## Annex 1. Project Logical Framework and Theory of Change

* 1. Project Logical Framework-ILDP

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| **Hierarchy of objectives**  **Strategy of Intervention** | **Key Indicators** | **Data Sources Means of Verification** | **Assumptions** |
| **Overall Goal** | **Impact Indicators** |  |  |
| **Functional development planning and management system at sub-national levels contribute to better quality of life for the citizens and integration of Bosnia and Herzegovina to the EU** | *Indicator:* Value of development index[[1]](#footnote-1) at sub-national (cantonal and local government) levels.  *Baseline*: To be set upon selection of partner local governments and cantons (2016).  *Target*: Continuous growth of value of development index in target localities (2021). | Cantonal level development index.  UNDP reports on local development index. |
| **Outcomes** | **Outcome Indicators** |  | **Assumptions** |
| **Outcome 1:**  **Lead planning structures at entity level steer the development planning and management systems characterised by vertical and horizontal coordination and greater accountability towards the citizens** | *Indicator:* Level of functionality[[2]](#footnote-2) of the sub-national development planning and management systems.  *Baseline:* Partial functionality of the FBiH system, non-existent functional systems in the RS and Brčko District.  *Target:* Advanced functionality of all sub-national development planning and management systems.  *Indicator:* Number of public mechanisms engaging government authorities at different levels for improved vertical cooperation and concerted action in the area of development planning and management.  *Baseline:* Partnership mechanisms have been established within 1 canton.  *Target:* at least 8 cantonal and 2 entity public coordination mechanisms for development planning and management set in place. | Formal reports by entity planning structures.  Adopted by-laws and strategic documents. | Both policy-makers and operational staff at entity, cantonal and local government levels recognize the need for an effective and disciplined development planning and management system and are committed to work for its institutionalisation and setting in function. |
| **Outcome 2:**  **Local and cantonal governments effectively address needs of citizens and accelerate growth through inclusive development planning and management** | *Indicator:* % of local and cantonal governments with functional development management structures as part of a coherent system  *Baseline:* 30 % of local governments and 10 % of cantons (2016).  *Target:* 55 % of local governments and 70 % of cantons (2021).  *Indicator:* Average number of citizens (including percentage of women and representatives of socially excluded groups) who engage in development planning and management processes at local and cantonal levels.  *Baseline: 40 citizens (in ILDP partner local governments and cantons)*.  *Target:* Increase in the number of citizens who take part in development planning and management at local and cantonal levels by 40% (30% of women + 10% of socially excluded groups per 100%, by 2021).  *Indicator:* average % increase of additionally attracted funds based on local strategies against average local governance budget.  *Baseline local governments: 40*% (average for partner local governments, 2016);  *Target local governments:* 50% (average for partner local governments, 2021);  *Indicator:* average % increase of additionally attracted funds based on cantonal strategies against average cantonal budget.  *Baseline cantonal governments:* To be set in 2017  *Target cantonal governments*: 20% increase in comparison to baseline set in 2017 (average for partner cantonal governments, 2021) | Adopted local and cantonal development strategies  Formal documentation, internal systematisation and organisation of cantons.  Formal local and cantonal governments’ reports on implementation of development strategies.  Minutes from partnership meetings (i.e. partnership groups meetings). | Local and cantonal governments and senior policy-makers are committed to engage in vertical policy dialogue and systemically work on the implementation of development strategies. |
| **Outcome 3:**  **Citizens, civil society organisations and media take pro-active part in development management and benefit from improved services** | *Indicator:* Extent to which media and civil society are engaged in the work of development management systems.  *Baseline:* Insufficient engagement of media and civil society in the work of development management systems at sub-national government levels (2016).  *Target:* Media and relevant civil society organisations engage and influence development management systems.  *Indicator:* Number of citizens who benefit from improved public services in target areas, beyond direct project interventions.  *Baseline:* N/A (2016).  *Target:* 275,000 citizens (30% of women + 10% of socially excluded groups) in target localities.  *Indicator:* Constructive reaction of local governments on demands brought forward by civil society organisations or media.  *Baseline: n/a*  *Target:* At least 2 reactions per local government per year. | TV programmes, articles, social media.  Websites of public authorities; media websites.  Media reports, civil society organisation’s reports, local governments’ meetings |  |

