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| UNDP Bosnia and Herzegovina “Municipal Training System 2” project |
| **Mid Term Review** |
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|  |
| **12/16/2013** |

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**Acknowledgements**

The consultant wishes to express her sincere gratitude to the individuals and organisations cited in Annex I for their support. Others, working in the field, but not specifically mentioned also made invaluable contributions to the broad understanding of the context and content of municipal training in Bosnia and Herzegovina.

In particular, the consultant wishes to express her gratitude to the UNDP Senior Management Team and the MTS Project Team, which commissioned the Mid Term Review and provided the consultant with essential input, and access to stakeholders and documents without which the current MTR report would not have been possible.

**Disclaimer**

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| **Commissioned by:**  | United Nations Development Programme in Bosnia and Herzegovina |
| **Donors:** | Swedish International Development Cooperation Agency (Sida) and UNDP |
| **Grant size:**  | Sida 2,037,997 USD, UNDP 100,000 USD |
| **Start Date:** | March 2012 |
| **End date** | March 2015 |
|  |  |
| **Implementing partner:** | BiH Ministry of Justice  |
|  |  |
| **Responsible party:** | United Nations Development Programme in Bosnia and Herzegovina (BiH) |
|  |  |
| **Key Project Partners:**  | FBiH Civil Service Agency, FBiH Ministry of Justice, RS Ministry of Administration and Local Self-Government, RS Civil Service Agency, both entity Associations of Municipalities and Cities |

#  List of Abbreviations and Acronyms

|  |  |
| --- | --- |
| **AMC** | Association of Municipalities and Cities |
| **AWP** | annual work plan |
| **BiH** | Bosnia and Herzegovina |
| **CSO** | Civil Society Organization  |
| **CSA** | Civil Service Agency  |
| **CPAP** | Country Program Action Plan (UNDP) |
| **DAC** | Development Assistance Committee (OECD) |
| **EC** | European Commission  |
| **EU** | European Union |
| **EIB** | European Investment Bank |
| **FBiH** | Federation of Bosnia and Herzegovina |
| **GAP** | Governance and Accountability project |
| **GIZ** | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| **GDP** | Gross domestic product |
| **HR** | human resources |
| **HRM** | human resources management |
| **HRD** | human resources development |
| **KII** | Key Informant Interview  |
| **IPA** | Instrument for Pre-Accession Assistance |
| **IMC** | intermunicipal Cooperation  |
| **ILDP** | Integrated Local Development Project  |
| **IT** | Information Technologies  |
| **LG** | local government |
| **LOD** | Reinforcement of Local Democracy Project |
| **LG** | Local Government unit |
| **MDG** | United Nations Millennium Development Goal |
| **MALSG** | Ministry of Administration and Local Self-Government  |
| **M&E** | monitoring and evaluation |
| **MiPRO** | Standardised Methodology for Integrated and Inclusive Local Development Planning in BiH  |
| **MTEF** | Medium Term Expenditure Framework |
| **MS** | member states (of the EU) |
| **MTR** | mid-term review |
| **MTS** | Municipal Training System |
| **MDGF** | Millennium Development Goals Achievement Fund  |
| **NGO** | non-government organisation |
| **ODA** | official development assistance |
| **OSCE** | Organisation for Security and Cooperation in Europe |
| **PD** | Project Document  |
| **PCM** | Project Cycle Management  |
| **PARCO** | Public Administration Reform Coordinator's Office |
| **PB** | Project Board |
| **RS** | Republika Srpska |
| **Sida** | Swedish International Development Cooperation Agency |
| **SPA** | School of Public Administration  |
| **SDC** | Swiss Agency for Development Cooperation |
| **TC** | Training Committee |
| **TNA** | training needs analysis |
| **TSLSGE**  | Training System for Local Self-Government Employees |
| **TSF** | training support facility |
| **TOR** | terms of reference |
| **ToT** | Training of Trainers  |
| **UNDP** | United Nations Development Programme |
| **USAID** | United States Agency for International Development |
| **UNICEF**  | United Nations Children's Fund |
| **UNDAF** | United Nations Development Assistance Framework  |
| **WG** | Working Group  |
| **WB** | World Bank |

Contents

[List of Abbreviations and Acronyms 3](#_Toc377230769)

[EXECUTIVE SUMMARY 6](#_Toc377230770)

[1. Introduction 14](#_Toc377230771)

[1.1. Project Background 14](#_Toc377230772)

[1.2. The purpose, objective and the scope of the MTR 16](#_Toc377230773)

[1.3. Scope of work 16](#_Toc377230774)

[2. Methodology 16](#_Toc377230775)

[3. Country and Sector Background 18](#_Toc377230776)

[3.1. Political and economic development 18](#_Toc377230777)

[3.2. Municipal Development 18](#_Toc377230778)

[4. Key Findings 22](#_Toc377230779)

[4.1. Relevance 22](#_Toc377230780)

[4.1.1. Relevance of the project 22](#_Toc377230781)

[4.1.2. Relevance of the approach and design 23](#_Toc377230782)

[4.2. Effectiveness 25](#_Toc377230783)

[4.2.1. Training system`s core structures, functions and policies strengthened and the local government capacities improved 27](#_Toc377230784)

[4.2.2. Support to the training system`s enabling environment, partnership building and visibility 35](#_Toc377230785)

[4.3. Efficiency 36](#_Toc377230786)

[4.4. Potential and Threats to Sustainability 37](#_Toc377230787)

[4.4.1. Level of local ownership 37](#_Toc377230788)

[4.4.2. Legal basis 38](#_Toc377230789)

[4.4.3. Institutional Basis 39](#_Toc377230790)

[4.4.4. Financial Sustainability 43](#_Toc377230791)

[4.4.5. Ensuring the supply –side sustinability 46](#_Toc377230792)

[4.4.6. Conclusions: potential for sustainability 48](#_Toc377230793)

[5. Conclusions 48](#_Toc377230794)

[6. Lessons Learnt 49](#_Toc377230795)

[7. Recommendations 50](#_Toc377230796)

[Annex 1: list of people interviewed 52](#_Toc377230797)

[Annex 2: Template Guide for the KIIs 54](#_Toc377230798)

[Annex 3: Agenda for the trip 56](#_Toc377230799)

**List of Figures**

[Figure 1: Administrative Map of BiH 12](#_Toc375583562)

[Figure 2 Project components, activities and target groups 14](#_Toc375583563)

[Figure 3: Method of Triangulation 16](#_Toc375583564)

[Figure 4: Steps in Contribution Analysis 16](#_Toc375583565)

[Figure 5: Reconstructed Results’ chain for the MTSII project based on the available information 26](#_Toc375583566)

[Figure 6: The concept of jointly run E-learning courses in the FBiH and the RS 33](#_Toc375583567)

[Figure 7: Gaps and needs for coordination & cooperation among the training institutions in both entities 41](#_Toc375583568)

[Figure 8: Potential sources of funding for the training system 47](#_Toc375583569)

[Figure 9: The concept of the entity level resource center for LGU staff and elected officials 48](#_Toc375583570)

**List of Tables**

[Table 1: Project’s Outputs and Outcomes as planned 14](#_Toc375583575)

[Table 2: Related project by UNDP and other international partner agencies 20](#_Toc375583576)

**List of Boxes**

[Box 1; Summary of the draft of the Financial Sustainability concept in the RS 32](file:///C%3A%5CUsers%5CLilit%5CDesktop%5CMTR%20BiH%20v1.docx#_Toc374033817)

# EXECUTIVE SUMMARY

Municipal Training System II (**MTSII** hereafter) project (2011-2105) followed the successful implementation of the MTSI project (2008-2011) which resulted in establishing a **Training System for Local Self-Government Employees (TSLSGE) in Bosnia and Herzegovina (BiH)** in 2008 based on the adoption of the Entity level **Training Strategies for Local Self-Government Employees** 2011 – 2015 by both Entity Governments and Associations of Municipalities and Cities (**AMCs**). MTSII project’s **objective** is to contribute to the development of a professional and competent local government able to effectively manage development processes and deliver quality services to citizens. MTSII focuses on further strengthening of the functional and policy capacity of the Training System for Local Self-Government Employees in BiH and supports its affirmation as an effective public mechanism for carrying out the local governments` capacity development agenda country-wide. The Project also supports the design and delivery of priority and demand-driven training programmes for both local government elected officials and employees. MTSII has two principle components: (a) aimed at strengthening the training system`s core structures, functions and policies as well as building local government capacities; and (b) aimed at strengthening the training system`s enabling environment, and the training market development in particular.

The purpose of the mid-term review (MTR) is to provide an impartial view of the MTSII project approach, strategy and performance, focusing on the assessment of operational aspects, such as project management and implementation of activities, as well as the extent to which the project objectives or targets are being fulfilled. By looking at corrective actions needed for the project to achieve impact, the mid-term review is expected to provide guidance for UNDP and project management with regard to the second half of the MTSII project implementation and the local government training system anchoring.

The methodology for conducting the MTR consisted of (a) d**esk review** of the UNDP MTSII project documents; relevant laws, regulations and strategies in the country and third party reports; and (b) **Key Informant Interviews (KIIs)** with the UNDP program staff, representatives from other agencies and the key stakeholders. **Triangulation**was used to verify the information gathered from the docuemnt review, interviews and the site visits. In the assessments of the outcomes an attempt was made to attribute the results to the UNDP MISII program when feasible: when not feasible, **contribution analysis** was used. The Key Findings from the MTR are summarized below along OCED DAC evaluation criteria: Relevance (of the project and the project design and approach separately), Effectiveness (the extent of achievement of Outputs and Outcomes), Efficiency, and the potential for and threats to Sustainability.

**Relevance of the project**

The project tackles a very relevant problem in the country: the local governments are faced with a challenge of meeting the increasing demands from them to improve the service and reform, while at the same time facing capacity constraints. And while there were and are a large number of training courses funded by the international community targeting local governments, there was no mechanism for systematic training of the local government employees and elected officials in both entities.

**Relevance of the project design**

The project approach was very relevant in terms of addressing both the demand and supply side of the local government training and in terms of working closely with different levels of the government (both entity level governments (even given the difficulties stemming from the complicated political and administrative structure of the country) and local governments) as well as the Associations of the Cities and Municipalities in both entities (AMCs). The approach was also relevant in terms of accentuating the need for strong local ownership, sustainability, gender mainstreaming and inclusion of vulnerable groups. A few areas where the project design could have been stronger are: (a) lack of a planned Communication strategy to boost the visibility of the project further and stimulate demand for training through more active outreach and (b) not starting with a broader Concept of Sustainability early on, at the onset of the project which would have looked at all possible sources of funding in detail and only then elaborate each in detail.

**Effectiveness**

The project’s primary goal is to strengthen the training systems institutions in terms of functions, policies and processes. In both entities and most notably in the Republika Srpska (RS), building the system of training local government employees and elected officials started from scratch, and given that starting point, considerable progress has been made. The project has supported the local partners in developing legislative basis (amendments, draft new laws) which once passed will improve the HRM at the local level in its training aspects and support the sustainability of the systems being set up. In particular, in the RS amendments were adopted to the Law on Local Self-Governance stipulating the responsibility (by the LGs) to train and the right (by the employees) to be trained. Similar amendments in the FBiH did not pass the first reading in the Parliament however, at least as yet. The project has also supported the development of the minimum HRM standards which were endorsed by the coordinating bodies on LG training set up in each entity (LG Training Commission in the RS and LG Training Coordinating Body in the FBiH): these standards are now being piloted in 20 LGs in both entities and the plan is to support their implementation upon testing their effectiveness. The changes to the RS Law on Local Self-Governance also contain provision that the MALSG will enact by-laws related to training standards and performance evaluation of employees at the local level.

The project has contributed to building the capacities of the AMCs to organise and deliver training for the elected officials at the LG level. Councillors are systematically trained with a uniform training program and methodology for the first time and for both the AMCs and councillors it was a learning experience. The AMCs are on track of meeting the targets for training local elected officials: here some improvements are needed in terms of better outreach to local councillors in some of the municipalities. The high quality of the training courses were praised by all the training participants interviewed.

The Project has also supported setting up Working Groups (WGs) to develop the models of financial sustainability of the training systems in each entity. These WGs consist of representatives of multiple central and local institutions examining financing aspects of local government training. Good progress has been achieved so far in terms of developing the models of financial contributions of LGs. It remains to be seen how effectively these will be adopted. The legal void around the status of local government employees in the FBiH might be a challenge here as well as the acceptance of the approach by LGs: hence stronger advocacy through AMCs is needed. The Training Strategies and later agreements stipulate that entity level government bodies would cover centralized operational and maintenance costs for the system, while line ministries would cover all training costs arising from new legislation. The latter source of funding needs a more thorough analysis identifying potential actions that could make these commitments binding.

Recently, the project has commenced on supporting the entity level training support facilities with methodological guidelines and tools for conducting training impact assessment. Once completed and instituted this will provide for a feedback mechanism highlighting the extent of the effectiveness of the trainings. This is a rather advanced step for the state of development of LG training that BiH has currently.

The project supported conducting training needs assessment with local governments on an annual basis, preparation of annual work plans, training design and delivery including complex public procurement, monitoring of progress and reporting: these are all good basis for the LGs and training management institutions to take on and carry forward after the project support is over.

The training model set up in the Training strategies involves (a) training of the local elected officials by the AMCs and (b) training of the local government staff by the Civil Service Agency (FBiH)/MALSG (RS). The project supports financially and with technical assistance the training delivery by these organizations. Additionally, the project delivers training in a direct training delivery mode for local government staff and leadership for more complex training programs in a fashion that supports gradual taking over of these by the entity level government bodies. The project includes a Training of Trainers (ToT) component, but the system is and will be open for external training providers. The project has stimulated the active involvement of various training providers in delivering training to LG staff and elected officials. This, coupled with the ToT courses is an important building block for the effective functioning of the training systems in the future. More emphasis on the ToT is needed however, with the focus on harmonizing training approaches and tools.

The project has stimulated the active involvement of various training providers in delivering training to LG staff and elected officials. This, coupled with the ToT courses is an important building block for the effective functioning of the training systems in the future.

The project team and the government entities are on track of meeting the training targets for local government employees. Minor deviations are likely, which is understandable: in the RS for example, it is for the first time that the MALSG of the RS organised such training and it is a learning process for them.

The training and mentoring received under the Project Cycle Management (PCM) topic has already bearing fruit with a potential that 4-5 projects (including IMC projects) would be funded by the EU.

The model that is set up in both entities for the LG training is based on using several training localities in each entity (with LGs providing the space for free) in order to bring training as close as possible to trainees, reduce travel and costs. These localities were chosen based on the interest from those LGs: overall efficient, the accumulated experience has shown that there is a need to revise the list of the training localities in the FBiH:

* the training locality in Tomislavgrad is underutilized, mostly due to political reasons (although the distance plays some role too): since the cantonal level government has adopted its own law on Civil Service, the LGs there now tend not to use the set up training system, although not entirely, as there is some level of participation (56 participants in 2013; and
* the training locality in Ilidza is not being used, as the CSA in the FBiH finds the facility not well suited for conducting training and the trainings which were planned to be carried out there are now being carried out at the premises of the Training Unit of CSA in Sarajevo, also equipped by the Project.

