international consultant will be chosen by the Swiss Embassy in BiH based on his/her professional experience relevant to the mandate, combined with the quality of the technical offer, and the competitiveness of the financial offer.

The international consultant should be free from any conflict of interest related to this evaluation.

A national resource person will support the external consultant by providing relevant context-related information, particularly related to the administrative structure of BiH, its governance systems and local government organisation, organising programme and the logistics during the field visits and interviews. The national resource person will be selected by the Embassy of Switzerland, in consultation with the international consultant.

The national resource person should be free from any conflict of interest related to this evaluation.

1. **Review Timetable**

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| **Activity** | **Period / Deadline** | **Workdays** | |
| **International**  **Consultant** | **National**  **Resource**  **Person** |
| **Preparation** | | | |
| * Desk review and preparation for the interviews and field work; | 10 – 20 June | 4 | 2 |
| * Communication with the Swiss Embassy in Sarajevo on organizational matters of the review; preparation of the field mission |
| * Inception paper | 21 June | 1 |  |
| **Field Mission in BiH** | | | |
| * Travel to and from BiH * Briefing and debriefing with the Swiss Embassy in Sarajevo * Field visits and interviews | 24 June -05 July | 10 | 8 |
| **Reporting** | | | |
| * Preparing the draft Review report | 17 July | 7 | 2 |
| * Finalizing the Review report based on the Embassy’s comments | 30 July | 1 | 0 |
| **TOTAL** | | **23** | **12** |

1. **Requirements of the Review Deliverables**

The review report shall be written in English and not be longer than 30 pages (excluding annexes and executive summary); it shall comprise the following sections:

1. Table of content
2. Acronyms and abbreviations
3. Executive summary
4. Background of the mission and applied methodology
5. Key findings, conclusions and recommendations of the review
6. Annexes

The Embassy of Switzerland in BiH reserves the right to request changes in the structure of deliverables or the inclusion of additional information. Nevertheless, the international consultant has the full ownership of the report; s/he is free to express her/his independent assessment of the project and its performance.

A first draft report shall be delivered to the Embassy of Switzerland in BiH by the international consultant no later than 17 July 2019. The final deliverables revised based on comments and remarks of the Embassy shall be submitted on 30 July 2019, the latest.

1. **Required profile of the international consultant**

* At least MA degree in public administration, management, social sciences or related field
* Substantial experience in the field of local governance development and related topics
* Good knowledge of the local governance context in BiH
* Professional evaluation experience
* Willingness to contribute to a team effort and to manage and coordinate the work with the national resource person
* Experience in working in complex settings
* Excellent analytical skills
* Excellent spoken and written English skills
* Strong communication and writing skills
* Previous work experience in BiH or in the region is considered an advantage

1. **Required profile of the national resource person**

* Degree in public administration, management or social sciences
* Experience in the field of local governance development and related topics in BiH
* Strong knowledge of the local governance context in BiH
* Good understanding of review processes and methodologies
* Excellent spoken and written English skills
* Strong communication and writing skills

1. **Contract and logistics**

The international consultant and national resource person will sign a contract with the Swiss Embassy in BiH. Transportation in BiH for the contracted services and interpretation will be organized by the Embassy for the field mission in the country.

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   | Phase 1 01.07.2014 – 30.06.2020 | |
   | Entry Phase 01.07.2014 – 31.03.2016 | Main Phase 01.05.2016 – 30.06.2020 |

   [↑](#footnote-ref-1)
2. Northwest: Bihac, Bosanska Krupa, Cazin, Gradiska, Kostajnica, Kozarska Dubica, Prijedor, Sanski Most, Velika Kladusa; Northeast: Doboj, Gracanica, Gradacac, Kalesija, Prnjavor, Tesanj, Teslic, Tuzla, Zepce. [↑](#footnote-ref-2)
3. The objective of the Inception paper: to inform the Client about the understanding of the context and the review and major issues that will be addressed during the field mission. It is an opportunity to clear up misunderstandings and/or ask for clarifications of specific aspects mentioned in the Inception paper before the field mission. [↑](#footnote-ref-3)