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| **Outputs per outcome** | **Output Indicators** | **Data Sources Means of Verification** | **Assumptions** |
| **Outcome 1: Lead planning structures at entity level steer the development planning and management systems characterised by vertical and horizontal coordination and greater accountability towards the citizens** | | | |
| **Costs of outputs for outcome 1 (CHF): 1,911,706 (without indirect costs)** | | | |
| **Output 1.1: Lead planning structures at entity level and Brčko District capacitated and equipped with policy and regulatory frameworks and instruments** | *Indicator:* Number of entity/Brčko District planning structures capable to manage the sub-national planning systems.  *Baseline*: 1 partially capacitated structure (the FBiH Development Planning Institute) and no capacities in the recently established RS Strategic Planning Unit and in the Brčko District (2016).  *Target*: 3 planning structures, respectively at the FBiH, RS and Brčko District levels capacitated to steer sub-national development planning and management systems (2021).  *Indicator:* Extent to which regulatory and methodological framework is formalised to enable harmonised and effective functioning of development planning and management systems.  *Baseline*: Partially (2016).  *Target*: Fully, including principal and by-law methodological and regulatory frameworks (2021). | Project reports and evidence.  Official Reports from entity and Brčko District governments.  Official gazettes.  Final Evaluation Report. | Political and institutional ownership over the entity and Brčko District development planning and management systems.  Stable political situation, which enables timely adoption of legal/by-law/operational frameworks. |
| **Output 1.2: Public financing mechanisms sustainably reinforce the development planning and management systems, resulting in improved livelihoods and service delivery for the citizens** | *Indicator:* # of institutions that apply the EU approach to public grant scheme management  *Baseline*: 2 (2016 – Ministry of Development, Entrepreneurship and Crafts FBiH; RS Development Bank)  *Target*: 4 (2021 – including Sector Ministries)  *Indicator:* % increase of public resources allocated through the financing mechanisms for implementation of local priorities.  *Baseline*: 10% (2016)  *Target*: 40% (2021)  *Indicator:* # of citizens who directly benefit from improved public services as a result from the assistance provided through the financing mechanisms (including women and socially excluded groups)  *Baseline*: 103,000 citizens (2016)  *Target*: 250,000 citizens, 30% of women + 10% of socially excluded groups (2021)  *Indicator:* # of new jobs[[3]](#footnote-3) created with the support of the financing mechanisms (including women and socially excluded groups)  *Baseline*: 529 (2016)  *Target*: 700, 30% of women + 10% of socially excluded groups (2021) | Official documents and reports of entity governments.  Decisions of entity governments.  Feedback from beneficiaries.  Project reports.  Media coverage. | Entity governments ensure the necessary co-financing to sustain the financing mechanisms. |
| **Outcome 2: Local and cantonal governments effectively address needs of citizens and accelerate growth through inclusive development planning and management** | | | |
| **Costs of outputs for outcome 2 (CHF): 1,517,612 (without indirect costs)** | | | |
| **Output 2.1: Local development planning and management frameworks and capacities are sustained and scaled up as part of a harmonised system, in line with EU requirements** | *Indicator:* # of local governments with integrated development strategies as part of the coherent planning system  *Baseline:* 45 % (65) of local governments (2016).  *Target:* 85% (123) of local governments (2021)  *Indicator:* % of local governments with institutionalised operational framework regulating development planning and management responsibilities  *Baseline*: 28% (40) of local governments (2016)  *Target*: 40% (58) of local governments (2021)  *Indicator:* average % of implementation of strategies’ annual implementation plans (against planned financial resources)  *Baseline*: 40 % (2015).  *Target*: 55 % (2021). | Decisions of municipal councils on adoption of new local strategies.  Annual strategy  implementation plans and reports.  Local strategies.  Internal systematisation and organisation of local governments. | Local leaderships willing to introduce result-oriented performance management systems at the local level. |
| **Output 2.2: Core development planning and management frameworks and capacities at cantonal level further advanced and sustained as an integral part of a harmonised public system and EU integration processes** | *Indicator:* % of cantons with institutionalised operational framework regulating development planning and management responsibilities as a whole-of-government approach  *Baseline*: 10% (2016)  *Target*: 70% (2021)  *Indicator:* Average level of cantonal development planning and management index  *Baseline*: 38% (2015)  Target: 60% (2021).  *Indicator:* average % of implementation of strategies’ annual implementation plans (against planned financial resources)  *Baseline*: 0 % (2016).  *Target*: 50 % (2021).  *Indicator:* Number of cantonal partnership structures bringing local and cantonal governments together established and functioning.  *Baseline*: 1 (2016).  *Target*: at least 8 (2021). | Decisions of cantonal governments and assemblies on adoption of cantonal strategies, or implementation of existing ones.  By-laws and internal systematisation and organisation of cantonal ministries.  Official documents and reports from cantons.  Minutes from partnership group meetings.  Minutes from meetings of the Cantonal Development Councils. | Cantonal leaderships supportive to the introduction of development management systems at the cantonal level. |
| **Outcome 3: Citizens, civil society organisations and media take pro-active part in development management and benefit from improved services** | | | |
| **Costs of outputs for outcome 3 (CHF): 852,644 (without indirect costs)** | | | |
| **Output 3.1: Relevant civil society organisations and journalists capacitated to understand the development planning and management system and enable wider public engagement and scrutiny in its functioning** | *Indicator:* # of civil society organisation representatives and journalists capacitated to analyse and report to the public in the domain of development planning and management.  *Baseline*: 0 (2016)  *Target*: 50 (at least 30% women) (2021)  *Indicator:* # of articles published which raise awareness or inform the public on the matters of development planning and management in Bosnia and Herzegovina.  *Baseline*: Very limited, if any (2016)  *Target*: 30 (2021)  *Indicator:* Constructive reaction of local governments on demands brought forward by civil society organisations or media.  *Baseline: n/a*  *Target:* At least 2 reactions per local government per year | Project records.  Official documents of partner local governments.  Feedback from direct beneficiaries.  Photos.  Media coverage. | Sufficient financial resources, particular by cantons, to co0finance the assistance provide by the ILDP. |
| **Output 3.2: Livelihoods and service for the citizens are improved through priority projects of local and cantonal governments** | *Indicator:* # of citizens (male and female) who directly benefit from improved public services as a result from the assistance provided through seed funding  *Baseline*: N/A (2016)  *Target*: 123,000 (among whom at least 30% women and 10% socially excluded[[4]](#footnote-4)) (2021)  *Indicator:* # of new citizens benefiting from jobs and income streams as a result of the assistance provided by the seed funding  *Baseline*: N/A (2016)  *Target*: 55 (among whom at least 30% women and 10% socially excluded) (2021)  *Indicator:* # of new citizens benefiting from improved services and better security via systematic approach to resolving stray dog issue  *Baseline*: N/A (2016)  *Target*: 126,400 (total population in 6 municipalities). | Project records.  Official documents of partner cantons.  Feedback from beneficiaries.  Photos and media coverage. |