It is planned that the revision of the list of training localities will be discussed by the Training Coordination Body as the key decision making body for the training system in the FBiH.

The project has also supported development of websites for the entity level training partners (not operational as yet). This will be a good tool to use to boost the visibility of the project and conduct outreach (along with utilizing other means, e.g. publications and in-person visits) in addition to making training more affordable and accessible to beneficiaries. The project is supporting the development of online training systems in both entities with e-learning courses through these websites. This is a welcome novelty for the LG training in the country. With some fine tuning (to operate in a joint fashion among the two entities) this system would be able to achieve higher cost effectiveness: this is an avenue to explore (jointly with GIZ). The platform of the system allows for further modifications in the future, e.g. to modify it from being based on a self-paced model to a mentored one: the desire to have the latter form was expressed in both entities, but more strongly in the BiH.

**Efficiency**

Overall the project is being implemented efficiently and the project team is to be credited for the commitment to pursue the achievement of the goals set in the rather challenging regulatory environment and for displaying flexibility whenever needed to adapt the approaches to emerging needs. The project has and is building strong synergies with partners from international development community (SDC, OSCE, GIZ, etc) and within the UN portfolio in the country. The project benefits from good project management and the oversight of the Project Board. Arguably the project needs more human resources to handle all the complex tasks with maximum efficiency.

**Potential for and threats to sustainability**

#### Regulatory framework

The adoption of the revised Law on LG in the RS (with the revisions based on the legal assessment supported by the project), as well as a number of bylaws, were important steps in building the fundamentals of the sustainable system of training of the LG staff and elected officials in the RS. Similar amendments have been blocked in the Parliament of the FBiH, thus preventing the resolution of the legal void around the status of the civil servants (which had emerged as a result of the earlier Constitutional Court judgement) and obligations to train local government staff, which is a threat to the sustainability of the project.

#### Institutional Sustinability

The project is on good track of building the capacities of the entity level training support facilities/partners to enable them carrying on without the project support. This is done through TOT courses, on-site mentoring assistance throughout the training management cycle, policy level work, as well as some assistance related to refurbishment of the training localities. Share of the funding provided to training support partners is being gradually reduced, which is a good provision to encourage these partners to move away from depending on project funding. This is linked to local ownership. While there are indications of its strength overall (e.g. demonstrated through active participation in the WGs, LGs providing space for free for training localities and, active engagement in developing the legal/regulatory frameworks), there are also some concerns. These concerns are related to the blockage of the passing of the new draft laws in the FBiH Parliament (mentioned earlier); honouring the commitments in terms of staffing the training unit in the RS MALSG; inadequate funding for the implementation of the training strategies (in the RS in particular (for training design and delivery), even in the context of aftermath of the global financial crisis) and the slower economic growth.

To boost the potential of the sustainability of the project all the training support facilities will need continued support (during the project duration and arguably, beyond that), e.g. in the implementation of the regulations adopted or to be adopted, more efficient organization of the trainings, etc.

#### Supply side sustinability

To support a more effective and forward looking approach to ToT, the project stakeholders might consider having training resource centers in each entity. The desire for having such centers was expressed by the entity level governments (these could also serve other functions): this might be a task for the future (not under MTSII).

#### Financial Sustainability

The progress achieved with developing the models of financial sustainability is a good sign and a very important step in boosting the chances for sustainability of the training systems. The same is true with regards to the pilot initiative to introduce minimum HRM standards at the local government level, as this is also an important building block towards achieving financial sustinability

Financial sustainability was still however the main area of concern among all the interviewees contacted for this MTR. This concern is related to the absence of a mechanism to assure/guarantee the payments from the municipalities for the trainings offered in the future. This makes it even more important for (a) the training support partners to actively engage with the LGs, offering courses that are in real demand, highlighting the benefits for systematic training and promoting the culture for training, and (b) for the project, in its turn, to consider supporting these efforts, with a better outreach.

The models currently developed cover only the mechanisms and levels of contribution by the LGs for the training costs *per se* (in addition to the entity level governments covering the costs of training organization). While the co-funding from the sectoral ministries is envisioned in the Training Strategies in both entities, and there are good examples of that happening, there is a need to look into legal and procedural aspects of this to *guarantee* that the sectoral ministries will use the training system set up and will set aside amounts to be channelled to the system when contemplating reforms/changes in their respective fields that would imply the need for training for the LG staff. Similarly, more could be done to assure that the international development partners use the system (including channelling the funds allocated for the training of the LG staff and elected officials through the system), although these partners interviewed for this MTR demonstrated high appreciation of the system, and the use of the system by them is already happening, e.g. with OSCE, Sida, SDC, USAID. Potentially, the training support facilities could also engage in providing extra-curricular training for a fee or produce and sell publications: this kind of sources of funding could also be considered, although obviously in the medium to long run. Therefore the project and the stakeholders should consider the need for the development of a broader concept of the Financial Sustainability of the Training System of LG staff and elected officials, looking into details of all (possible) sources of funding. .

To use public money more efficiently the organizations in each entity engaged in training of civil servants at different government levels, LG employees and elected officials should share resources and information better. Organizing joint training courses for LG employees, civil servants and elected officials in many cases would also be important from the perspective of facilitating common understanding of specific topics: several joint training have already been supported by the project, but this needs to develop further. The role of the training coordinating bodies in this is crucial and the project could support these coordinating bodies (e.g. with IT solutions/platforms and training) to enable them to coordinate at the operational level better with sharing of resources.

**Main factors affecting the project results**

The complicated political organization of the country has imposed a number of negative constraints on the effectiveness and the potential for sustainability of the project. This is true first and foremost regarding the challenges related to the adoption of the legal reforms that would enable taking the necessary steps to ensure the sustainability of the training system. Also, the lack of bold economic reform agenda impedes significant rise in the demand for training. Limited finances available for the local governments, stemming from the overall decline in the economic performance of the country (only partly as a result of the financial crisis) adversely affects the funding levels available for the training system.

**Lessons Learnt**

* the sustainability, and in particular financial sustainability of the training systems for the LG being set up is of such importance and challenge that an even stronger emphasis was and is needed from all stakeholders: this applies to (a) the need for a broader view and detailed analysis of all potential sources of funding, (b) the need for forecasting the needs in human and financial resources needed in organizing the training at the entity level and ensuring that these are in place both for the current time as well as in the coming years; and (c) the need to think about better joint utilization of all the resources in each entity, prompting the need for enhanced operational level coordination among the agencies concerned;
* the importance and challenges in inducing behaviour change – both by institutions and individuals (in this case related to the appreciation of the need for systematic training) justified and still do a more focused approach to addressing it;
* arguably it could have been foreseen that an initiative of this magnitude and system-building nature will need a longer term commitment at the onset (start of MTSII or even, MTSI). In this case the project would have been designed with better phasing in mind.

**Key Recommendations**

***Immediate***

* Commence negotiations with the RS MALSG regarding adjustments needed and adoption of new systematisation of posts that would include full time employment with sufficient number of employees to handle the increasing needs of organizing training; and
* Commence discussions under the umbrella of the Training Coordination Body in the FBIH to ensure the full utilization of the training localities in the entity.

***By the end of the project cycle***

#### Support the national stakeholders with developing a broader Concept paper on financial sustainability of the training system which will address in more detail the mechanisms and procedures for funding from the entity level budgets and all other potential sources, as well enhanced and operational level coordination among the stakeholders with the view of better utilization of public money. This should start from the engagement with the Training Coordination Body/Training Commission to discuss the system sustainability from the broader perspective and identify additional measures;

* Together with the entity level government bodies in charge and AMCs develop and implement a Communications Strategy with the aim of the promotion of the benefits of the training and stimulating demand for training;
* Develop a list of potential activities to support better coordination between training system facilities/partners: this could include training and technical assistance, shared IT solutions, etc;
* Identify the areas of the more enhanced support to the AMCs’ training units based on the analysis of areas of support under other relevant interventions directly targeting AMCs capacities, since their absorption capacity is likely to be limited. Based on that, potentially develop a program of support with capacity building to the training units exploring the linkages with the CDMA project in this regard. Supporting professional networks within the AMCs could be another area that could be considered;

#### Conduct an evaluation of the introduction minimum HRM standards in the 20 pilot LGs and based on that revise the planned program of its introduction; support its implementation countrywide (in the RS this would come as a follow up to enactment of relevant by-laws” by the Ministry for Administration and Local Self-Governance); and

* Potentially, develop the concept of resource centers (one each per entity) and its scope of services, which needs to include a well elaborated program for the ToT.

***Potential further support if further funding is made available***

#### Assist the governments of all levels (local, cantonal and entity) in implementing the concept of financial sustainability of the training of LG staff and elected officials; Further capacity building to entity level government institutions and the Associations of Cities and Municipalities (including with legal drafting, training management skills, course on “training skills development”, etc);

* Assist the LG Training Commission (RS)/LG Training Coordination Body (FBiH) with capacity building to enable better coordination of the training for the LG staff and elected officials within a given entity and between the entities;
* Help to establish the training resource centers with a well designed TOT program, if this concept is developed further and adopted;
* Support building professional networks of LG staff;
* Potentially support a link with higher educational institutions with the introduction of some LG-related courses into curricula of BA and/or MA programmes. to train future trainers in local governance related matters in cooperation with the training support facilities/partners and based on the existing initiatives.

Figure 1: Administrative Map of BiH



# Introduction

## Project Background

In 2007, UNDP BiH commissioned a feasibility study (Discussion Paper) to review the status of training and capacity building for local government (LGs) s in BiH. The study identified a complex set of issues, ranging from the absence of uniform training policies through to the ambiguities in the institutional structure of local government training. In order to effectively address these challenges, the process of establishing a **Training System for Local Self-Government Employees (TSLSGE) in BiH** was launched in 2008. This initiative was carried out by relevant national counterparts and supported by the Swedish International Development Cooperation Agency (Sida) and the United Nations Development Programme (UNDP) in BiH within the **Municipal Training System (MTSI) Project**. Entity level **Training Strategies for Local Self-Government Employees 2011 – 2015** have since been developed and endorsed by both **Entity Governments** and the two **Associations of Municipalities and Cities (AMCs).** The two documents set out key principles and objectives of the training system; target groups and priority training programmes; the institutional and financial set-up and the implementation, as well as the monitoring arrangements.[[1]](#footnote-2)

With this in mind, in order to consolidate the gains made through the project’s first phase and backed by the positive final evaluation of MTSI and its recommendations, UNDP, supported by Sida, launched the second phase of the Municipal Training System Project in March 2012 (MTSII).

MTSII project’s **objective** is to contribute to the development of a professional and competent local government able to effectively manage development processes and deliver quality services to citizens. MTSII focuses on strengthening of the structures and functions of the TSLSGE in BiH, and supports its affirmation as an effective public mechanism for carrying out the local governments` capacity development agenda country-wide as defined within the Training Strategies for Local Government Employees 2011 – 2015, so as to enable the long-term effective operation of the training. The Project also supports the design and delivery of priority and demand-driven training programmes for both local government elected officials and employees.

MTSII has two principle components:

* ***internal*** - aimed at strengthening the training system`s core structures, functions and policies as well as building local government capacities. This component envisions three principle activities: *a) support to the training system`s core structures, functions and policies*, aimed at consolidating and advancing institutional and policy gains from MTSI; b) *support to capacity development of BiH local governments*, directed at meeting the local governments’ priority training needs, as articulated in the strategy documents; and, c) *support to creation of the training system`s tools*, designed to expand the instruments available to the system’s structures in meeting their training mission; and
* ***external*** - designed to support the training system`s enabling environment. It targets *a) training market development*, through a set of measures aimed at improving the providers’ range and capacity, and b) *engagement of external stakeholders*, through a set of promotion, partnership and visibility activities.

All activities are implemented simultaneously. Figure 2 describes the Project components, activities and target groups, as in the Project Document (PD hereafter) and Table 1, describes the outputs and outcomes (from UNDP Country Program Action Plan (CPAP)), to which the Project is meant to contribute (again as in the PD).

Figure 2 Project components, activities and target groups

*Source: MTSII Project Document*

Table 1: Project’s Outputs and Outcomes as planned

|  |  |
| --- | --- |
| **UNDAF Outcome(s):**  | Outcome 1, Democratic Governance: By the end of 2014, Government with participation of civil society implements practices for more transparent and accountable governance and meets the requirements of the EU Accession process.  |
| **Expected CP Outcome(s):** *(Those linked to the project and extracted from CPAP)*  | Strengthened capacities of the state and entity governments and parliaments, with a focus on public sector reform (strategic planning, human resources management and e-governance), local governance and institutional capacity development.  |
| **Expected CP Output(s):** *(Those expected to result from the project and extracted from the CPAP)*  | By 2015 capacities of BiH local governments to effectively manage development processes and deliver quality services to their citizens strengthened via the effective support provided by the training system for local self-government employees in BiH functioning as a public mechanism for carrying out the local governments` capacity development agenda country-wide.  |

*Source: MTSII Project Document*

## The purpose, objective and the scope of the MTR

The purpose of the mid-term review is to provide an **impartial view of the MTSII project approach, strategy and performance, focusing** on the **assessment of operational aspects,** such as **project management** and i**mplementation of activities,** as well as **the extent to which the project objectives or targets are being fulfilled.** By looking at **corrective actions needed** for the project to achieve impact, the mid-term review is expected to provide guidance for UNDP and project management with regard to the second half of the MTSII project implementation and the local government training system anchoring. For that the MTR, as specified in the TOR identifies and assesses a number of project elements to determine its accomplishments and constraints, performance, results, impact, relevance and sustainability.

## Scope of work

To determine the project’s achievements, constraints, performance, results, relevance and sustainability, the main questions that are answered in this report, in line with the TOR, are:

* Are the project’s **objectives and outputs appropriate and relevant** to the needs of the country?
* Are the project’s **actions to achieve the outputs quality, effective and efficient**?
* To what extent has the **project created local ownership over the training system and its functions**?
* To what extent are **the results sustainable**? Will **the outputs lead to benefits beyond the lifespan of the projec**t?
* What are **recommendations to maximise MTSII performance and impact** and further improve its efficiency and effectiveness?
* What are **key factors that have either facilitated or impeded MTSII project progress**?

The report takes a broad overview of the project area by gathering perceptions, aspirations, feedback and data from relevant partners and stakeholders for objective analysis. Further, the MTR identifies the key factors that have either facilitated or impeded project implementation; the appropriateness of skill sets among project participants and the continued need for knowledge transfer and skills to maintain the momentum of activities already set in motion. To this end, the review examines the overall performance of the project and the potential for achieving the expected outcomes and impact of the project.

# Methodology

The methodology for conducting the MTR consisted of:

* **Desk review** of the: UNDP MTSII Project Document, progress reports and other relevant documents, BiH government papers (laws and strategies), and third part reports; and
* **Key Informant Interviews (KIIs)** with: UNDP Country Office management; MTSII project team, partners as well as other stakeholders, including the FBiH Ministry of Justice, the RS Ministry of Administration and Local Self-Government (MALSG), entity Civil Service Agencies in both entities, both Associations of Municipalities and Cities (AMC), Swedish International Development Cooperation Agency (Sida) and the representatives of other agencies active in the field of local governance training providers, and local government representatives as training beneficiaries. See Annex 1 for the list of the persons interviewed. The template guide used for the KIIs is provided in Annex 2.

