

EVALUATION SUMMARY SHEET

Date: **22/06/2016**

Project name:	Integrated Local Development Project (ILDP), Phase II		
Implementing agency/ agencies:	BiH Ministry for Human Rights and Refugees		
Key project partners:	Federation of Bosnia and Herzegovina (FBiH) Ministry of Justice, Republika Srpska (RS) Ministry for Administration and Local Self-Government, both entity Association of Municipalities and Cities		
Project Duration:	From:	January 2012	To: December 2016
Total budget:	USD 7,192,077		
Evaluation type: (mid-term or final)	Final		
Evaluator name(s):	Mithulina Chatterjee		
Evaluation Duration:	From:	10 April	To: 26 April

Assessment of the project/programme

Assessment (colour coded)	Excellent	Very good	Average	Some issues	Serious issues
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	Top 3 observations	Assessment
Relevance	<ul style="list-style-type: none"> ILDP is very relevant to the country context for pursuing development goals. ILDP design is oriented to meeting EU requirements of BiH and the strategic planning capacity developed under the project will gain further significance with the progression in EU integration. The project design is closely linked to its strategic objectives and therefore facilitated the direction of intervention towards achievement of set outcomes. The critical pillars of the project (upstream policy dialogue for embedding local government level into higher strategic and financial planning frameworks, strategic planning at local and cantonal levels, development management capacities) articulate capacity development at institutional, organizational and individual levels. It however partially addresses the enabling environment of limited functional and fiscal decentralization, which has implications for effective strategies' implementation. 	Very good
Efficiency	<ul style="list-style-type: none"> The transfer of decision-making to national partners through letter of agreement (LOA) modality, fostered national ownership over management processes which increased efficiency of the project by reducing project management costs. Use of saved resources due to currency gain for funding supplementary activities accruing additional benefits to the community and co-funding from the government partners for some project activities reflect efficient utilization of resources. The Project partnership strategy led to division of labour and cost-sharing measures in several activities. 	Very good

<p>Effectiveness</p>	<ul style="list-style-type: none"> • ILDP initiated policy process for integration of strategic and financial planning into higher government levels was effective in FBiH resulting in development of a draft law on Development Planning and Management. In the RS, however, it had limited impact. • Participatory and integrated strategic planning at canton level has been successfully achieved (90% cantons) under the leadership of entity and canton planning institutions. The operationalization of these implementation plans is however yet to be fully developed and realized. • Participatory and integrated planning and implementation has been achieved on a wider scale (45%) in local governments. Planning culture, in terms of both long-term priority setting and medium (and annual) term, has been established within the local governments. Replication of the planning methodology has taken place at the initiative of the municipalities (15%) beyond the ILDP partner municipalities. • The entity level institutional partners' capacity (FBiH Development Planning Institute –FDPI and RS Strategic Planning Unit-SPU) is not effectively developed to play their development planning coordination role. The capacity intervention for both entity AMCs through development of their service line on development planning and management has also not become a dynamic tool to serve the local governments. 	<p>Very good</p>
<p>Gender equality</p>	<ul style="list-style-type: none"> • Participation rate of women in the different ILDP training programmes as well as in Municipal Development Teams and Partnership Groups (responsible for development of local development strategies) is 33 percent. • Participation of women and other vulnerable groups led to the framing of strategic plan goals and incorporation of their priorities and projects. • The FBiH Draft law on Development Planning and Management also has specific articles on gender equality objective but there is no explicit focus on socially excluded people. 	<p>Very good</p>
<p>National ownership</p>	<ul style="list-style-type: none"> • During the development of the draft law in FBiH the project ensured a demand-led approach from below, involving widespread consultation of all critical stakeholders at different levels, and leadership of the national partners, which generated full ownership. • Institutions responsible for entity based financial mechanisms for promoting local development (Investment and Development Bank of RS and the FBiH Ministry of Development, Entrepreneurship and Crafts) have internalized the systems promoted by the project and were leading the procurement, implementation and monitoring of local projects. • The project introduced unified planning methodology was being applied by local governments who were not direct partners of the project at their own initiative. 	<p>Very good</p>
<p>Partnerships and synergies</p>	<ul style="list-style-type: none"> • The project approach is relevant in respect of alignment and coordination with other donors. The approach leveraged EU and other international good practices to influence the form and content of strategic planning. • The project made noteworthy efforts to coordinate its initiatives with other projects. Synergies with existing training system initiative (UNDP MTS project), SDC migration for development project, EU Local Integrated Development project among others have helped to further complement and scale up the project activities. • A specific partnership indicated here is a major achievement of the project. Partnership between ILDP and USAID Strengthening Governing Institutions and Processes (SGIP) project contributed to the effectiveness of development of a draft law on development planning and management in FBiH. USAID SGIP project and ILDP combined their strengths wherein SGIP contributed to capacity 	<p>Excellent</p>