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| **Activities for Output 1.1** | **Inputs** |
| Activity 1.1.1: Capacity development and technical assistance to lead entity and Brčko District development planning and management structures and consultations,  including design and printing of manuals | Technical assistance and specific expertise  Publications and materials  Travel  Workshops and training  Staff |
| Activity 1.1.2: Support the establishment of the development partnership structures and facilitate cross-institutional vertical and horizontal coordination within the annual development planning and management cycle | Technical assistance and specific expertise  Travel  Staff |
| Activity 1.1.3: Awareness raising and capacity development of senior entity government officials and policy makers | Technical assistance and specific expertise  Publications and materials  Travel  Workshops and training  Translation  Staff  Operational costs |
| Activity 1.1.4: Provide on-demand support and capacity development to relevant entity institutions on EU integration and preparation for future accession process | Technical assistance and specific expertise  Round tables  Workshops and training  Staff  Operational costs |
| Activity 1.1.5: Practitioners’ networking and transfer of knowledge | Technical assistance and specific expertise  Publications and materials  Travel  Audio-video costs  Workshops and training  Study visit  Staff  Operational costs |
| **Activities for Output 1.2** | **Inputs** |
| Activity 1.2.1: Support functioning of the entity financing mechanisms through financial and technical assistance | Technical assistance and specific expertise  Publications and materials  Financial assistance for projects  Travel  Workshops and training  Operational costs |
| Activity 1.2.2: Publications, dissemination of good practices and transfer of knowledge to relevant institutions | Video stories, best practices, events  Staff |
| **Activities for Output 2.1** | **Inputs** |
| Activity 2.1.1: Support to evaluation of existing local strategies | Technical assistance and specific expertise  Travel  Workshops and training  Staff |
| Activity 2.1.2: Support to revision/design of new local development strategies | Technical assistance and specific expertise  Travel  Workshops and training  Staff |
| Activity 2.1.3: Provide tailored on-system support to all local governments in affirming the development management system in partner local governments | Specific expertise  IT tool/software  Travel  Staff |
| Activity 2.1.4: Capacity development for municipal councillors / thematic commissions within the municipal councils and mayors | Workshops and training  Publications and materials  Travel  Staff  Operational costs |
| Activity 2.1.5: Provide support to local governments to “localise” the EU agenda through training and hands-on awareness raising | Technical assistance and specific expertise  Travel  Round tables  Staff |
| Activity 2.1.6: Practitioners’ networking and transfer of knowledge | Publications and materials  Travel  Workshops and training  Staff  Operational costs |
| **Activities for Output 2.2** | **Inputs** |
| Activity 2.2.1: Support to evaluation of existing cantonal strategies, including drafting of standardised guidelines | Technical assistance and specific expertise  Travel  Staff |
| Activity 2.2.2: Support to revision/design of new cantonal development strategies | Technical assistance and specific expertise  Travel  Workshops and training  Staff |
| Activity 2.2.3: Provide tailored on-system support to all cantons to affirm the development management system | Technical assistance and legal expertise  Publications and materials  Travel  Staff  Operational costs |
| Activity 2.2.4: Capacity development for cantonal elected official and senior policy-makers | Travel  Workshops and training  Staff |
| Activity 2.2.5: Provide support to cantons to “localise” the EU agenda and engage in EU integration through training and awareness raising | Publications and materials  Travel  Workshops and training  Staff |
| Activity 2.2.6: Practitioners’ networking and transfer of knowledge | Events  Publications, videos  Travel  Staff |
| **Activities for Output 3.1** | **Inputs** |
| Activity 3.1.1: Capacity development of selected civil society organisations and journalists in the area of development planning and management | Training  Small grants  Travel  Staff  Operational costs |
| Activity 3.1.2: Support thematic programmes within TV media on the issues of development planning and management | Advertisement costs  Travel  Workshops and training  Staff  Operational costs |
| **Activities for Output 3.2** | **Inputs** |
| Activity 3.2.1: Support realisation of local priorities originating from local development strategies by applying a performance-based approach to financing | Grants for local governments  Travel  Staff  Operational costs |
| Activity 3.2.2: Support realisation of cantonal priorities originating from local development strategies by applying a performance-based approach to financing | Grants for cantonal governments  Travel  Staff  Operational costs |

