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### **Local Government Performance Index Dimensions and Indicator Scores:<sup>1</sup>**

#### **EFFICIENCY DIMENSION: INDICATOR SCORES**

<b>1.1 Score: well-functioning citizen service centers</b>	<b>Municipalities in 2005 (listed in worst to best within a cell)</b>	<b>Municipalities in 2010</b>
0–No citizen service center where citizens can get documents in one place, there are significant waits, data is not digitized, citizens not in the majority can question equity of services	Čapljina, Vitez, Novi Grad, GVU, Konjic, Modriča	
1–Citizen service center exists, but data is only partly digitized & and there can be questions about equity and/or timeliness of service delivery		Čapljina <sup>2</sup>
2–Citizen service center exists and functions effectively; data is digitized & there is a clear system for submitting and addressing complaints; there can be questions about equity of service delivery		GVU, <sup>3</sup> Modriča, <sup>4</sup> Novi grad, <sup>5</sup> Konjic <sup>6</sup>
3–Citizen service center functions well and equitably, with even extended working hours, not just in providing documents, but also in receiving payments; all data for basic documents are digitized; there is a system for submitting and addressing complaints; there is a system of control and/or citizen evaluation		Vitez <sup>7</sup>

<sup>1</sup> Assessments based on interviews refer to interviewees through a code, in order to protect subjects' anonymity.

<sup>2</sup> Not all documents in Čapljina are digitized, which causes a variation in wait times for basic documents. Services are much improved since 2005. Construction permit issuance takes about 30 days if all supporting documentation is complete. Wait time is about one minute for digitized documents.

<sup>3</sup> Gornji Vakuf Uskoplje has digitized all documents, but its facilities are very small. There are only two service points that provide authentication of documents; other basic services take place in different offices of the municipal building. There is, however, no mechanism available for submitting complaints.

<sup>4</sup> Modriča has extended hours twice a week and a complaint officer (instead of a complaint box) to address citizen concerns and prevent anonymity. All documents are digitized, but print copies are available as well.

<sup>5</sup> Novi Grad has digitized all documents, greatly reducing wait times. There is a complaint box available, and request forms detailing necessary supporting documentation are readily available. There is also an initiative taking place for citizens to be surveyed about the CSCs so the municipality can receive direct feedback.

<sup>6</sup> In Konjic, all documents are digitized, and there is a complaint book available for citizens. Due to the death of the treasurer, payment for administrative services occurs at a bank next door which raises the cost to citizens.

<sup>7</sup> Vitez has extended hours on Tuesdays, and all documents have been digitized. There is a complaint book available for citizens, and the municipality has introduced electronic tracking of documents to improve services and accountability.

<b>1.2 Score: transparent and equitable rules for disbursing budget funding for capital investment &amp; civil society projects</b>	<b>Municipalities in 2005</b>	<b>Municipalities in 2010</b>
0-No clear rules for either	All	
1-Some rules exist mainly on paper for capital investment projects (CIPs) & civil society projects		Čapljina, <sup>8</sup> Novi Grad <sup>9</sup>
2-Some rules exist on paper for CIPs and civil society projects, co-financing from MZs are required, but credible questions about their implementation and politicization exist		Modriča, <sup>10</sup> GVU, <sup>11</sup> Vitez <sup>12</sup>
3-Rules exist, co-financing of CIPs from MZs are largely required; Rules for both CIPs and civil society projects are implemented for at least 1 year or more, though with questions about consistency of application & politicization		Konjic <sup>13</sup>

<sup>8</sup> Čapljina adopted a decision on assumptions, principles, and the means of preparing a program of capital investments, which outlines the planning process, what priorities will be financed (in a ranking list), and a plan to be prepared by a coordination team to be appointed by the mayor. But there is no evidence, of these guidelines being applied in practice. An interviewee has alleged discrimination by the municipality against the Muslim community. Regarding allocation of funding for NGOs, Čapljina does not practice project financing.

<sup>9</sup> Novi Grad has defined guidelines for how CIPs are funded, the percentage that citizens must fund, the project selection criteria, and the way of forming project selection commissions. These rules are new & connected to the recent formation of local communities. But administrators acknowledge it is not enough and that there should be a rulebook. Local community budgets are co-financed, and implementation of selection criteria is inconsistent. Regarding allocation of funding for NGOs, Novi Grad allocates a small amount of funding for NGOs by project, particularly for youth organizations.

<sup>10</sup> Modriča does not have special rules for CIPs. The municipality gathers budget request forms, including from MZs, and looks at them while creating the budget. But projects are not incorporated into the budget by name the majority of the time. The municipality then gathers the MZs after the budget is passed, ask them to choose a priority, and choose their capital investment programs that way. Regarding allocation of funding for NGOs, Modriča practices funding on a per-project basis and has a commission that evaluates project proposals that includes representatives of civil society. A decision we observed the mayor make, however, raises questions about the consistency of implementation.