Filed visit to BiH took place during November 25-30, 2013. See Annex 2 for the Schedule of the Meetings.

**Triangulation**was used to verify the information gathered from the docuemnt review, interviews and the site visits. It involves developing the reliability of the findings through multiple data sources and sources of information (see Figure 3) bringing as much evidence as possible into play from different perspectives in the assessment of hypotheses and assumptions. In the assessments of the outcomes an attempt was made to attribute the results to the program when feasible: when not feasible, **contribution analysis** was used, which is presented schematically below (see Figure 4).[[2]](#footnote-3)

Figure 3: Method of Triangulation

**Field Validation**

**Perceptions of different actors**

 **Documentation**

**Results**

Figure 4: Steps in Contribution Analysis

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Step 1.** Develop the results chain | **Step 2.** Assess the existing evidence on results | **Step 3.** Assess the alternative explanations | **Step 4.** Assemble the performance story | **Step 5** Seek out the additional evidence | **Step 6** Revise and strengthen the performance story |

The main limitation of the MTR is that the resources were not available for interviewing/soliciting feedback from a large number of LGs. However, 6 LGs representatives were interviewed drawn both from the FBiH and RS, both large and small, and it could be argued that for a MTR it is sufficient (as opposed to final evaluation, where it is recommended that a large number of municipalities is surveyed), since the objective is to identify the critical issues rather than assess the incidence of their occurrence.

# Country and Sector Background

## Political and economic development

Bosnia and Herzegovina (BiH) has made considerable efforts moving from post-war recovery to a potential European Union accession candidate status. The Stabilisation and Association Agreement between Bosnia and Herzegovina and the EU was ratified in 2011 but has not yet entered into force. The country is burdened with a set of systemic administrative weaknesses, including a complex governance structure, a lack of bold reform agenda in its economic development, and obsolete public sector practices (see for example EU Progress Report (2013) for BiH).

Since 1995, the country has managed to greatly alleviate the problem of internally displaced persons, rebuild a vast amount of infrastructure devastated by war and restore peace, security and the freedom of movement throughout its territory. However, considerable poverty persists and there is a large development gap among different regions, most notably between urban centres and rural areas (see for example, WB BiH Country Development Strategy, 2013).[[3]](#footnote-4)

## Municipal Development

#### Legal and Institutional Framework of municipal training

The legal and institutional framework related to local governance issues at local level in BiH is different in the two entities.

* In the RS, the Ministry of Administration and Local Self-Government (MALSG hereafter) is the key institution in charge of local government issues. No equivalent counterpart (in the form of a designated Ministry) exists within the FBiH government structure;
* Rather, in the FBiH, the primary responsibility for local government rests with the Ministry of Justice of the FBiH (responsible only for general oversight of application of Law on Principles of Local Self-Governance) and cantonal governments: their relations with municipalities vary significantly, depending to a large extent on political objectives and local power dynamic. There are at present 80 local governments in the 10 cantons of the FBiH, and 63 local governments in the RS, with no middle tier (e.g. regions). Additionally, there is the Brcko District as a single administrative unit of local self-government.

The adoption of the new set of local government laws, first in the RS in 2004 (amended in 2013, introducing a number of changes related to the training and professional development of the LG employees), and then in the FBiH in 2006, embodying some of the key principles of the European Charter of Local Self- Government, marked a new phase in the evolving legal framework for local government in Bosnia and Herzegovina.[[4]](#footnote-5) These changes normatively improved the position of this level of government as far as its competencies, powers and available resources are concerned. At the same time, the actual experience and practice of local governance remains rather different from what the normative framework outlined in the existing legislation would imply, which has had repercussions on the public service delivery outcomes.[[5]](#footnote-6) The complex governmental set-up of Bosnia and Herzegovina has created a fragmented legal and administrative framework for decentralization in which governing authority, functions and budgets are divided across several layers of government with lack of coherence. For example:

* In FBiH, other general principles on LGUs are given in the constitutions of the cantons. According to the framework law, cantonal legislation has to regulate details on municipal functions, municipal organs, municipal property, local taxes, direct citizen participation and other issues not covered by federal legislation. Following the adoption of the framework law, all cantons were required to harmonise their relevant laws and transfer functions, competencies and responsibilities assigned to local governments. This process has not yet been completed;
* The Federal Ministry of Justice is in charge of supervising the enforcement of the framework law, but does not currently have the necessary capacity to meet this mandate.

Because of differences in the administrative structure between the two entities, stakeholders that are nominally identical in terms of their names, e.g. the CSAs have different responsibilities in the context of municipal training, which also reflects on their roles in project implementation:

* The **Civil Service Agencies (CSAs)** in both entities are in charge of supervising the enforcement of the civil service legislations at entity level. The civil service legislations cover the rights and obligations of civil servants. There are no civil servants working at the municipal level in RS;
* The responsibilities of the CSA in RS over LG HRM are limited to organising entry exams for local government staff (namely, the state license exams, which all public employees need to pass);
* The CSA in FBiH organises training for civil servants including those employed by municipalities. It consists of a head office in Sarajevo and five regional offices, each of which serves two cantons. The FBiH Constitutional Court Decision[[6]](#footnote-7) of 2010 stripped the FBiH CSA of the authority to administer civil service affairs at cantonal and municipal levels. The Court ruled that, according to the FBiH constitution, administrative matters were the competence of cantonal structures. This ruling has caused significant confusion among cantonal administrations[[7]](#footnote-8). In particular, these developments created a situation in which a clear mandate for training civil servants, including at local levels, which had previously been accorded to the FBiH Civil Service Agency, was no longer available (legal void). These developments brought a significant level of uncertainty to the institutional framework for local government training and were also responsible for a slower pace of implementation in FBiH. The issues relating to the legal and employment status of municipal staff in FBiH are addressed in a new draft law which is at the Parliamentary review stage.

The **Associations of Municipalities and Cities (AMCs)** in both entities are financed mainly from membership fees. Their capacity is generally limited: for example according to the interviews the collection rate for the membership dues is around 70 percent. Although the AMCs support also the development of professional skills of municipal staff, their role is marginal and their capacity and finance insufficient. To support further development of AMCs, Sida launched a project for capacity building of AMCs in 2010.

#### Financial sources for the training of LG staff

The financial sources used before the project for the training of municipal employees and elected officials, included:

* ***local sources (municipal budgets).*** The entity laws on local governance were accompanied by the new Law on Public Revenue Allocation in the Federation and the amendments to the Republika Srpska Budget System Law, which were adopted in 2006, and provided for the adjustment in the financial framework for funding local government. In both entities, the tax administration is centralised however and the lower government levels have very limited taxing powers; also, there are no efficient mechanisms for fiscal equalization among the local governments;

***training organized by entity and central level ministries for local government staff*** (limited)

***training organized by the CSA in the FBIH for the local government employees, who are civil servants*** (limited)

***international funding***. Table 2 summarizes the projects, funded both by UNDP and other funding agencies which are conceptually related to MTSII and were implemented/are being implemented during the same time frame (with an overlap with MTSII). Later, in Section 5.3 on Efficiency potential and actual synergies with these projects are discussed

Table 2: Related project by UNDP and other international partner agencies

| Implementing Agency | Project Name | Brief Description and funders |
| --- | --- | --- |
| **UNDP** | **ILDP** | **Integrated Local Development Project, ILDP (in 2 phazes** 2008-2012 and 2012-2015. ILDP, as an integral pillar of the UNDP Rural and Regional Development Sector, provides support to help strengthen local development planning and the realisation of local strategies in Bosnia and Herzegovina. The project approach provides a “bridge” between the strategic and budgetary frameworks of local and higher levels of government and also provides assistance to 40 local governments to design their integrated local strategies and to successfully implement them in partnership with their communities. In its first phase the project aims to support the modernisation and professionalization of local development planning in BiH, by developing and implementing a standardised approach for integrated and inclusive local development planning. Strategies priorities and objectives, implementation of strategies and building of structures and skills are considered. In the second phase, which started in 2012, the project aimed at building critical mass of municipalities implementing integrated and participatory local strategic planning and to enhance vertical integration between local and higher government levels.The project is funded by the Swiss Agency for Development Cooperation (SDC) with co-funding from UNDP. |
| **LOD** | **Reinforcement of Local Democracy (LOD)** Currently in its 3rd phase (2012-2014) the project, funded by the European Union works with selected municipalities toward improving their relationship with civil society, and facilitating financing mechanisms for improved service delivery. Among other activities officials from the municipalities are trained to effectively engage with civil society (promoting civil dialogue, participation of CSOs in public decision making and promoting specialization of CSOs)  |
| **MDGF DEG** | Funded through Millennium Development Goals Achievement Fund (MDGF), and implemented jointly with UNICEF. Now completed, the project “Democratic Economic Governance (DEG): Securing Access to Water through Institutional Development and Infrastructure: was based on the principles of good governance and the human rights based approach whereby issues of insufficient economic governance and poor infrastructure, which preclude duty bearers and service providers from delivering satisfactory water supply services to citizens, are addressed through planning, management, infrastructure and rehabilitation, as well as the active participation of citizens in the decision-making processes in the water sector. Completed in May 2013, the project included a large component of working with LGUs with capacity building and training  |
| **OSCE**  | **“Local First”**. | The Organisation for Security and Cooperation in Europe (OSCE) is implementing a project entitled **“Local First”**. The project aims to “deepen citizens’ engagement with municipalities as a means of ensuring an equitable and accountable allocation of public goods and services”. The seven project components involve support to municipal assemblies/councils, municipal management and accountability, community engagement, inter-municipal learning and support, media and communication, youth access to employment and project management. A component of the Local First Initiative called “Municipal Assembly/Council Support” aims to develop the effectiveness of municipal assemblies/councils in representing citizens’ interests. Concrete synergies were established with regard to inducting training for councillors where OSCE used the training programme designed within the training system. |
| **Sida** | **Capacity Development for AMCs** | The project on **“Capacity Development for the Entity Associations of Municipalities and Cities (AMCs) in Bosnia and Herzegovina (BiH)”,** which started in August 2010. The wider objective of the project is to strengthen democratic processes in BiH and to contribute to BiH's EU accession process. Specific objectives are to (i) strengthen and further institutionalise the AMCs in BiH, ensuring AMCs' independence, clear mandates, and accountability to their constituencies, (ii) facilitate the development of strategic documents and services, enhancing the AMCs' capacities to act as democratic, legitimate, transparent, effective and sustainable institutions that are service providers to their members and strengthen the influence of municipalities on higher levels of government, and (iii) help the AMCs bridge the current lack of in-house expertise, and achieve a higher level of organisational and functional development, with inspiration from AMCs in other transition countries. At the time of writing the MTR the project was completed and was being evaluated. |
| **SDC** | **GOV-WADE** | SDC has supported (1997-2012) "Project of Good Governance in Water and Environment Protection (GOV-WADE)” since 1997. The project is designed for municipalities in the basin of the river Una. In the last, final phase, which began in January 2010, the emphasis has been on 6 municipalities, which were elected to become potential role models in the water and environmental protection sector. Infrastructure projects were supported on 50-50% co-funding basis from municipalities. The program might extend to more municipalities, with larger mandate.  |
| **GIZ** | **Programme for Strengthening of Public Institutions in BiH**  | The project is currently cooperating with the Public Administration Reform Coordinator's Office (PARCO) as lead executing agency, together with the Central Bank, the Statistics Agency, the Public Procurement Agency and Procurement Review Body, the Agency for Pre-Primary, Primary and Secondary Education, the Agency for Development of Higher Education and Quality Assurance, the Directorate for European Integration and the Civil Service Agency. Support is being provided in a number of ways. International and local experts are advising each of these nine institutions on how to optimise key procedures. The project is also providing training and a limited number of material resources. Furthermore, the lead executing agency is being advised on how to strategically manage public administration reforms and how to monitor the effectiveness of these measures. |
| **USAID** | **GAP** | The **Governance Accountability Project (GAP)** (2007-2012) was designed to build the capacity of a critical mass of municipalities to better serve their citizens within a policy and fiscal framework of good governance. This jointly funded project with support from the United States Agency for International Development (USAID), the Netherlands Embassy and Sida, worked with 72 municipalities. GAP had two components: local interventions, which include providing the technical assistance and community development co-financing, and policy interventions, assisting all BiH municipalities with functional and fiscal decentralisation and creating an environment conducive to democratic government.  |

In the Section 5.3 (on Efficiency) of the report the synergies of the projects listed in Table 2 with MTSII– actually built and planned, are discussed.

# Key Findings

## Relevance

### Relevance of the project

The project is highly relevant for a number of reasons. Firstly, the LGs in Bosnia and Herzegovina are under pressure from their constituents to provide better services as well as given the requirements of EU accession process. LGs are undergoing a gradual shift from a mainly bureaucratic approach to service orientation. At the same time the skills level of municipal staff is incommensurate with the requirements of the development process. Progressing, albeit slowly, decentralisation and changes in the legal frameworks initiated by the higher levels of governments increase the demands on LGs to perform new and additional functions, and to be able to continuously adapt to changing circumstances. The financial constraints faced by municipalities and the lack of a mechanism of the systematic training of the local government staff add to these challenges. These fundamental changes and constraints manifest in the vast **training needs of LG staff**, which will increase as the reforms proceed, and the quality aspect of training will become more important. Equally the project is highly relevant as it sets the **foundation of developing a mechanism for systematic training** as opposed to ad hoc and not well tailored trainings before.

The training program was developed based on a training needs assessment (TNA) at the project start, which was then repeated annually, for the purpose of annual training programming. They cover mostly: planning and implementation of local development policies, business enabling environment and local development, environment protection, budget and finance, public utilities, procurement, work planning and management, spatial planning, European integration and project cycle management (PCM), information technology and e-municipality, service provision management and quality control, and organisation and management of human resources. The fact the training programs were developed in a way to fall under the broad areas of needs identified from the TNA was the best guarantee of the **relevance of the training topics**. This relevance is also confirmed by the third party reports, which highlight for example, the importance of having local strategic development plans, reforming Public Financial Management (PFM) practices, and requirements to implement measures to promote energy efficiency (EE) and environmental protection. The relevance of the training programs was confirmed also during the interviews for this MTR. Additionally, the relevance is highlighted by the increased availability of the external funds (e.g. EU, EIB) and the pressure from the constituents to provide better services, e.g. water and sanitation (see for example WB (2009)).[[8]](#footnote-9)

It should also be mentioned that the project is in line with UNDP CPAP (Country Program Action Plan) and UNDAF (United Nations Development Assistance Framework).

### Relevance of the approach and design

The PD identifies several components being parts of the **project’s approach**, namely: appropriate level and the logic of intervention, visibility, accent on local ownership and sustainability, gender mainstreaming and inclusion of vulnerable groups. These are discussed below, with references of the approach as reflected in the actual project design (activities and deliverables).