* 1. Theory of Change

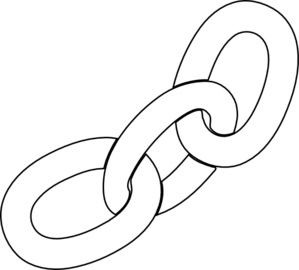
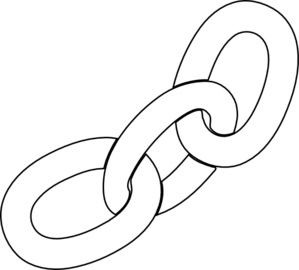
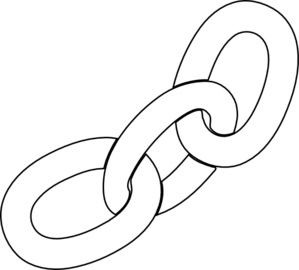
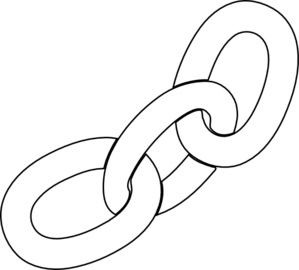
By further horizontal scaling-up and consolidation of the local and cantonal development planning and management experiences and frameworks, and by capacitating responsible entity institutions to independently steer planning and strategies’ implementation processes in collaboration with all stakeholders, sub-national development planning and management systems will gain momentum and become fully operational, able to accelerate growth, effectively address citizens’ development needs and contribute to EU integration in the longer-term.