	<p>enhancement of partners in conducting regulatory impact assessment (RIA) and using due procedures in the adoption of the Law while ILDP provided constructive inputs into the content of the Law as well as supported the entire process.</p>	
<p>Impact</p>	<p>ILDP has been highly successful in introducing a number of significant systemic changes that include legislative reforms, financial streamlining and institutionalization of a pro-poor, gender sensitive and socially inclusive strategic planning system with tangible dividends for the people in social services, economic benefits and environmental impact.</p> <ul style="list-style-type: none"> • The most significant impact is seen in the arena of legislative changes that were brought about during the life of the project, in development planning and management in FBiH and in the associated policy changes of the processes brought about by the adoption of the standardized planning methodology at local government and cantonal levels. • The project has benefitted directly through the entity based financial mechanisms (about 355 new jobs), seed fund (infrastructure and service delivery to about 21,500 men and women) and post flood recovery efforts (about 200,000 citizens). • The Project has benefitted indirectly through the local projects (from the integrated development strategies) implemented have led to the development of Business Zones, better delivery of services such as improvement of water and sewerage systems and creation of jobs and employment opportunities as well as environmental impact. 	<p>Good</p>
<p>Sustainability and scaling up</p>	<ul style="list-style-type: none"> • With respect to institutional sustainability, the project activities have ensured that the government system has established a regulatory framework for ensuring continuation of strategic planning and vertical alignment, with plans and budgets in one entity. • Organizational arrangements to sustain strategic planning implementation were taking shape at entity, cantonal and local government levels but the system of continual capacity enhancement needs to be ensured. This is evidenced by the establishment of the SPU in RS, proposed Federation Council in FBiH, Development Management Units (DMUs) at canton and local government levels and use of the training system. • Overall the linkage between financial planning frameworks and local development strategies have also been strengthened through the draft law on Development Planning and Management and decrees on Public Investment Planning (PIP) in both entities and realistic three year implementation planning system. But the overall limited budget availability could cripple strategies' implementation in the future. Financial sustainability therefore remains a critical issue given the unpredictable inter-governmental transfers, low local government revenue generation and inadequate fiscal decentralization policies. 	<p>Good</p>
<p>Overall Assessment</p>	<p>Overall, ILDP has been highly successful in introducing a number of significant systemic changes. The project made some notable achievements in its outcomes as the rallying point for strategic planning in BiH. ILDP is in an advanced stage of institutionalization of the strategic planning system in the FBiH. This includes establishing a planning system, which is long-term, participatory, integrated and which is pro-poor, socially inclusive and gender sensitive. It has begun to consolidate linkage with the public financial system, which is a noteworthy accomplishment. It has capacitated the local self-governments to perform fundamental functions that allowed them to represent the preferences of the citizens in the decision-making process. It has led to realistic planning within the existing budget allocation. A visible transformation in the planning culture (integrated, consultative, inclusive and transparent) was observed at local government and cantonal levels moving the bar towards EU norms and standards. Introducing such systemic changes has influenced and</p>	<p>Very good</p>

	benefited a large number of people who were perhaps excluded from the development process.	
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Lessons Learned

1	More intensive engagement and work are needed with the legislative/decision-makers (entity, cantonal and local government levels) in system-changing efforts.
2	Social inclusion of minority groups and gender sensitive planning and budgeting (even to a limited extent) are critical for ensuring voice and agency of these groups.
3	While the project followed an explicit approach on ensuring leadership of partners in project interventions, with increased capacity there is scope now for reducing dependence on external catalysts.

Key recommendations

1	Continue to advocate for enactment of the development planning and management Law and by-laws.
2	Vertical and horizontal harmonization of strategic documents (higher level development strategies and key sectoral strategies) through multi-stakeholder involvement should be pursued.
3	Regulatory and capacity development interventions for financial planning and budget adequacy should be supported for inclusive system of financial transfers and revenue generation within the cantons and the local governments.
4	Target capacity development of existing partners at entity, canton and local government levels to consolidate efforts.
5	Promote and develop sustainable models of development management structures (DMUs within Mayors and Cantonal Prime Ministers' offices).
6	Consolidate leadership and technical capacity development for development management and, expand and pilot some human resource management and financial management capacity development systems in few partner municipalities who are more advanced in their current capacities.
7	Advance effective national ownership through increased leadership role of national partners and aligning with national systems. This should entail greater use of the training system, use of domestic actors for capacity building, greater use of LOAs and eventual transition to National Implementation Modality.