Relevance of the project approach

* **Levels and logic of intervention**: A growing number of international agencies supporting BiH in its development, have increasingly concentrated their efforts at the local government level, given the challenges of working with higher level governments, and with a belief that the problems at hand can be best addressed and resolved through local action. Local governments are thus seen as the most appropriate level of government to identify and meet the demands and needs of the citizens. At the same time it is equally important to remember the framework in which the local governments operate, which is characterised by poor human, organisational and financial capacities, as well as their limited competencies (as well as financial resources incommensurate with the responsibilities). And increasingly there is recognition among the international partner agencies (voiced during the interviews for this MTR) that despite the challenges, it is important to engage with the higher level governments. The project has a **multi-tier level of intervention**, covering higher government levels (RS and FBiH entity levels) and reaching intensively the local level: hence this aspect of the approach is very relevant.
* **Visibility** The PD requires ensuring the visibility, media-presence and public information sharing of project activities and achievements on a regular basis, with the aim to not only inform and educate the broader audience on various aspects related to local development, but to also positively build the project`s identity country-wide and beyond. At the same time the interviews conducted for the MTR indicated the need for stronger stimulation of the local demand for training, for example, through dissemination of the positive lessons from undergoing the learning and improving the HMR practices. This is also important in terms of developing a "training culture" (see the Section 5.4.2 under Sustainability). While the project has supported a number of activities to boost the visibility (e.g. the web portals), it does not have a Communications Strategy where such activities could be identified and developed (See Section 5.3 and Section 8 on Recommendations);

**Ownership and sustainability** The PD highlights the need to ensure design, handing-over and institutional sustaining of the core products, processes and knowledge tools of the TSLSGE to the relevant institutional and organisational partners in BiH, as essential ingredients to contribute to long-term effective functioning and sustainability of the training system and its structures. The project, most appropriately, adopts a strategy of:

***descending level of assistance to direct partners***, which aims to gradually reduce the external technical and financial assistance offered by the project and encourage the relevant partners to adopt and apply the newly-created work-processes, knowledge and skills after the support from the program is over;

***institutional, organisational and procedural embedding of the tools, knowledge and products into the daily routine of counterparts***; and

***gradual establishing and setting in operation of financial mechanisms enabling the long-term functioning of the training system***, independent of external (donor) resources and utilising primarily public resources from both entity and local levels.

**Realizing that the growing ownership** of the key stakeholders promoting policy change is essential for sustainability of the project, the PD envisioned broad consultation processes among stakeholders (responsible ministries, CSAs, training providers, local governments, AMCs, and others) throughout the entire project cycle. Also, the representatives of the entity level governments are members of the Training Commission in the RS and Training Coordination Body in FBiH. This approach has set the right foundation for developing the training system further in a cooperative fashion. Arguably, the *design of the project* should have included a more in-depth **Financial sustainability concept paper** from the onset (see the Section **5.4 on Sustainability)**

* **Gender mainstreaming** The project approach pays *adequate attention* to gender mainstreaming. The principle of equal access to training and professional development, with specific reference to gender equality, is one of the six principles of the Entity Training Strategies. The PD envisions continued support for gender mainstreaming in all activities, through: providing gender mainstreaming recommendations for each planned project activity; keeping records and evaluating participation of women and men in planning; implementation and evaluation of project activities; using the opportunities provided within the project (training, information sessions, resources); and using gender sensitive language in the project supported documents.

#### Other factors related to project’s relevance

* **Training of Trainers (ToT):** A particular strength of the project design is in appreciation of the importance to address both the demand and supply sides of the training market for municipalities. ToT has received considerable attention in the Project design. Having said that, it has to be mentioned that a number of interviewees thought that the project should have had a stronger emphasis on the ToT component, with a focus on the training of the training skills, as well as assuring harmonization of training formats in case several trainers are engaged for the same topics. A forward looking approach to preparing the future cadre of potential trainers will also be important (see the Section 5.4 on Sustainability).
* **Modes of training**. The project employs two modes of training:
	+ direct provision of training with the trainers hired by UNDP, for the complex and logistically demanding training, with gradual passing over to the relevant entity level structures the task for handling these trainings; and
	+ supporting the established training structures via: (a) trainings organized by the relevant entity level organizations (the MALSG in the RS and CSA in the FBiH); and (b) training organized by the AMCs for the training of the elected officials, namely councillors and mayors.

Given the nascent stage of the development of the training system in both entities (and the RS in particular), this seems a justified decision.

## Effectiveness

Figure 3 describes the reconstructed results’ chain for the project bringing together Outputs, Outcomes and expected impact from the statements made in the PD. Developing Results chains is a best practice and allows articulating explicitly the logic of the program design as seen at the onset, with the assumptions spelled out. The validity of these assumptions was tested during the Key Informant Interviews carried out under this MTR.

This Section is organized along the main 2 components of the project; each of which is then reviewed by corresponding Activities, along Outputs and Outcomes.

Figure 5: Reconstructed Results’ chain for the MTSII project based on the available information

**Outcomes**

**Activities/Outputs**

**Impact**



Support to the training system`s core structures, functions and policies

Institutional and policy gains from MTS I consolidated and advanced

Training system`s core structures, functions and policies strengthened and the local government capacities improved

assuming sustainability is assured

assuming sustainability and efficiency

Local governments’ priority training needs met

Support to capacity development of BiH local governments,

assuming better coordination and cooperation between the various levels of the government

Capacities of BiH local governments to effectively manage development processes and deliver quality services to their citizens strengthened

assuming Willingness to pay (WTP) for training later

The instruments available to the system’s structures in meeting their training mission expanded

Quality services to the citizens improved

Support to creation of the training system`s tools

Strengthened capacities of the state and entity governments and parliaments, with a focus on public sector reform (strategic planning, human resources management and e governance), local governance and institutional capacity development.

assuming parallel reforms in local governance and service provision

assuming good quality and sustained use and update

Training system`s enabling environment improved

Improved range and capacity of training service providers’ range and capacity

Support to training market development

assuming continued availability of affordable services

Partnerships enlarged & the visibility of the project heightened

Engagement of external stakeholders

assuming international partners and domestic institutions use the system for the trainings organized by them

### Training system`s core structures, functions and policies strengthened and the local government capacities improved

#### Activity 1: Support to the training system`s core structures, functions and policies

##### **Outputs**

###### a) Technical assistance to training support structures

##### Project provided continuous on-site expertise to the partners through its seconded training management experts.

##### In the ***FBiH***: an Institutional Assessment of the partner institutions was conducted, and the workplans for 2013/2014 were developed (subsequently endorsed by the FBiH Training Coordination Body), along with the standard operating procedures to govern the future operation of the system, which are now enshrined in the relevant administrative instructions of the partner agencies, and the CSA in particular. Thus far, the CSA has accordingly amended its staffing table and developed a series of regulations to enable the implementation of the municipal training system’s mission in the Federation. More specifically, the FBiH Government has endorsed the *Decision on Training Planning, Principles and Implementation*, as proposed by the CSA, as well as the *Regulation on Individual Training Providers* which is aimed at securing subject matter expertise, available within the public sector, for the purposes of the training system. In the beginning of 2013, the CSA undertook a number of activities to ensure that their operational capacities correspond to requirements of the system.

* In ***RS***, the project assisted the training institutions in developing workplans for 2013/2014, which were later adopted by the Training Commission. The MALSG was assisted with capacity building in managing the training portfolio (e.g. TORs for procurement of training services; managing the training schedules, and devising training evaluation methodologies)

The training units within the two AMCs were assisted with establishing a stakeholder coordination mechanism to initiate early planning for the comprehensive elected official induction program based (for the first time) on a standardized package, and offered nationwide. With project support an A-Z guide for newly elected officials was developed and used in the trainings (see the Subsection on  *Training delivered by the AMCs).*

A study visit to Denmark for the representatives of the training system institutions was organised in early November. In addition to looking at various aspects of the Danish training system, the host organisation – Association of Local Governments in Denmark (LGDK) provided an overview of relevant practices from other countries where LGDK had activities.

###### b) Human resources management

Following the development **of uniform HRM standards for local governments** in both entities**, the FBiH LG Training Coordination Body** and **LG Training Commission of the RS** as well as **AMCs presidencies** adopted these Standards. The standards cover areas ranging from performance management and recruitment to training and development.

Following that, the project assisted 20 local governments with their implementation as a pilot:

* The first step in the provision of technical assistance included an analysis of the current situation and gaps related to HRM function in pilot local governments and specific proposals for each local government in terms of institutional anchoring were provided (depending on the size of administration and specifics, in some cases it was a separate unit within the general administration department or mayor's cabinet, in some cases it was a specific HRM post, while in really small LGs the suggestion is to include HRM related functions in a relevant person's job description). The recommendations, apart from encompassing establishment of HRM functions in local governments, also included templates for design of a number of local government by-laws, aimed at systematising and improving overall human resources management;
* The project-supported the design of HRM guidelines and the development of a sample rulebook for local governments both in the FBiH and the RS based on the observations from the pilot in 20 municipalities. The rulebook (or to be more precise the “Human Resources Management Plan for the Municipality/City”), defines other specific plans that need to be designed (samples of these are also being designed within the technical assistance package). The RS MALSG plans to adopt the by-laws once the results of the pilots are summarized: at the time of writing this report, recommendations and technical assistance were being provided for all 20 local governments, with a plan to assess the performance by the end of the year. Similar developments in the FBiH are hampered by the rejection in the parliament of the revised drafts of relevant laws and the legal void around the employment status of LGU staff

###### c) Quality assurance

Following the adoption of the **policy framework for the introduction of a quality assurance system by the Joint Training Coordination Body in April 2013**, the project initiated development of a **rulebook** detailing all the practices and tools needed **for the implementation of the agreed upon mechanism**, including training standards, focus group guidelines, training monitoring guide and appropriate tools:.

* In the RS, this set of documents is planned to be an input for the preparation of a by-law to the revised Law on Local Self-Government that relates to training and professional development. The changes to the RS Law on Local Governance contain provision that the MALSG will enact by-laws related to training standards and performance evaluation of employees at the local level. Once the principal by-laws are enacted by the Ministries, local governments will have 6 months to adjust their legislation; and.
* In the FBiH, the CSA already has some quality assurance mechanisms in place and therefore its further avdancement based on the prepared set of documents is planned in 2014.

While successful at evaluating training effectiveness on two levels (satisfaction and knowledge acquired) the project took the next step, this time to develop **a mechanism to capture the impact of the trainings:** a methodology with a set of tools was being finalized at the time of writing this report (based on the practical assessment that has been conducted including a survey with training participants from 40 local governments and two focus groups); furthermore, training on training impact assessment for training management staff was held in October 2013.

A number of interviewees for this MTR highlighted that there should be a feedback mechanism (a) to the training organizers from the LGs related to the impact of the training courses; and (b) from the training organizations (AMCs and the MALSG (RS)/CSA (FBiH)) to LGs. The initiative mentioned above should help address these requests. Also, while the training organizers provide annual reports summarizing the assessments they receive from the training participants to the training coordinating bodies and AMC, it should be made available more widely/publicly.

###### e) Financial sustainability

In both entities legislative amendments are being considered to secure financial sustainability of the system:

* in the RS important progress has been made in terms of developing the mechanisms of the system’s financial set up via ***adopting changes to the Law on Local Self-Government*** to secure the system’s legal status and oblige all institutions to co-finance its activities. Also, ***a formula for cost-sharing has been designed and is to be agreed upon by the financial sustainably working group (WG)*** along with the next steps in terms of its future institutionalisation; and
* in the FBiH ***a cost-sharing formula is also proposed*** and is to be agreed upon, after which the options for its institutionalisation will be discussed. (e.g. a by-law is planned to be adopted by the FBiH Government).

These are important processes, and are surely to contribute to achieving the sustainability of the system. For further discussion see Section 5.4 on Sustainability.

##### **Expected Outcome: Institutional and policy gains from MTSII consolidated and advanced**

There is good progress in terms of institutional and policy level gains:

* ***Related to revised legal documents (laws. regulations),*** mentioned under the Outputs’ Section above. There are a number of legal documents that are in the process of preparation and discussion in both entities. Not so many adopted as yet however, except for the amendments in the RS Law on Local Self-Government (whereby the “obligation and right to training” were enshrined in the Law) and a few by-laws in the RS and the FBiH. Less progress is observed in the FBiH with regards to passing the similar laws than in the RS. While FBiH legislation already contained a number of provisions that were only recently introduced in the RS (e.g. the right and responsibilities in terms of training):
	+ the *Law on Civil Service which includes the provision on FBiH LG Training Coordination Body* was in the procedure, but was rejected by the FBiH Parliament; and
	+ the *draft law to regulate the legal-employment status of LG staff* was also in the procedure, but was rejected as well.

A relatively more simple procedure in the RS when it comes to legal changes compared to the FBiH is certainly a strong factor behind this difference. The key reason for the fact that the adoption of the proposed legislation takes quite some time in the FBiH is of course related to the complicated public administration structure of the country, as well as the lengthy political stalemate in the FBiH and changes in the parliamentary majority, which hampered the functioning of the FBiH Government and other institutions[[9]](#footnote-10). However, if these legal acts are not adopted anytime soon, it will imply significant concerns related to the sustainability of the implementation of the Training Strategy in the Federation;

* ***Related to institutional gains.*** The fact that MALSG has now a staff member (by the Rulebook) in charge of organizing the training for the municipal staff is an important step (see however Section 5.4 on Sustainability for the discussion). The capacity of the Ministry to handle training of the local government staff was increased through policy documents, legal amendments, training curricula and TOT. A number of interviewees raised their concern however, about the ability of the Ministry to conduct increasingly more training courses given that the Training Unit is not fully staffed as yet in accordance with the Training Strategy. Similarly in the FBiH, while the capacity of the CSA was increased with regards to training local government staff, the legal void around the status around the LG employee status hampers taking further steps related to implementation of many of the drafts mentioned.

So while the basic structural and policy contours of the training system are in place, there are yet to be fully internalized (including by legislation (laws and by-laws)) by all stakeholders with detailed elaborations of policies and functions of the training system and adoption of relevant HRM policies.

#### Activity 2: Support to capacity development of BiH local governments

##### **Outputs**

###### a) Training delivered by the entity level governments

***In the FBiH:***

* CSA is on a good track towards reaching its annual objective in terms of number of training events. Thus far, training has been delivered in 6 areas[[10]](#footnote-11) to 495 participants (26 training groups);[[11]](#footnote-12)
* There is a low turnout at the Regional Training locality in Tomislavgrad.[[12]](#footnote-13) The reasons here are mostly political (although the distance is also a factor), since this regional training locality was to serve the municipalities from the Western Herzegovina canton, which now has its own Civil Service Law (after the decision of the Constitutional court, see Chapter 3). According to the interviews, many municipalities there simply refuse to send their employees to the trainings organised through the FBiH CSA. It should be mentioned that the decision made by the FBiH AMC Presidency was to have Tomislavgrad as a regional locality exactly due to political reasons in order to bring training closer to these municipalities (and Tomislavgrad expressed their interest). Obviously, it does not seem to be fully utilised and this issue needs to be also addressed by the Training Coordination Body (that was planned by the time of writing this report); and
* Ilidža, one of the original regional training localities, is not being used for the trainings: according to the CSA the facility is not suitable for training and it should not have been chosen as a training locality as a start (see Section 5.3 on Efficiency).[[13]](#footnote-14)

***In the RS:***

* At the time of writing this report the MALSG had covered 6 training areas (19 training groups),[[14]](#footnote-15) having trained 405 participants: close to reaching its annual target of 500 training participants, but still likely to fall somewhat short of it. According to the project team, minor deviations are expected as a result of a public procurement procedure related to one of the planned training courses, which was consequently postponed; and
* The Project works closely with the RS MALSG in the RS and the CSA in the FBiH to monitor the preparation and delivery of training and provide support when required. This is in particular important in the case of the RS, given the fact that the Ministry did not have prior experience in designing and delivering training.