Furthermore, reformed and legally prescribed sub-national planning and development management systems, characterised by stronger political accountability and predictable public fiscal frameworks, optimise the use of public financial resources and are able to attract more external funds for domestic priorities – including from EU IPA II. By additionally enhancing involvement of citizens, civil society organisations and media in monitoring of strategies’ implementation and policy delivery, demand-orientation of the public management cycle is improved and trust between citizens and their governments is strengthened. Ultimately, these will improve quality of life for the citizens.

The Project impact hypothesis builds on the Project achievements so far and charts a vision towards consolidation of efforts and gradually phasing out of the assistance.

***Graph 4: Impact hypothesis***

**… and by capacitating responsible entity institutions to independently steer planning and strategies’ implementation processes in collaboration with all stakeholders**



**… and by additionally enhancing involvement of citizens and media in monitoring of strategies’ implementation and policy delivery**

**…through reformed and legally prescribed sub-national planning and development management systems**

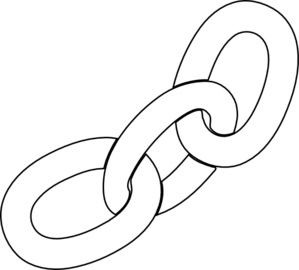
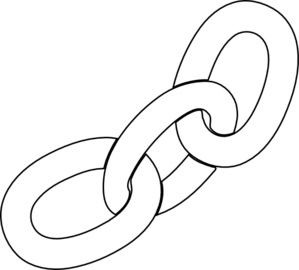
**By further horizontal scaling-up and consolidation of the local and cantonal development planning and management experiences and frameworks…**

**… stronger political accountability**

**Entity development planning and management systems will gain momentum and become fully operational, able to accelerate growth, effectively address citizens’ development needs, including those of the most vulnerable, and contribute to EU integration in the longer-term**

**… optimise the use of public financial resources and are able to attract more external funds for domestic priorities – including from EU IPA II**

**… demand-orientation of the public management cycle is improved and trust between citizens and their governments is regained**



In order to ensure that both entity development planning and management systems become self-reliant, as well as contribute to better development results and EU integration process, it is necessary to further consolidate institutional capacities and experiences while translating strategies into development results through result-oriented management practices; anchor basic regulatory frameworks; motivate accountable and pro-active political leaderships and facilitate citizens’ engagement in scrutiny of policy delivery.

Further **horizontal scaling-up and consolidation** of the local and cantonal development planning and management experiences and frameworks is important, so as to ensure that a set of minimum structures, functions, capacities, strategies, alongside harmonised and compatible operational frameworks are in place at local and cantonal government levels. By scaling up the local system to new territories, its outreach will be expanded to at least 80% of local governments country-wide. While scaling-up, the Project will apply tested and improved methods and tools, which will ensure sustainability of the assistance in the long-term. The cantonal system, on the other side, while covering 100% of the cantons in the FBiH, will not focus on scaling-up, but rather seek to consolidate and work more in-depth to strengthen institutional capacities and regulatory frameworks, towards sustainability of efforts beyond the Project support. By placing particular focus on development management and measurable implementation of strategies, the Project will stimulate a whole-of-administration effort towards effective and efficient public performance, including through performance-based incentives for counterparts.

Further, capacitating responsible entity institutions to independently steer planning and strategies’ implementation processes in collaboration with all public and socio-economic stakeholders will also contribute to the systems’ sustainable functioning in the future. This also entails support to effective vertical policy dialogue and vertical consolidation of the sub-national systems. Moreover, reinforcing the regulatory framework of the sub-national development planning and management systems and strengthening policy-makers’ (including municipal councils, mayors, cantonal ministers and representatives of cantonal assemblies, entity governments) understanding and engagement in its effective operation will enable optimised use of public financial resources, as well as provide for better absorption of the EU IPA II funds and ultimately – contribute to implementation of country priorities and reforms. In addition, stimulating involvement of citizens in monitoring public performance based on transparent and measurable results will contribute to trust-building between citizens and governments. In addition, by strengthening capacity of media and journalists, a stronger public oversight over the performance of the policy-makers and public administration will be ensured.

All of the above will comprise the Project’s consolidation strategy and end-of-phase vision, implying that after the Project’s end no further external assistance will be necessary in terms of setting the main building blocks of the sub-national development planning and management systems, scaled up to Brčko District as well.