<sup>11</sup> Gornji Vakuf Uskoplje has a capital planning committee, which has criteria on which they score project ideas from the local communities. Anyone can fill out a simple form explaining the project idea and its estimated cost and submit it to the capital planning committee. Regarding allocation of funding for NGOs, Gornji Vakuf Uskoplje has very vague allocation criteria.

<sup>12</sup> Vitez has established a commission for capital projects at the municipal council, but there are doubts about its consistency and functionality. Though Vitez also has a decision on the criteria for establishing priorities in the form of a ranking list, there are concerns about the politicization of the process in practice. Regarding allocation of funding for NGOs, Vitez recently established an agreement on cooperation with civil society that is said to contain rules, but an NGO representative says it has not been implemented and that funding is based on projects without clear criteria.

<sup>13</sup> Konjic has a 22 person commission for capital investment projects, made up of club representatives of council political parties, MZs, youth groups, and professionals. The commission has a scoring system for projects, and MZs submit project proposals and then the cost is estimated. There is, however, some concern about politicization as allegations of funding manipulation to influence election results were made. Konjic's mayor was convicted of violation of his position for granting a firm the right to rent-free land, without the consent of Cantonal authorities. Regarding allocation of funding to NGOs, Konjic has had a commission in place for the past 5 years that selects projects, but the amount of transparency in the process is unclear and the Municipal Council has a large amount of influence over the funding process. One minority NGO has alleged discrimination in the project funding process.

<b>1.3 Municipal council sessions, and meetings of the commission on budget and finance are regularly held and substantially attended?</b>	Municipalities in 2005 (listed in worse to best within a box)	Municipalities in 2010
0-Dysfunctional; very few meetings, low attendance/boycotting	Čapljina <sup>14</sup>	
1-Low number of council sessions held (< 6) and/or problems with the functioning of the council or its budget commission	Modriča, GVU, Vitez	Čapljina
2-Near monthly council sessions and substantial attendance, and absences explained for council meetings, but some problems with the functioning of key council commissions	Novi Grad	Novi Grad, <sup>15</sup> Gornji Vakuf Uskoplje, Vitez, Modriča
3-Near monthly council sessions and substantial attendance at both council meetings and committee/commission meetings , and absence explained	Konjic <sup>16</sup>	Konjic <sup>17</sup>

<sup>14</sup> Čapljina did not respond to a FOIA request to send data on 2005 for municipal council meetings and attendance.

<sup>15</sup> When the compensation of external members (economists) of Novi Grad council's budget committee was reduced they stopped participating and the committee had difficult time making decisions.

<sup>16</sup> Met 11 times in 2005 and a quorum was met at all sessions.

<sup>17</sup> The Konjic municipal council met 10 times in 2010 but attendance figures were unavailable.

<b>1.4 implementation of the council work plan</b>	<b>Municipalities in 2005</b>	<b>Municipalities in 2010</b>
0-No work plan	Čapljina <sup>18</sup>	Čapljina
1-Work plan exists but is very narrow and does not do a good job of establishing responsibility for components; unclear how much of work plan was implemented, either because there is no report, it is not explicit or it is internal	Konjic, Vitez	Konjic <sup>19</sup>
2-Work plan exists and specifies responsibility for components; report indicates some of the work plan was implemented not clear how much	GVU, Modriča, Novi Grad	GVU <sup>20</sup> , Modriča, <sup>21</sup> Novi Grad, <sup>22</sup> Vitez <sup>23</sup>
3-Work plan exists and specifies responsibility for components; report indicates that at least 40% of the work plan was accomplished		

	SCORES ON INDICATORS OF EFFICIENCY								
	Well functioning citizen service centers		Clear & equitable rules for disbursing budget funding for capital investment & civil society		Municipal council sessions, & key commission meetings are regularly held & attended		Implementation of the council workplan		Sum in improved efficiency
	2005	2010	2005	2010	2005	2010	2005	2010	
Vitez (C)	0	3	0	2	1	2	1	2	7
GVU (N)	0	2	0	2	1	2	2	2	5
Konjic (C)	0	2	0	3	3	3	1	1	5
Čapljina (N)	0	1	0	1	0	1	0	0	3
Modrica (C)	0	2	0	2	1	2	2	2	5
Novi Grad (N)	0	2	0	1	2	2	2	2	3

<sup>18</sup> Čapljina did not respond to a FOIA request for a work plan report, as they claim a legal obligation to produce one for the public does not exist. The online *sluzbeni glasnici* also does not contain a work plan report.

<sup>19</sup> The plan and report are very narrow. The Council's work addressed topics that were not planned, though the plan only provides a table with an overview of planned activities.

<sup>20</sup> Gornji Vakuf Uskoplje established a plan in two trimesters with 53 items on the agenda. While the plan was published, it is unclear if a report was or exists.