###### b) Training delivered by the AMCs

The **induction training on LG for elected officials** (municipal councillors) was delivered by **Training Units** of the **FBiH and RS Associations of Municipalities and Cities (AMCs)** via micro-capital grant agreements that UNDP signed with both Associations.[[15]](#footnote-16) In both entities the number of the trainees exceeded the targets. The project ensured close coordination with OSCE which was also interested to support the delivery of induction training following the local elections in 2012. As a result, for the first time a standardised training package was designed within the Training System. With OSCE cost sharing the delivery of the courses was managed in the framework of the UNDP MISII project.

This training has been rated as a success by participating LGs as this was the first time that systematic capacity development is offered to newly elected officials: this was confirmed through the interviews for this MTR. Training participants considered that this type of training should be delivered to local government councillors not only at the beginning but also in the third year of their mandate so that they could reflect on application of their knowledge and new priority areas for capacity development. There is an idea to mandate the training of councillors: this idea was discussed in the FBiH but is not pursued due to constitutional challenges; in the RS this is now covered with the amendments to the RS Law on LSG. While there was a strong interest shown in participation in the training for the councillors in most of the municipalities, the turnout in some of the municipalities was low: here the communication channels that some of the LGs used to communicate with their councillors were part of the problem.

Training events were also used for assessing the needs of LG councillors for other (specialized) training that will be considered for implementation in 2014 (see the Section 5.4.3 under Sustainability): the interviewees confirmed that there is a substantial interest in this.

In addition to delivery of training to LG councillors, the development of LG leadership program is in the final stage of design, following a survey conducted with a number of mayors in both entities.[[16]](#footnote-17) Several interviewees thought that there is indeed a need of and interest in a training program for the mayors as well (and in some areas – joint with councillors), in addition to Leadership Training. (NB: it has to be noted that such an approach has been already applied in delivery of a number of training programmes, including for instance MiPRO and local development management)

###### d) Direct project delivery

22 training courses were held under UNDP direct delivery mode by the time of writing this report with 684 participants trained, more than the planned numbers.[[17]](#footnote-18) In addition, there were training course delivered in coordination with the SDC/UNDP Integrated Local Development Project (ILDP).

As a response to an additional request the Project has designed a package of training programs for the middle managers at local government level in the RS (piloted with the City Administration of Banja Luka). The objective is to ease the effects of high post-election turnover, which particularly affects local governments in Republika Srpska considering frequent post-election changes of personnel at the head of departments’ level.

In consultations with the AMCs the Project offered on-site mentoring services to 6 municipalities interested in preparing projects and applications for an active EU call for funding of local economic development projects[[18]](#footnote-19)[[19]](#footnote-20). All project proposals were timely submitted. Several representatives from the municipalities interviewed for this MTR mentioned that for them it was an “eye-opening” exercise in which they had an opportunity to learn the nuances of project proposal design, in line with EU requirements through a guided/mentored process of: this helped them to realistically assess their own capacities and limitations.

##### **Expected Outcome: Local governments’ priority training needs met**

Interviews confirmed that the level of satisfaction with the training was very high. This was also confirmed during the interview with the international consultant who was completing a consultancy assignment with UNDP BiH on developing a methodology for the assessment of the impact of the training courses at the time of writing this report: as part of this assignment Focus Group Discussions were carried out among the training participants and an Impact assessment survey of 100 PCM training employees in 44 municipalities.

The training and mentoring received under the PCM topic has already bearing fruit with a potential that 4-5 projects (including IMC projects) would be funded by the EU.

#### Activity 3: Support to creation of the training system`s tools

##### **Outputs**

###### a) Website installation

The two websites for training system in both entities, complete with moodle-based E-learning platforms, have been finalized, but are not operation as yet:

* In the FBiH , following the assessment of the existing FBiH CSA capacities, external hosting was chosen and it is expected that the website will be operational in early 2014 (the original plans was of November 2013); [[20]](#footnote-21) and
* In Republika Srpska, the process faced a delay as a result of the Government’s procedure related to IT services. Following the consultations of the RS MALSG with the Secretariat of the RS Government and the Agency for IT related services, the Ministry was informed that the Government does not have the capacity for hosting the website and thus commercial hosting was recommended. Considering that GIZ works in this domain towards supporting the RS CSA, there is an agreement now (to be finalized) with GIZ in terms of using the same server. It is expected that the Ministry will take over in a few years.

###### b) Development of E-learning courses

In total, five e-learning courses are being developed.[[21]](#footnote-22) There are two issues that are related to the e-learning courses that need to be highlighted:

1. some of the stakeholders thought that the course should have been designed with a mentoring component included in its design. The majority however thought that the current “self-paced” version is sufficient currently and this option could be considered later: the moodle platform allows for that. At the same time, “*e-learning course with a mentorship component included in it*” would require additional financial resources to cover the costs of the “mentorship” as well as decisions on how to organize it (outsourcing it most likely) and finance. GIZ is currently developing such a course for the CSA BiH and it would advisable to assess the success of this model, level of acceptance and satisfaction and learn the lessons from it; and.
2. the current set up with 2 completely separate e-learning courses in 2 entities is not cost effective given that the bulk of the courses are the same and there are only some minor differences stemming from the differences in the legislations. Technically it is possible to reduce the costs if these courses were delivered jointly (again with 2 separate hosting arrangements), with the design that allows diversion from one sub-version of the courses to the second (this will capture the differences in the legislation).[[22]](#footnote-23) Technical specialists that work on the platforms with GIZ funding have confirmed the technical feasibility of this scheme. According to GIZ it looks possible that formal discussions will be held in the spring of 2014. UNDP could join forces with GIZ, to facilitate reaching an agreement.

Figure 6: The concept of jointly run E-learning courses in the FBiH and the RS

##### **Expected Outcome: instruments available to the system’s structures in meeting their training mission expanded**

The project has made a good progress related to expanding the instruments available to the systems’ structures in meeting their training mandates. This is true both with regards to the websites and the e-learning courses (as well as the training curricula developed with the project support). A few further ideas are suggested in the Section 5.4.4 under Sustinability (targeting the training coordinating bodies in the two entities)

### Support to the training system`s enabling environment, partnership building and visibility

#### Activity 1: Support to training market development

##### **Outputs**

###### a) Two coordination meetings with training market representatives

One meeting has already taken place in Sarajevo in the first quarter of 2013, while the other one is expected once the quality assurance mechanism is finalized and agreed upon as the forum will be used to present it to training market representatives.

###### b) Training of Trainers

Mentoring of a selected group of trainers - practitioners coming from local governments and relevant entity institutions- has been initiated with the aim to further develop the mentees’ capacities to provide relevant training to local government practitioners on a number of topics. It includes mentoring for development of training curricula (from conducting training needs assessment to design of the curricula), training preparation and actual delivery. This activity will serve to encourage participating trainers to actively take part in the training market.

###### c) Registry of accredited training providers

The FBiH has already adopted a regulation on certified training providers and the subsequent accreditation exercise for a series of training areas. Depending on the willingness of the RS counterparts, there is a plan to mirror this experience in the other entity as well. It is planned that this activity will be integrated within the quality assurance mechanism: it is planned that the bylaws on LG Training Standards are adopted by the MALSG. If and when accomplished this will allow the mechanisms and draft bylaws developed with the support of the project to be introduced in practice.

##### **Expected Outcome: Improved range and capacity of training service providers’**

The project has already contributed to the expansion of the pool of training consultants with the knowledge and offering of courses in the matters related to local governance and to better utilization of the knowledge of experienced local governance professionals, by offering them opportunities to act as trainers.

A number of interviewees mentioned that some of the trainers are good at the subject matter but not so much as trainers and so need some prior training in “training” before actually starting to deliver training themselves. They also mentioned the need to place more emphasis in the project on ToT component. Also it would be advisable to think of more structured ways to ensure the supply of professionals as trainers in the areas that will be new to the LGs and new in BiH in general (see the Sections 5.4.5 under Sustainability and Chapter 8 on Recommendations)

The interviews with training providers revealed that the most successful ones of them (established and reputable companies) tend to bid for UNDP contracts rather than the government ones, as the government ones allocate lower criteria for the experience and have more focus on the price. Perhaps there is a way to be found for this to be changed (while abiding with the rules of public procurement) so that the experience of the trainers is better reflected in the choice of the trainers.

#### Activity 2: Promotion, partnership development and visibility

##### **Outputs**

###### a) Supporting cooperation with the countries in the region

The project has established and helped the local stakeholders to establish contacts with other countries. There are now Agreements on cooperation: *between FBiH CSA and the HRM Administration of the Republic of Montenegro* (to be signed; the project facilitated visits and exchanges); and *between the AMCs and the Serbian Standing Conference of Municipalities and Cities* (to be signed, the project facilitated a visit in May 2013). The Project also supported participation of training system representative in the annual Standing Conference of European Public Training Agencies held in Vienna in September 2013.

##### *b*) Stakeholder consultation: Annual training system conference

Following the successful organization of the first annual training system conference in Sarajevo in 2012, the second such conference was planned December 2013 (not happened by the time of drafting this report) to be formally hosted by the RS MALSG with four principle themes to correspond with key policy processes addressed in 2013, namely: quality assurance, financial sustainability, web portals and good practices related to training and professional development of local government employees and elected officials.

##### **Outcome: Partnerships enlarged & the visibility of the project heightened**

The activities described in the Outputs’ Section above have helped to both enlarge the partnerships and raise the visibility of the project. One area that needs improvement is related to a more active outreach to the LGs promoting the benefits of the training with the aim to stimulate the demand for the training, which is important from the point of Sustainability

(see the Sections 5.4.4 under Sustainability and Chapter 8 on Recommendations)

## Efficiency

No major delays are observed in the project execution caused by the factors of internal nature. The activities are organized in a consultative manner. Perhaps one observation that could be made is that, while the regional training localities were chosen as part of the MTSI in close consultations with the AMC FBiH, it could be argued that these should have been agreed with the CSA in the FBiH. This would have precluded disagreements by the CSA at this stage, as a result of which this locality is not being used. The project supported the CSA in the FBiH by providing furniture and equipment for its training unit in Sarajevo (to use it instead of the training locality in Ilidza), but cannot assist with renovation, since the CSA occupies rented premises. Perhaps further discussions could be held with the Government of the FBiH for it to find and allocate a room at the Government- owned building in Sarajevo or in a centrally located municipality to serve a training locality.

The project benefits from good project management and the oversight of the Project Board. The project has displayed both determination to achieve the planned results and the necessary flexibility when warranted which is essential in working in such a complicated regulatory environment as is present in BiH.

The MTSII project is an integral pillar of the UNDP Local Governance Programme, which aims to contribute to improvement of governance, focusing on advancing local government know-how so as to better position local authorities to tackle and overcome development challenges, whilst improving citizens services. The project has built strong synergies with other projects in the UNDP Local Governance portfolio, namely:

* **ILDP (Integrated Local Development Program):** the training topics under MTSII were closely aligned with the assistance areas covered by ILDP and actual delivery was in sync with the ILDP project cycle to allow for the LGs under ILDP to use their training in drafting their local development strategies and implementation. Also, training on PCM was complemented with the assistance from ILDP in writing funding proposals for the EU;
* **LOD (Local Democracy):** the methodology for the engagement with civil society (“LOD methodology”) is now being formulated as a training module to be included in MTSII; and
* **MDGF DEG (Democratic Economic Governance):** training courses developed under this project on *managing water service delivery* were formulated as a training module offered under the “specialized” training package (direct delivery). The course on ***energy efficiency*** was designed under the MTSII and replicated by UNDP Energy and Environment Sector support project.

The project has also built strong synergies with several other projects supported by other agencies. In particular:

* **GIZ**: activities in developing the platforms for e-learning courses are complementary to the GIZ project aimed at capacity building for the training of civil servants; plus GIZ has now agreed to fund the hosting for 3 years of the e- platform in the RS; and
* **OSCE**: co-funded the training of the councillors by the Associations

## Potential and Threats to Sustainability

In this Section the progress made to ensure sustainability of the system so far is discussed along with the indications about local ownership which is essential for sustainability as well as the threats that exist and the potential for assuring the sustinability of the system and steps that could promote the realization of this potential and remove the threats.

### Level of local ownership

The interviews revealed an overall strong level of ownership of the local stakeholders in the sense of the keen interest in the success of the project. However it is not entirely obvious that this interest translates fully into concrete actions to secure the sustainability of the project. There are positive examples here in terms of:

* passing changes to the existing laws and new regulations in the RS (see Section 5.2.2) as well as active participation in the WGs and the training coordination bodies;
* mostly honouring the commitments spelled out in the Letters of Agreement between UNDP and the CSA (FBiH)/ Ministry of Administration and Local Self-Government (RS), namely in the form of financial and in kind contribution related to the design and delivery of the basic training programs; and
* municipalities providing spaces for training localities for free.

There are however, certain examples pointing to the opposite direction, for example:

* the entity level governments allocated modest amounts for the implementation of the Training Strategies.[[23]](#footnote-24) While the global financial crisis and its aftermath and the slowed down economic growth certainly had a significant impact on the entity budgets, the funding level need to be increased to ensure the ability to handle larger number of trainees; and
* the Training Unit at the MALSG so far has only 1 employee fully funded by the Ministry (as a systematized post) and 1 person employed through co-financing of MALSG and UNDP, which is somewhat less than it was committed. There is a need of institutionalization of the training coordinators’ position in the MALSG in the numbers that are in line with the Training Strategy (see Sections 5.4 on Sustainability). According to the interview the Ministry finds it difficult to finance the salary of these persons according to the agreed schedule of gradual increase of its contribution. This casts doubt on its ability to expand the scale of the training provided and sustainability- a concern voiced also by a number of interviewees.

So while overall the level of local ownership is strong more actual progress needs to be demonstrated already in terms of the commitments (funding, passing legislation) to provide assurances related to the sustainability of the implementation of the Training Strategies.

### Legal basis

The revision of the Law on Local Self Government in the RS was a significant step forward in terms of making the sustainability of the training system for the LG employees more likely (whereby the “obligation and right to training” were enshrined in the Law). In contrast in the FBiH the Parliament has rejected (for now) the draft Law on Civil Service (which includes the provision on FBiH LSG Training Coordination Body), and the draft law to regulate the legal-employment status of LG staff. Several by-laws were adopted not only in the RS but also in the FBiH (e.g. the FBiH Government has endorsed the Decision on Training Planning, Principles and Implementation, as proposed by the CSA, as well as the Regulation on Individual Training Providers). So while it cannot be said that no advances were made in the FBIH related to the legislative basis of the system, the case for sustainability is indeed weaker in this case.

The*uniform minimum HRM standards for local governments* **(**adopted by the training coordinating bodies in both entities as well as AMCs presidencies), covering areas ranging from performance management and recruitment to training and development, are an important step forward in promoting the demand for the training at the LGs. If the suggested local government by-laws aimed at systematising and improving overall HRM are adopted (as planned in the RS, stipulated by the revised version of the LG law) this case could be made even stronger.