## Links to national and international strategies and frameworks

The Project has a strong relevance to the current strategic needs of Bosnia and Herzegovina, specifically those related to improving public performance and public services for the citizens. Therefore, the Project will contribute to achieving the strategic goals set by the **Reform Agenda 2015-2018**, specifically in terms of achieving the set public administration reform targets, including more effective public finance management, while indirectly contributing to the priorities related to socio-economic growth.

Despite the incomplete local governance policy agenda, the Project is directly relevant to the draft **Strategy for Local Self-Government Development 2017–2021**[[5]](#footnote-5), as well as to the **Training Strategies for Local Government Employees 2016–2020,** particularly in terms of priorities for further strengthening local governments’ elected officials and staff capacity for professional service delivery*.* Within the FBiH, the Project will continue to operate in an environment which does not have a clearly set local governance policy agenda.

Having in mind that above all the Project is about introducing and affirming **good governance** at sub-national levels, which means improving the quality of governance processes, there is a strong linkage with the **public administration reform** (PAR) agenda in Bosnia and Herzegovina. At present, a new **PAR Strategic Framework 2016-2020** is in the process of development by an inter-institutional working group comprising state, entity and Brčko District government representatives.[[6]](#footnote-6)The Project will directly contribute to the implementation of the PAR agenda, particularly in the areas of policy development and coordination, accountability of the administration and mid-term public finance management at entity, cantonal and local government levels.

Moreover, by investing in local and cantonal governments’ capacities and policy measures, the Project will directly support implementation of strategic priorities defined in **local and cantonal development strategies**.

In addition, the intervention contributes to the **EU accession agenda** by strengthening public administration and institutional building at sub-national government levels, as well as to the future efforts of the country related to EU negotiation Chapter 22 “Regional Policy and Coordination of Structural Instruments”. The Project is in compliance with the European Commission’s [**Indicative Strategy Paper 2014-2017 for Bosnia and Herzegovina**](http://ec.europa.eu/enlargement/pdf/news/annexe_acte_autonome_nlw_part1v1.pdf), or more specifically with its priority “Competitiveness and innovation, local development strategies”.

The Project is in line with the draft **Swiss Cooperation Strategy for Bosnia and Herzegovina 2017-2020,** contributing to its priorities in the domain of democratisation, local governance and municipal services, as well as indirectly - to the economy and employment priority.

Further, the Project is relevant to the **Sustainable Development Goals (SDGs) and the Agenda 2030**. Good governance, peace and state building are reflected in [**SGD 16:**](http://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-16-peace-justice-and-strong-institutions.html)“To promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”, which focuses on good governance. Moreover, the Project contributes to the achievement of [**SDGs 9**](https://sustainabledevelopment.un.org/sdg9) “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation” and [**SDG 10**](https://sustainabledevelopment.un.org/sdg10)“Reduce inequality within and among countries”.

The Project is in line with the **UNDP Country Programme Document 2015-2019,** specifically with its priority area aiming to foster good governance, economic development and job creation, thus contribute to reduction of regional disparities.

## Hierarchy of objectives

UNDP will combine resources, knowledge and expertise to implement the Project consolidation phase, working in close partnership with the Ministry for Human Rights and Refugees of Bosnia and Herzegovina, the FBiH Ministry of Justice, the RS Ministry for Administration and Local Self-Government, both entity AMCs, partner cantonal and local governments, development agencies and other public and socio-economic stakeholders.

***Graph 5: Project structure***

**Overall Goal:  
Functional development planning and management system at sub-national levels contribute to better quality of life for the citizens and integration of Bosnia and Herzegovina to the EU**

1.1. Lead planning structures at entity level and Brčko District capacitated and equipped with policy and regulatory frameworks and instruments

2.1. Local development planning and management frameworks and capacities are sustained and scaled up as part of a harmonised system, in line with EU requirements

2.2. Core development planning and management frameworks and capacities at cantonal level further advanced and sustained as an integral part of a harmonised public system and EU integration processes

3.2. Livelihoods and services for the citizens are improved through priority projects of local and cantonal governments

3.1. Relevant civil society organisations and journalists capacitated to understand the development planning and management system and enable wider public engagement and scrutiny in its functioning

1.2. Public financing mechanisms sustainably reinforce the development planning and management systems, resulting in improved livelihoods and service delivery for the citizens

**Outcome 3**

**Citizens, civil society organisations and media take pro-active part in development management and benefit from improved services**

**Outcome 2**

**Local and cantonal governments effectively address needs of citizens and accelerate growth through inclusive development planning and management**

**Outputs**

**Outcome 1**

**Lead planning structures at entity level steer the development planning and management systems characterised by vertical and horizontal coordination and greater accountability towards the citizens**

## Internal coherence and inter-relation among outcomes and outputs

**Outcome 1 and its outputs will focus its work at entity and Brčko District government levels**, while engaging a wide range of lower government level representatives and partners from civil society organisations and media. In parallel, **Outcome 2 and its envisaged outputs will work at cantonal and local government levels**. Together, all these will contribute to a vertically aligned, harmonised and functional sub-national development planning and management system in Bosnia and Herzegovina.

From governance viewpoint, an important **inter-linkage between Outcome 1 and Outcome 2 is the close and constant connection between entity and cantonal/local institutions** (vertical and horizontal partnerships and interaction) alongside the public policy cycle, aiming to make higher government level institutions more accessible and responsive to local and regional needs, and to contribute to design or adjustment of higher government level strategies and policies based on realities on the ground, considering the needs of the most vulnerable. In the long-term, such inter-governmental interaction can be a positive factor in decentralisation processes and effective multi-level governance. Moreover, strong governance provides conditions to prevent and overcome situations of fragility and conflict, to which Bosnia and Herzegovina is prone to. **Outcome 3** **ensures citizens’ scrutiny** over public performance.

As for the internal coherence, the Project’s outputs were designed to directly reinforce or complement each other, for maximised effects. For example, **outputs 1.1 and 1.2** within Outcome 1 will place efforts to further strengthen entity institutional capacities, legal and public financial tools, as well as vertical and horizontal partnership structures, which together comprise the vital elements to sustain future functioning of the system. In parallel, all frameworks and standards created for the entity system under **output 1.1** will be cascaded down to cantonal and local government level through **outputs 2.1 and 2.2.** Main partners in the implementation of these outputs will be governments at all levels, with relevant entity institutions being at the centre of attention.

Within Outcome 2, **outputs 2.1 and 2.2** will focus its efforts to advance development planning and management capacities, operational and regulatory frameworks at local and cantonal government levels, thus further scaling-up and affirming these “layers” within the sub-national planning and management system. Actions under output 2.1 will be linked with the work of output 1.2, where local governments will be beneficiaries of the public financing mechanism of higher government levels.

**Output 3.1,** on the other side, will leverage outreach and promotion of the system among the public through engagement of civil society organisations and media, which will contribute to citizens’ scrutiny over the performance of the development planning and management system, better inclusion of vulnerable groups and gender-sensitive policy delivery. Within output 3.1, the Project will cooperate with relevant civil society organisations working in the area of public policies’ monitoring, as well as with representatives from local, regional and national media. **Output 3.2** is meant to reinforce outputs 2.1 and 2.2, and award best-performing local and cantonal governments, which achieve better development results by applying the development planning and management system, while aiming to bring concrete benefits for citizens in target localities.

An important dimension **cutting across the entire Project is the EU integration**, which will be addressed through applying EU-like principles, partnership structures, as well as awareness raising of stakeholders, thus contributing to the accession of Bosnia and Herzegovina in the long-run.

Another dimension which is common for all outputs is that the Project phase will focus on **consolidation and scaling up** of good practices, as well as sustaining the achievements in the area of systemic development planning and development management at local, cantonal and entity government levels.

1. UNDP development methodology. [↑](#footnote-ref-1)
2. Regulatory and operational framework, institutional structures and capacities, strategic documents, partnerships, vertical and horizontal coherence and accountability in place. [↑](#footnote-ref-2)
3. Includes jobs and income streams [↑](#footnote-ref-3)
4. Socially excluded population groups are: Roma, returnees, Internally Displaced Persons, persons with disabilities, poor families, elderly. [↑](#footnote-ref-4)
5. The new Strategy is expected to be developed in late 2016. [↑](#footnote-ref-5)
6. Decision on appointment of the representatives of the institutions of Bosnia and Herzegovina in inter-institutional work structures for draft of the Strategic framework for public administration reform in Bosnia and Herzegovina 2016 – 2020 adopted by the Council of Ministers of Bosnia and Herzegovina during its 75th session held on 28 September, 2016. [↑](#footnote-ref-6)