The discussion above raises a few further questions/points:

* There is no mandatory requirement to train the LG employees currently (in terms of for example, mandating specific hours of training per annum for each employee).[[24]](#footnote-25) The HRM standards set only general frameworks stipulating that there should be Training plans for the employees. The amended Law of Local Self Government in the RS stipulates the obligation to train and the right to be trained, as well as a fine in case of unequal treatment, including for not providing the training needed. Similar provisions are in the draft amendment to the respective law in the FBiH.[[25]](#footnote-26) How sufficient this is to guarantee that the LGs will use the set up system for the training and would fund the training for the courses being offered under the system remains to be seen. There are no hard guarantees however now;
* It has to be assured that the training offered is of the utmost need for the municipalities. The project has to be credited for initiating the annual training needs assessment process and annual training plans at the municipalities. However it needs to be assured that the plans reflect the training needs which are so important for the municipalities that they are ready to pay for it, and not just simply interested in; and
* Well thought-through, regular, and intensive awareness raising program is needed to boost the visibility of the project and to promote the benefits for the training of the LG employees, and the project could do more here, e.g. in the form of success stories from the municipalities/employees posted on the websites, leaflets addressed to the councillors and municipality staff, coupled with more active and engaging role by the entity level structures, approaching the municipalities with the offers for training, and understanding their needs (see the Section on Recommendations)

### Institutional Basis

#### Institutionalizing HRM function in the LGUs

The Law on LG in the RS envisages *creation of HRM units in local Governments*. The same is true for the draft legislation (*Law on Civil Service/legislation regulating the legal/employment status of the LG staff in the FBiH)* for now rejected by the Parliament in the FBiH. The pilot program targeting 20 LGs in the BiH with the implementation of the minimum HRM standards, in terms of proposals for each local government on institutional anchoring is of utmost importance. Once completed and evaluated the plan is to introduce this countrywide, provided that the respective legislation is put in place. The later prospect is much more likely in the RS than in the FBiH given the legal void mentioned earlier.

The Project could be credited for supporting the local stakeholder in taking the first important steps in enhancing HRM at the local level. This is only the start however and it is obvious that this will take time and the governments at all levels will need assistance in implementing these, in a potential third phase of the project[[26]](#footnote-27).

#### Capacity of training institutions

The assistance to the training institutions with policy papers, curricula, and ToT, has indeed boosted their capacity to continue in a similar fashion after the project is over. They need more capacity building assistance however. Some of the needs in capacity building of various agencies were already mentioned in various parts of the earlier text in this report, e.g.

* Municipalities, in terms of adopting minimum HRM standards; and
* Entity level agencies, in terms of updating the laws and, better financial planning for the courses to be delivered.

This Section covers two further issues:

* LG Training Coordination Body (FBiH)/LG Training Commission (RS) at entity levels - to enable them to better coordinate training of LG staff and councillors between the training support facilities/institutional partners with the view of programmatic and financial efficiency; and
* Associations –to be able to organise trainings for the LGU staff and elected officials on an ad hoc basis.

##### **Training coordination bodies**

In FBiH, the civil service covers partially cantonal and municipal levels, whereas in RS the local level is completely excluded from the scope of the civil service. [[27]](#footnote-28) This is the reason behind the current set up in the RS whereby the CSA is not conducting the training for the municipal employees as well[[28]](#footnote-29). Training system set up was designed in consultations with all relevant parties including the RS CSA and the MALSG. The fact is however, that currently the resources of the CSA in the RS are underutilised,[[29]](#footnote-30) while the ability of the Ministry in the RS to carry out expanded training for larger number of LG employees in the future was questioned by a number of interviewees. Hence a strong case could be made for better operational-level coordination between them to conduct joint training and joint use of available resources (curricula, facilities, trainers, etc).

There are other arguments in favour of closer operational-level coordination/cooperation as well (and this is true for the FBiH CSA too): training in the same subject (e.g. Program based budgeting) does have different angles to it when applied to civil servants (Ministry of Finance) and LG staff, but it could equally be argued that a certain number of joint trainings are necessary to promote understanding between these groups around mutual requirements, and developing a common language.

A similar case could be made in terms of the role of the AMCs as organizers of the training for the elected officials: currently the training of the councillors involves only very basic training, but there is already an interest to receive more specialized training in the same subject areas that the LG staff are/will be receiving. Additionally there might be cases when a training course is needed for the LG staff to be organized ad hoc and the capacity of the government bodies might not be sufficient to handle this: hence there is indeed a case for the AMCs to be able to organize training courses for the LG staff (moreover, their mandate allows for that and it happens from time to time).

These trends are schematically described in Figure 7. To summarize, the current demarcation lines along the type of the trainee - “elected official as opposed to municipal employee", might be justified as a start, as the system is only being set up. However as it develops, the case for better *operational level* coordination and cooperation among training support facilities/partners with the aim of better utilization of available resources and more joint trainings for these different groups will be stronger (an opinion expressed by several interviewees in the RS in particular). This will also improve the effectiveness of the trainings.

The FBiH **LG Training Coordination Body** and the **RS LG Training Commission** develop **annual training plans** covering both target groups, i.e. the municipal staff and the elected officials. The members of these bodies agree on the plan and periodically review the implementation progress. So the point being made here is about the *operational level cooperation and coordination*. Achieving the latter would not be easy: as noted in OECD (2012) “…*the ability to coordinate training policy across Government ... [of BiH}…is inevitably limited” (p.63*). The *Training Commission (RS)/* *Training Coordination Body* (FBiH) which have the mandate to coordinate the training activities in the entities (according to the adopted Training Strategies) would probably need further assistance and there is a strong rationale for UNDP to support this in the future, perhaps as the third stage if funding is made available.

 Figure 7: Gaps and needs for coordination & cooperation among the training institutions in both entities

 **Next challenge: **

**closer operational-level coordination with the goal of best return on public investment in training through resource use efficiency**

Increasing need in the expansion of the training to cover more specialized subjects to elected officials

Increasing need in the expansion of the training to cover more specialized subjects to elected officials

**and**

**closer cooperation among entity level training systems**

There are things that could be done in the remaining time of the project also however, in terms of achieving better coordination and information sharing. Two examples illustrate this point:

* The CSA and the MALSG in the RS currently do not share curricula, schedules, list of trainers, etc; and
* The AMCs in both entities do not actively exchange information with regards to the training with the CSA (FBiH)/MALSG (RS). Improvements here would allow for increased effectiveness of trainings and outreach, e.g., by identifying the municipalities which lag behind in terms of their interest in training of both councillors and the staff.

To summarize, the project should consider providing support to the training coordination bodies in implementing a better operational –level coordination *within each entity* among the training organizers, in the form of for example:

* training and technical assistance to the coordination bodies,
* IT solutions that would allow more efficient sharing of information, etc,

In fact some enhanced coordination has happened already, with the facilitation of the project:

a number of training events targeting leadership (mayors and councillors) and staff together (under the direct project delivery mode) have been organized. The idea was to test this experience. After such testing, building on the lessons learned from it would be important.

Similarly it would be important to strengthen linkages between the training system components among the entities with the purpose of sharing experience and building common understanding of the same topics: this is a challenging task, given the current political realities. Here as well, under the direct training delivery, the project has organized trainings combining representatives from the LGs from both entities. Here also, there needs to be an evaluation of the effectiveness and value added of this mode, and the evaluation should ideally result in documented lessons learned and shared and then be reflected in the training programs at a larger scale.

##### **Associations of Cities and Municipalities**

As argued above there is likely to be more room and need for the AMCs to (a) enlarge the scope of training courses offered to local elected officials and (b) organize training for the municipal staff. Currently the AMCs have only one Training Coordinator each. If this expansion of training activities happens, the AMCs will need capacity building for their Training Units.

There seems to be significant assistance ongoing and planned for the AMCs by the donor community:

* **OSCE**: is planning a new project to increase the capacity of the AMCs with the focus on municipal assemblies and councillors and an emphasis on accountability and transparency;
* **Sida:** is currently considering the niche for the next phase of capacity building for the AMCs; this will stem from the evaluation of the completed project (the evaluation was being conducted at the time of writing this report); and
* **SDC:** is planning to support the AMCs, with a focus on governance issues (*no further details were made available during the interview)*

As it stands now, it seems that the ongoing and planned assistance to AMCs does not cover capacity building for their Training Units, And hence it might be justified for UNDP to develop and deliver capacity building assistance for these Units: in fact most of the interviewees for the MTR have said it is important. The scope of such assistance has to be very clearly defined, however, based on the analysis of all the existing and planned programs by the agencies supporting AMCs, identification of the gaps and taking into account the absorption capacity limitations of the AMCs. According to the information available there is a plan to coordinate closely the assistance being provided to the AMCs by the main donors. If UNDP is to provide assistance for the training units, this should fall under this cooperation umbrella, since a number of directions would be cross cutting with the training for other staff of the AMCs. For example if the capacity building is to target the skills to conduct better outreach to the LGs, this would be relevant not only for the Training Units. The potential package of assistance could cover, apart from building skills in better outreach, also training in better quality control mechanisms.

Supporting professional networks could be another (additional) area of UNDP assistance for the AMCs, e.g. targeting the network of finance officers, urban planners, etc. Such support would provide a fertile ground for feeding information into identifying the training needs and best examples. One such network (of finance officers) has been apparently supported previously by USAID 1997-98[[30]](#footnote-31) in the BIH and it would thus be important to find out what happened as a result first.

### Financial Sustainability

The project and the stakeholders should be commended in that the *Working Groups (WGs) on Financial Sustainability* were formed in both entities and models on calculation of financial contributions by the LGs were developed (with a formula estimating the size of the contribution). In addition to local governments’ contribution, the proposed models make a clear difference between training costs to be covered by municipalities and the operational costs of training units. Box 1 describes it for the RS: a similar one exists for the FBiH. The bullet points below describe the status with regards to the adoption of these models in the two entities:[[31]](#footnote-32)

* **RS**: in early 12/2013 local governments were informed on the legal changes related to co-funding of training and the model itself and the WG has identified the next steps: 1) the model will be additionally promoted via RS AMC; 2) the model will be put in practice via a separate by-law along with training standards and other quality assurance mechanisms; and.
* **FBiH:[[32]](#footnote-33)** At the meeting in late 10/2013, and in line with discussions and conclusions from previous meetings, the model of co-financing was adopted by the WG and draft Decision for FBiH Government drafted. WG agreed that the model should be sent to the FBiH Government, through the Ministry of Justice, along with its proposal to have consultations organized by the AMCs. The WG concluded that additional consultation should be held in order to avoid possible resistance of the LGs to directly financially contribute to the cost of training.[[33]](#footnote-34)

In FBIH there is an agreement that the municipalities would contribute towards the cost of training organisation (delivery and logistics), while the FBiH government budget will still continue financing the employees of the CSA working on trainings (salaries, offices, operation of web etc.). Similarly in the RS, the entity level government budget will cover the operationla costs of the MLASG staff in charge of organizazing the training.

Thus as yet, at the time of writing this model the models were not formally adopted by the entity level governments, and having all the LGs on board was still not assure, at least in the FBiH. Also, the framework for financial sustinability as presented in the Training Strategies is not fully elaborated further in terms of:

1. **Contributions from sectoral Ministries.** While the Training Strategies in both entities specify that sectoral ministries would contribute to the costs of the training of municipal employees in relation to the matters related to sectoral reforms and topical issues, at this stage there is no clarify that the process is clear cut and closely linked to the annual budget formulation process and MTEF (Medium Term Expenditure Framework) formulation. As noted, in OECD (2012)[[34]](#footnote-35) in BiH (along with Croatia, Serbia, and Macedonia)…” *ministries …tend to protect their influence over training activities and hence prevent the delegation of training funds to the central training bodies*” (p.64). There are good precedents/practices. For example, in the RS, the MALSG sends an inquiry at the end of each year to other ministries and public agencies clarifying the potential for cooperation and whether they plan any trainings for the local governments within their sectoral programmes/budgets: in *some cases* other Ministries agencies financially participate and in some they provided in kind trainers to design and implement the programmes. A similar process exists at the CSA FBiH. The proposal here is to scrutinize the legal aspects of the reflection of the co-funding requirements from a legal perspective to make the process more clear cut, with obligations specified and procedures mandated (the project might consider hiring a local consultant to conduct this). Such funding has to be guaranteed for the large scale sectoral reforms, but arguably also for regular training needed to keep the LG staff updated on the new details in the regulations, best experience, etc.
2. **Other potential sources, e.g. through income generating activities**. The training organizers should ideally be able to complement the funding available from other sources, e.g., through organizing training events for a–fee in extra –curricular time and topics, producing publications. In terms of the legal status, the status of the CSA in FBiH as well as well AMCs allows them to engage in such activities; this would be an issue however for the MALSG. In fact, with regards to AMCs, a similar recommendation is being made under the evaluation being undertaken by Sida for its completed CDMA program (i.e. developing a menu of fee-paying services).

Box 1; Summary of the draft of the Financial Sustainability concept in the RS

The working group for financial sustainability consisting of representatives of stakeholders within the training system (RS Ministry of Administration and Local Self-Government, RS Association of Municipalities and Cities, local self-government representatives and RS Ministry of Finances, in an advisory role), has proposed the model for building the long-term financial sustainability of the system. The working group has worked in line with the RS Training Strategy for Local Government Employees (hereinafter the Strategy) and the principles of cost allocation among stakeholders within the system and the rational use of funds intended for training which are currently allocated.

The working group has analyzed the following: financial needs of the training system; Financial allocations by stakeholders within the training system; Training costs per participant within the training system and training prices on the market; Modalities for transfers of funds among stakeholders within the training system; and the place for incorporating financial sustainability of the system into the legal framework.

The training system costs with the average scope of implementation of objectives set in the Strategy would amount to about BAM 150,000 annually. Out of this amount, the costs of training preparation and delivery would amount to BAM 77,000 and training would include from 650 to 700 employees annually and the same number of elected officials. The analysis of the planned expenditures of LSUs for 2012 has shown that 20 municipalities and cities (less than one third of the total number in the RS) planned the total amount of BAM 173,000 for professional development of employees, which is twice more than the amount indicated as necessary for training financing. Some local self-government units plan professional development under other budget items and therefore the number of municipalities and the amount is considerably larger, and the estimation is that it is over BAM 600,000. In comparison with this estimation, the amount necessary for training financing within the system is slightly less than 13%, which leads to the conclusion that the financial sustainability model does not require new allocations by local self-government units.

In the 2013 RS Budget the amount of BAM 7,000 was planned for the implementation of the Training Strategy, as well as the amount for financing portions of salaries of the staff within the system and portions of office costs. The estimation is that costs for local self-government units per participant per one day of training would amount to around BAM 70 for employees and BAM 40 for elected officials. Training prices which are currently offered on the market to local self-government units are within the range from BAM 100 to BAM 250. Therefore, the training system offers considerably more advantageous training prices than the market prices, while the participative manner of planning, preparation and evaluation of training enables local self-government units to influence the selection of topics and training quality. The following conclusions have led to the financing model which envisages:

1. allocation of a portion of funds planned for professional development in budgets of municipalities and cities for the training system, while allocations would be calculated in the following way:
	* + Training for employees is financed by LSUs and quarterly paid to the Ministry, and an individual amount per LSU is calculated in the following way:

|  |
| --- |
| Number of employees from LSU who are the target group for training / 6 \* BAM 70,00  |

* + - Training for councillors is financed by LSUs and quarterly paid to the AMC, and an individual amount per LSU is calculated as follows:

|  |
| --- |
| Number of councilors of LSU \* number of training organized in LSU \* BAM 40,00  |

1. Increase of funds for the training system in budgets of the RS and the RS Association of Municipalities and Cities.

The additional support for the sustainable system would include training for local self-government units organized by other institutions and nongovernmental organizations. The strengthening of the training system sustainability requires amendments to the legal framework (RS Law on Local Self-Government, RS Law on the Status of Officials in Local Self-Government Units, RS Law on Salaries of Employees in Administrative Bodies, standards and rulebooks related to training and evaluation of employees in local self-government units).

It would be also important to promote the training system put in place for the LGs to be used for channelling the trainings funded by the international community (including in terms of funding). In some countries such requirement is mandated: this would hardly be feasible in BiH currently. This might be something to be pursued in the future. The interviews conducted for this MTR indicated that there is a good knowledge among the international community to use the system set up for the training of the LG staff and councillors which they plan in their programs. There is still room to increase the visibility of the project and highlight the benefits of using the training system set up for all the stakeholders, including the donor community

It is recommended that a Concept Paper on Sustinability is developed, which will cover all the potential training sources (as in Figure 8), scrutinizing the details to clarify whether there is any room for any change needed in the regulatory (and other) aspects to support the sustinability of the system.

The important concern about financial sustinability as it stands is related to the fact that there is no way to guarantee that the expected financial transfers from the LGs for the training will indeed be made especially given that the financial standing of most of the LGs is strained and the training budgets have a declining trend. Also, currently, especially in a context where salary incentives are small, managers use access to training in order to hand out various kinds of training-related rewards to their employees (see OECD (2012)). This highlights once again the importance of effective outreach targeting LGs promoting the benefits of the training as well as ensuring that the training provided through the system is in high demand.

Figure 8: Potential sources of funding for the training system

### Ensuring the supply –side sustinability

According to OECD (2012) BiH has seen long-standing discussions regarding the establishment of an institute/school of public administration (SPA hereafter). The two Training Strategies developed and adopted in both entities with the support of the project outline a (mixed) system of training for the LGs, which moves away from the concept of a School/schools of public administration (in line with the one that exists in Lithuania). At the same time during the interviews in the FBiH at the government level, it became clear that the notion of a SPA is still in the minds of some people at the government. Hence it is recommended that this vision is clarified with both entity level governments, something that is needed to enable better planning the next steps in terms of capacity building and further reinforcement of the system.

One idea that might be worth considering is having resource centers in Sarajevo and Banja Luka in the future (either under the CSA (FBiH)/MALSG (RS) or the AMCs). While the scope of services for these (potential) resource centers could be elaborated further, it seems that there is already enough evidence that there is ***a need for centralized mechanism for better ToT schemes*** (see Figure 9). A number of interviewees had mentioned the need for that, although the project did support several cycles of ToT in local development management and MiPRO and a comprehensive ToT gathering for more than 30 participants in the previous period. A number of interviewees highlighted also the need for the flexibility and readiness of the system to respond to the emerging needs in training topics.

Figure 9: The concept of the entity level resource center for LGU staff and elected officials

Potential services as a Resource Center:

* ToT base
* e-lab
* testing center
* repository if best practices from the regional centers
* exchange of experience with the Resource Center from the other entity
* library

Potentially there could also be link with higher educational institutions, with courses on LG embedded into a BA/MA programs to train future trainers in local governance related matters. This could be coupled with an internship scheme for the students: in fact the CSA in FBiH is already planning an internship scheme and this could be supported by UNDP in the future is further analysis shows the merits for it.

### Conclusions: potential for sustainability

To summarize, there has been significant progress in terms of steps taken to support the sustainability of the Training systems in both entities. However there is more that needs to be done in the remaining 2 years of the project lifetime and afterwards *to ensure* the sustainability of the system, including along the lines identified above

# Conclusions

The project has tackled a very important task of supporting the government in the BiH in establishing a TSLSGB. It has made good progress in all directions as was planned. While the project has set the fundamental basis for such system, there are still a number of issues to be fine-tuned to ensure the cost-effectiveness, efficiency and sustainability of the system, including measures that will promote (and ensure) financial contributions from the LGs and entity level governments, application of minimum HRM standards, and coordination and cooperation among all the training support facilities/partners. This will require intensive work both until 2015 and afterwards and there is sufficient evidence to argue that continued UNDP engagement would be very much needed to support the governments at all levels to complete the establishment of the system on sustainable basis.

The project has worked efficiently. An area that needs more attention is a more enhanced outreach to the LGs by the training organizers (respective entity level government bodies and AMCs) with an enhanced support in this direction from UNDP with a well elaborated Communications Strategy, highlighting the needs in and the benefits of systematic training of LG staff and elected officials.

Local ownership is strong at all levels of the government, demonstrated by developing and adopting amendments to legislation (a process which has been more prominent in the RS than in the FBiH) at the entity level, provision of training space for the regional training localities for free and active participation of the LGs. There are several issues however that need to be ironed out, including ensuring that the entity level governments (and the MALSG in RS in particular) honour all their commitments related to own funding and human resources, and measures to try and eliminate the adverse effects of the legislation as a result of which there is a now a situation when LGs from one particular canton use the training system in the FBiH to a very limited extent.

The project has cooperated very well with the partner agencies from international donor community, creating and utilizing synergies efficiently. The project management is professional and hands on, with an overall good coordination with the local stakeholders.

The adopted (mixed) model of training system is valid and in line with the lessons learnt from the wider region, but perhaps more needs to be done to ensure that all the concerned agencies share this vision and that all the efforts are directed to build the system further based on that model. The locations of the regional training localities need to be clarified, the list revisited and finalized. There is potentially a case to be made in favour of having one centrally located resource center in each entity to provide a variety of services, including and in particular, supporting ToT process.

The factors and constraints that may have hindered project implementation are both internal and external.

* **Internal:** Arguably the project needs more resources (staff) to handle all the complex tasks, and the policy support ones in particular, with maximum effectiveness and efficiency; and
* **External**: The external constraints stem first and foremost from the complicated political organization of the country, having a number of negative impacts on the project, e.g.
	+ the speed/possibility to introduce the necessary legal changes that would enable taking bolder and quicker steps to ensure the sustainability of the training system is affected (the consequences of the legal void in terms of legal/employment status of LG staff in the FBiH being once such example);
	+ the lack of reform agenda impedes significant rise in the demand for training and formulation of the training agenda; and
	+ the specific aspects of the local context - namely, the configuration of local government units in terms of their territorial composition, economic profile and specific, war-related problems - make for particularly challenging implementing environment, the complexity of which is insufficiently reflected in the existing legal and regulatory provisions on local governance[[35]](#footnote-36). The current non-participation of the municipalities from West Herzegovina is the training system for municipalities run by the CSA agency is one vivid example. Whether the project is able to improve on this outcome based on negotiations is to be seen.

Limited finances available for the local governments, stemming from the overall decline in the economic performance of the country (only partly as a result of the financial crisis) adversely affects the funding levels available for the training

# Lessons Learnt

While the engagement at the local level (LG) provides immediate results, it needs to go hand in hand with the reforms at the entity level: this is an approach which the project has taken and could be complimented for, given the difficult political and regulatory environment of the country.

The current/chosen (mixed) model of training provision for LG staff and elected officials is well justified but perhaps there was a need for a better appreciation of the need to think about maximizing the Return on Investment of public funding during and after the project support is over: this would have then prompted that there is a need to cultivate and promote resource use efficiency from the start. This is also a lesson that is potentially useful for other projects

The importance and challenges in inducing behaviour change – both by institutions and individuals (in this case related to the appreciation of the need for systematic training) deserved a more focused attention and dedicated resources from the start: this could be a lesson for the future that well elaborated Communication strategies are important and need innovative designs and funding.

Arguably it could have been foreseen that an initiative of this magnitude would need a longer term commitment at the onset (start of MTSII and even MTSI). In this case the project would have been designed with better phasing in mind.

# Recommendations

In line with the TOR this Section provides a list of recommendations for improving the project approach and set-up and strengthening its overall performance. These recommendations are organized into three levels: immediate, by the end of the project cycle (2015) and potential further support

#### Immediate

* Commence discussions with the LGs in the Western Herzegovina canton and also with the cantonal administration in the FBiH to resolve the issue of low-participation of the LG employees in the training system;
* Commence negotiations with the RS MALSG regarding the establishment of the designating the agreed upon number of staff (as defined within the Training Strategy) with clear deadlines; and
* Discuss with the CSA of FBiH the issues which they see with regards to the training locality in Ilidža to try and remedy this if possible. If an agreement is not reached and the CSA insists on having one of the training localities in Sarajevo, investigate the options with the CSA and the Government of the Federation allocating a government (and not privately) owned building where the training locality could be hosted or else find another locality.

#### By the end of the project cycle

* Develop a Communications Strategy which would spell out the activities needed to be undertaken to increase the visibility of the project and promote the benefits of the training within the established Training system among municipalities (through web portal, Public Service Announcements, brochures/booklets, outreach events, etc). Improve outreach activities to the LGs, targeting both the elected officials and the LG staff with the promotion of the benefits of the training (e.g. utilizing the findings from the Training Impact Assessment exercise);
* Conduct an evaluation of the minimum HRM standards’ introduction in the 20 pilot municipalities once the pilot is completed and based on that revise the planned program of its introduction and support its implementation countrywide;
* Develop a program of supporting enhanced operational-level coordination and cooperation between training system facilities/partners: the support could be provided to the training coordinating bodies in the entities and include such components as training in coordination, shared IT solutions, etc;
* After the Evaluation report by Sida on its capacity building project for the MCs is received, conduct a mapping exercise of all the international assistance that is and will be available to the AMCs to assess whether there is a need for further capacity building to be supported by UNDP, targeting in particular the training units. Supporting professional networks within the AMCs could be another area that could be considered;

#### Develop a broader concept paper on Financial sustainability of the training system which will address in detail for all potential sources of funding all the exiting mechanisms and procedures with the view of identifying the measures that could help to boost the likelihood of the financial sustinability of the system; this should also cover measures needed for achieving cost effectiveness in the allocation of public funding within each entity by better joint utilization of resources targeted for different category of civil servants, LG staff and elected officials;

* Ensure that there is a feedback mechanism to the training organizers from the LGs related to the impact of the training courses to training organizers (AMCs and the Ministry (RS)/CSA (FBiH) and the other round. These reports should be made available for all the stakeholders; and
* Potentially, develop the concept of resource centers (one each per entity) and its scope of services, which needs to include a well elaborated program for the ToT.

#### Potential further support, if further funding is made available

#### Assist the governments of all levels (local, cantonal and entity) in implementing the concept of financial sustainability of the training of LG staff and elected officials;

* Assist the LG Training Commission (RS)/LG Training Coordination Body (FBiH) in implementing the program aimed at better coordination of the training for the LGU staff and elected officials;
* Help to establish the training resource centers with a well designed ToT program, if this concept is developed further and adopted;
* Further capacity building to entity level government agencies and the AMCs (including with legal drafting, training management skills, course on “training skills development”, etc);
* Support building professional networks of LG staff, e.g. municipal finance officers association, building on previous work by USAID in 1997-1998 ; and
* Potentially support a link with higher educational institutions with the introduction on courses related to LG to train future trainers in local governance related matters in cooperation with the training support facilities/partners and based on the existing initiatives

#  Annex 1: list of people interviewed

**UNDP**

* Zahira Virani, UNDP BiH DRR
* Ms. Adela Pozder Čengić, Rural and Regional Development Sector Leader
* Aida Laković Hošo, Acting MTS Project Manager
* Aleksandar Živanović, UNDP MTS Training Officer, RS
* Vesna Efendić, UNDP MTS Training Officer, FBIH
* Ms. Marina Dimova, Project Manager, UNDP/ILDP
* Mr. Samir Omerefendić, Project Manager, UNDP/LOD
* Edis Arifagic, Project Manager, MTS2, on a temporary leave until 01.2014, on skype
* Svend Erik Sorensen, consultant UNDP BiH

**Entity Governments**

* Mr. Ivan Matešić, Assistant Minister, FBiH Ministry of Justice
* Mr. Sead Maslo, Director FBiH Civil Service Agency
* Ms. Samra Ljuca, Head of Training Department, FBiH Civil Service Agency
* Ms. Nada Grbić, RS Ministry of Finance
* Mr. Dalibor Ostojić, RS Civil Service Agency
* Ms. Milanka Šopin, Assistant Minister, RS Ministry for Administration and Local Self-Government
* Mr. Ostoja Perišić, Head of Unit for HR, Banja Luka City Administration

 **LGUs**

* Igor Ostojić, City of Bijeljina (Member of Financial Sustainability Working Group),
* Nada Đurić, City of Bijeljina
* Dragan Vujić, City of Bijeljina
* Nedžad Zukanović, Mayor of Ključ municipality and member of WG on financial sustainability in FBiH, phone interview
* Mato Mikić, Municipality of Orašje, phone interview, phone interview
* Mr. Predrag Šupljeglav, Head of Department for General Administration, City of Mostar, phone interview

**Associations of Municipalities and Cities**

* Mr. Aco Pantić, Secretary General, RS Association of Municipalities and Cities
* Sanja Krunić, Program Manager, Meeting with RS Association of Municipalities and Cities
* Ms. Šejla Hasić, Program Manager, FBiH Association of Municipalities and Cities

**Training Providers**

* Ms. Jelena Misita, Director, Revicon
* Mr. Zdravko Miovčić, Director, Eda Development Agency

**International and bilateral donors agencies/partners**

* Ms. Arlett Stojanović, Advisor Public Administration Reform , GIZ
* Mr. Mario Vignjević, National Program Officer, Sida
* Mr. Joseph Guntern, Country Director, SDC
* Ms. Alma Zukorlić, National Program Officer, SDC
* Ms. Ljiljana Perkušić, OSCE
* Mrs. Andrea Spear, Consultant, Sida

# Annex 2: Template Guide for the KIIs

**Relevance**

* Was your agency/municipality involved in the program design stage? If yes, how?
* Are the project’s objectives and outputs appropriate and relevant to the needs of the country/your agency/community?
* Is the project design appropriate and relevant to the needs of the country/your agency/community? If not, why not, and what could have been done/could be done differently?
* What other projects is your agency/municipality engaged in which has similar or related goals? How are these coordinated? Are these complementary: if yes, then how?
* Is the M&E framework relevant?
* How is the project complementary to the other UNDP projects and other UN agencies’ projects?

**Effectiveness**

* How did your agency/municipality benefit from the project so far? And what is planned? What do you think about the quality of the outputs (e.g. training courses, reports, etc)? What could have been done differently?
* How were the program outputs used in practice? What was your contribution to it? What are the challenges currently and how are these mitigated? What are potential challenges in the future? What could have been done differently? What could be done differently?

**Efficiency**

* Were there delays or all the activities were carried out in time? What could be done differently? Please elaborate
* Were the project activities implemented in a cost –effective manner? What could be done differently? Please elaborate
* What do you see as the key role of the Project Board? How effective it is? Would you have suggestions as to how the role of the Project Board and/or the way it works/is organized could be changed? If yes, then what?

**Sustainability**

* Do you think the project results/outcomes will be sustained? If yes then how? If not, then why? What could be done differently?
* What has your agency/municipality done to ensure the sustainability of the project results, and the training system in particular?
* What are the risks and threats to sustainability in your view (for your agency in particular)? What is being done to mitigate? What else could be done to mitigate?

**Potential for Impact**

* What would be the impact of the project in your view?
* What are recommendations to maximise MTS II performance and impact and further improve its efficiency and effectiveness?

**Factors**

* What are key factors that have either facilitated or impeded MTS II project progress?

# Annex 3: Agenda for the trip

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| **ACTIVITY** | **LOCATION** | **TIMEFRAME** |
| **Sunday, 24 November**  | - |  |
| Initial meeting with Rural and Regional Development Sector Leader (Ms. Adela Pozder Čengić) and MTS Project Manager a.i. (Aida Laković Hošo) | Sarajevo, Hotel Europe | 17.00 – 18.00 |
| **Monday, 25 November 2013** |  |  |
| Travel to Bijeljina |  | 08:00 – 12:00 |
| Meeting with RS Association of Municipalities and Cities (Mr. Aco Pantić, Secretary General; Sanja Krunić, Program Manager)  | Bijeljina, Gavrila Principa 11/Nušićeva | 13.00 – 14.00 |
| Meeting with Igor ostojić, City of Bijeljina (Member of Financial Sustainability Working Group), Nada Đurić, Dragan Vujić | Bijeljina, Trg kralja Petra I Karadjodjevica I | 14.30 – 15.30 |
| Return to Sarajevo |  | 15.30 – 19.00 |
| **Tuesday, 26 November 2013** |  |  |
| Briefing with the UNDP Senior Management | Sarajevo, UNDP | 09.00 – 09.30  |
| Meeting with the FBiH Association of Municipalities and Cities (Ms. Vesna Travljanin, Executive Director, Ms. Šejla Hasić, Program Manager) | Sarajevo, Musala 5/1 | 10.00 – 11.00 |
| Meeting with the FBiH Ministry of Justice (Mr. Ivan Matešić, Assistant Minister) | SarajevoValtera Perića 15 | 11.30 – 12.30 |
| Meeting with the FBiH Civil Service Agency (Mr. Sead Maslo, Director; Ms. Samra Ljuca, Head of Training Department)  | Sarajevo, Hamdije Kresevljakovica 19/5  | 14.00 – 15.00/15.30 |
| Meeting with GIZ (Ms. Arlett Stojanović, Advisor Public Administration Reform Strengthening Public Institutions in BiH) | Sarajevo, Splitska 6 | 16.00 – 17.00 |
| Wednesday, 27 November 2013 |  |  |
| Phone interview with Mayor of Ključ municipality and member of WG on financial sustainability in FBiH (Nedžad Zukanović) | Sarajevo, UNDP, sala 2. sprat, tel. 061 786 830 | 08.30 – 09.00 |
| Municipality of Orašje, phone interview (Mato Mikić, 063 162 288) | Sarajevo, UNDP, 2nd floor Conference Room  | 09.00 – 09.30 |
| Meeting with Training Provider Revicon (Ms. Jelena Misita, Director) | Sarajevo, Envera Sehovica 14 | 10.30 – 11.30 |
| Meeting with Project Team  | Sarajevo, UNDP, 2nd floor Conference Room  | 12.00 – 13.00 |
| Meeting with Sida (Mr. Mario Vignjević, National Program Officer) | Sarajevo, Ferhadija 20 | 14.00 – 15.00 |
| Travel to Banja Luka and overnight |  |  |
| **Thursday, 28 November 2013** |  |  |
| Meeting with RS Ministry for Administration and Local Self-Government (Ms. Milanka Šopin, Assistant Minister) & RS Ministry of Finance (Ms. Nada Grbić, joining the meeting), RS Government Building | Banja LukaTrg RS 1 | 08.30 – 10.00 |
| Coffee with Aleksandar Živanović, MTS Training Officer, 051 322 725, 065 640 161, RS Government Building |  | 10.00 – 10.45 |
| Meeting with RS Civil Service Agency (Mr. Dalibor Ostojić) | CSA building | 11.00 – 11.45 |
| Meeting with Banja Luka City Administration (Mr. Ostoja Perišić, Head of Unit for HR)  | Banja Luka, Trg srpskih vladara 1, 051/244-444 | 12.00 – 13.00 |
| Meeting with Training Provider - Eda Development Agency (Mr. Zdravko Miovčić, Director) | Banja Luka, Đure Jakšića 11,  Tel. 051 300 241 | 13.30 – 14.30 |
| Return to Sarajevo |  |  |
| **Friday, 29 November 2013** |  |  |
| Meeting with SDC (Mr. Joseph Guntern, Country Director; Ms. Alma Zukorlić, National Program Officer  | Sarajevo, Zmaja od Bosne 11 | 08.00 – 09.00 |
| Meeting with OSCE (Ms. Ljiljana Perkušić) | Sarajevo, Unitic | 10.00 – 11.00 |
| Meeting with UNDP/ILDP (Ms. Marina Dimova, Project Manager) | Sarajevo, UNDP, 3rd floor Conference Room  | 11.00 – 11.45  |
| Meeting with UNDP/LOD (Mr. Samir Omerefendić, Project Manager) | Sarajevo, UNDP, 3rd floor Conference Room  | 11.45 - 12.30 |
| Phone interview with the City of Mostar (Mr. Predrag Šupljeglav, Head of Department for General Administration) | Sarajevo, UNDP, 3rd floor Conference Room 036 500 633 | 12.30 – 13.00 |
| Debriefing with UNDP Senior Management | Sarajevo, UNDP | 14.00 – 15.00 |

1. UNDP/Sida: “Municipal Training System project: 2012 Annual Progress Report”, 2013, p.2 [↑](#footnote-ref-2)
2. based on John Mayne, “Addressing Attribution Through Contribution Analysis: Using Performance Measures Sensibly’, The Canadian Journal of Program Evaluation Vol. 16 No. 1 Canadian Evaluation Society, 2001 [↑](#footnote-ref-3)
3. http://www.worldbank.org/content/dam/Worldbank/document/eca/BH-Snapshot.pdf [↑](#footnote-ref-4)
4. Law on Local Self-Government of 2004 (RS Official Gazette 101/04, 42/05, 118/05),. In FBiH, a federal Law on the Principles of Local Self Government was passed in 2006 (FBiH Official Gazette 49/06), which provides the framework for cantonal legislation, and regulates certain key procedures. [↑](#footnote-ref-5)
5. Overall, despite notable advances, the FBiH 2006 Law as one providing a more advanced legal and regulatory framework for local government compared to the RS, stopped short of assigning significant autonomous (mandated) competencies to local government. The mandated competences were kept within the traditional remit of exclusive responsibility for waste, water, local roads and sanitation, alongside a number of other areas in which municipality competencies are shared with the entity and cantonal levels, similar to the arrangements in the RS (for example education, health, electricity supply and housing). As far as education and health services are concerned the delegation of tasks to the local government level has been extremely limited in both entities. In the FBiH the most significant spending responsibilities other than pre-school education are retained at the cantonal and entity level. Similarly, in the RS, other than some aspects of primary health protection, health and education remain centralised with the municipality in charge of the partial maintenance of secondary school buildings and healthcare facilities. The overall system, however, remains centralised in that locally generated revenue sources are few and local government has no influence on setting the tax rates upon which the bulk of its revenue depends (i.e. indirect tax). The state level has the power to legislate on custom duties, the revenue from which is assigned to the entities. All other tax powers rest with the entities. The FBiH and the RS have two distinct tax and finance systems. In both entities, the tax administration is centralised; lower government levels have very limited taxing powers. FBiH tax revenue goes mainly to cantons; there is no mechanism to transfer resources from richer to poorer cantons. *See Vesna Bojićić- Dzelilović (2011))” Decentralization and Regionalization in Bosnia-Herzegovina: Issues and Challenges”, LSEE Papers on Decentralisation and Regional Policy* [↑](#footnote-ref-6)
6. Decision U-27/09 of 2010 was based on an appeal lodged by the West Herzegovina Canton. The Decision was challenged by the Prime Minster of the Federation of BiH, but the FBiH Constitutional Court rejected this appeal [↑](#footnote-ref-7)
7. EU/OECD SIGMA (2012): “Assessment Bosnia and Herzegovina, March 2012”, p.10 [↑](#footnote-ref-8)
8. WB(2009):” Citizen Review of Service Delivery and Local Governance in Bosnia and Herzegovina”, by Mary McNeil, Andre Herzog, Sladjana Cosic, and PRISM Research [↑](#footnote-ref-9)
9. see 2013 EU Progress Report. The stalemate was part of a greater political conflict between position and opposition in the Federation [↑](#footnote-ref-10)
10. Topics: large scale projects, office management, facilitating access to information, administrative procedure, business communication and public-private partnership [↑](#footnote-ref-11)
11. Only one training topic Program Based Budgeting was replaced by the training on Application of Public Procurement Law. This was decided by the Agency and the Project after consultations with the FBiH Ministry of Finance, in order for this activity to be linked with the ongoing efforts in introducing practical application of programme based budgeting at all government levels in the Federation of Bosnia and Herzegovina. [↑](#footnote-ref-12)
12. In 2013 there were five trainings organised in Tomislavgrad, with 56 participants in total [↑](#footnote-ref-13)
13. Bosanski Petrovac, Ilidža, Tomislavgrad, Tuzla and Vitez [↑](#footnote-ref-14)
14. Topics: inter-municipal cooperation, strategy on traffic safety in RS, registration of enterprises reform in RS, promotion of municipal investment potentials, demographic trends and population policy in RS municipalities and civil protection and rescuing system in RS [↑](#footnote-ref-15)
15. In 2013, the Training Unit within the FBiH Association of Municipalities and Cities has delivered 37 training to 432 councillors from local governments municipalities, exceeding the initial plan of 24 training. In the RS, in the period June-September 2013 this training was delivered to municipal councillors in 24 municipalities (268 participants), As the Training Unit of the RS Association of Municipalities and Cities has some savings of funds envisaged for training of elected officials and considering that the number of applicant municipalities for this training was higher, the project approved training for councillors from additional 6 municipalities to be delivered in November 2014. [↑](#footnote-ref-16)
16. However, the completion of this training might be slightly delayed as a result of legislative changes in the Local Governance Law in the RS, which should be reviewed and reflected (amendments to the law adopted in November 2013). Considering this delay and the forthcoming December holidays, this programme will be delivered to 8 groups of newly elected mayors early 2014. [↑](#footnote-ref-17)
17. covering such topics as (Cost Benefit Analysis, Local Development Management for local government leadership and practitioners, Training of Trainers, Tax revenue management, Public Relations, Energy Efficiency, Water Management and Project Cycle Management, etc). [↑](#footnote-ref-18)
18. Although the initial plan was to include nine municipalities in the technical assistance, six projects were selected covering a larger number of municipalities considering that some of the applicant municipalities in the end opted for joint, larger scale inter-municipal projects (i.e. municipalities from Eastern Herzegovina region, Podrinje region and Banja Luka region). [↑](#footnote-ref-19)
19. Apart from this, limited technical assistance was additionally provided to Orašje municipality in adjusting an already existing project proposal submitted under EU IPA CBC. [↑](#footnote-ref-20)
20. [www.obuka.ads.fbih.gov.ba](http://www.obuka.ads.fbih.gov.ba) [↑](#footnote-ref-21)
21. The Local Government Induction Programme is in its final stage; the version for the local government in the RS is being additionally fine-tuned to reflect the latest changes in the RS Law on Local Self-Governance. The development of courses on office management, administrative procedure and business communication is underway, while the development of the fifth course on strategic planning has been initiated. This course is divided into two sub-courses for mayors and local government practitioners respectively [↑](#footnote-ref-22)
22. Further technical details are available from GIZ [↑](#footnote-ref-23)
23. in the RS for example, the amount for 2013 was 7000 KM for training program design and delivery [↑](#footnote-ref-24)
24. Such a system of mandating specific hours of training was tried in the FBiH for civil servants and then rejected [↑](#footnote-ref-25)
25. The CSA of BiH State used to have a special mechanism for assessing training in the form

of “credits” (System of Training Credit Hours), where the value of training was expressed by the number of credits, depending on the duration, content and specific areas covered. Civil servants were required to obtain a minimum of five credits, and managerial civil servants a minimum of seven credits, of training attended during the year in order to qualify for best marks in the performance appraisal.9 However, after an initial success, the system revealed its negative side, as civil servants were compelled to collect credits regardless of the training offered (which often did not meet demands) or of their own availability to undergo training. The CSA has abolished this system (p.23; EU/OECD SIGMA (2012): “Assessment Bosnia and Herzegovina, March 2012”, 2012) [↑](#footnote-ref-26)
26. More could be done now as well however: for example the interviews at one of the city administration indicated that they do not keep records of people who participated in the trainings. [↑](#footnote-ref-27)
27. OECD (2012)” Civil Service Professionalization in the Western Balkans”, SIGMA Paper No. 48 [↑](#footnote-ref-28)
28. According to UNDP project staff, amending current legal framework was considered immature and unrealistic. [↑](#footnote-ref-29)
29. the budget for the CSA was reduced from 150.000 KM to 10.000 KM after the completion of the DFID funded program [↑](#footnote-ref-30)
30. http://icma.org/en/international/regions/Country/158/Bosnia [↑](#footnote-ref-31)
31. The model foresees that each municipality should allocate certain percentage of its budget, according to a proposed formula. The formula takes into count 7 budget categories according to which the municipalities are paying membership to Association of Cities and Municipalities, the number of training programmes per year, number of employees and elected officials. According to the formula, municipalities would need to pay from a few hundred KM to 6000-7000 (depending on the size of administration and budget). The concrete amount per each municipality is given in a table, as well as number of employees and elected officials, giving at the same time indication what portion is for the trainings to be organized by the Civil Service Agency and which one for the Association of Cities and Municipalities. [↑](#footnote-ref-32)
32. In FBiH costs are divided. Municipalities would contribute towards the cost of training organisation (delivery and logistics), the FBiH government budget will still continue financing the employees of the CSA working on trainings (salaries, offices, operation of web etc.) Similarly, for trainings organised by AMC the contribution for training from municipalities would be exclusively for delivery and logistics. Salaries of AMC staff will be covered from their regular funds. [↑](#footnote-ref-33)
33. WG has not adopted the manner of payment, but according to the latest available information, LSGs should pay separately to the AMC and for CSA (contrary to what was proposed in the model of one payment stream to the MoF and from there to the AMC and CSA). [↑](#footnote-ref-34)
34. ibid [↑](#footnote-ref-35)
35. See Vesna Bojićić- Dzelilović (2011))” Decentralization and Regionalization in Bosnia-Herzegovina: Issues and Challenges”, LSEE Papers on Decentralisation and Regional Policy [↑](#footnote-ref-36)