<sup>21</sup> Modriča follows a quarterly format, which it also did in 2005. The report details items discussed in every session, and also includes reports on commissions. The plan was published, but it is unclear if the report was as well.

<sup>22</sup> As with its 2005 report, Novi Grad's plan consists of normative and thematic part, with bodies responsible for different items. The 2010 report indicates that half (7) of the working bodies made and reported on plans, while the other half did not. The plan was published, but the report was not.

<sup>23</sup> Vitez's 2010 report is similar to its 2005 report but divides items into four month sessions. The idea of thematic sessions was also introduced in 2010. 24 of the 64 planned items were not realized, but 90 items outside of the yearly plan were addressed.

## EFFECTIVENESS DIMENSION: INDICATOR SCORES

<b>2.1. The system for performance monitoring of employees exists and it is functional<sup>24</sup></b>	Municipalities in 2005	Municipalities in 2010
0–Performance monitoring does not exist; municipalities do not comply even with the legal requirement of annual grading of employees.		
1–Municipalities comply with the legal requirement of annual grading, but it is largely pro-forma. There are no other mechanisms.	All <sup>25</sup>	
2–Municipalities comply with the legal requirement of annual grading and the system is actually used for its designated purpose. Municipalities may have some additional HRM functions.		Konjic, <sup>26</sup> Novi Grad, <sup>27</sup> Modriča, <sup>28</sup> Čapljina, <sup>29</sup> GVU, <sup>30</sup> Vitez <sup>31</sup>
3 – Municipalities go beyond the legal requirement and actually introduce other means besides formal grading to track performance of employees; they have developed HRM procedures.		

<sup>24</sup> The problem appears to be in the formal grading system: IO representatives said there was no room to really punish or alternatively, reward and stimulate employees.

<sup>25</sup> This is an educated guess, because laws existed but we were not able to obtain data on compliance.

<sup>26</sup> Mayor described as taking grading of heads of departments seriously, as “rigorous” in that respect, mostly gives satisfactory grades and thinks everything can be better. There is “no time to rest” for civil servants (interview with TB). But interesting that interviewed official at the same time says that higher grades would require an increase in salary of up to 20% in budget.

<sup>27</sup> Representatives emphasized efficiency, quality of work, expertise, complexity of the work as components being assessed (interview, CT). A lot of employment of young people, volunteers, interns – it appears they have a serious strategy to find young, motivated people (interviews with BK and JP).

<sup>28</sup> There is part of the administration that can be monitored quantitatively through software they have (e.g. how many requests, how much the employee has done). They cannot do monitoring on daily basis because they are not connected, i.e. don't have program that tracks performance, but according to CO (interview) there is daily communication and meetings. Employees are supposed to make reports on what they did every day as well as monthly in her department (interview with CO). Heads of departments have daily collegium meetings with mayor which is an exception. Nevertheless, interview with IO representative indicates that municipality admitted itself that the assessment is mostly pro-forma, like in other municipalities. According to her, municipality complained that they are limited in terms of promoting employees. Also, they adopted a HRM strategy that envisaged a sophisticated system of HRM but don't use it systematically.

<sup>29</sup> In addition to the legal requirement, daily observation and contact with servants to see what they are working on.

<sup>30</sup> They appear to take it seriously – if there are complaints that are justified against employees, these normally affect grades. Heads of departments make note of good and bad things throughout year. GVU also has its own assessment rulebooks (e.g. entailing questions to be asked, grading scale, etc) (interview with CN).

<sup>31</sup> Vitez has the possibility to track performance thanks to software introduced by GAP but its not clear whether they do it (interviews with FA, NS). They said they have their own rulebook.

<b>2.2. Adopted budget and budget execution report are adopted in timely manner, in line with legal obligations on budget calendar</b>	Municipalities in 2005	Municipalities in 2010
0–Municipalities do not adopt budget or budget execution report (one or both).		
1–Municipalities adopt documents but for the most part don't respect legal deadlines or frequently adopt decisions on temporary financing	Čapljina, <sup>32</sup> Vitez <sup>33</sup>	Čapljina, <sup>34</sup> Vitez <sup>35</sup>
2–Municipalities for the most part adopt the documents in line with legal obligations. Only rarely adopt decisions on temporary financing or may be behind in adoption of other documents	Gornji Vakuf Uskoplje	
3–Municipalities adopt documents in timely manner.	Konjic, Novi Grad, Modriča	Konjic, Novi Grad, Gornji Vakuf Uskoplje, Modriča

<b>SCORES ON INDICATORS OF EFFECTIVENESS</b>					
Municipality	Performance Monitoring		Budget & reports on execution are adopted according to legal obligations		Sum in improved effectiveness
	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	
Vitez (C)	1	2	1	1	1
GVU (N)	1	2	2	3	2
Konjic (C)	1	2	3	3	1
Capljina (N)	1	2	1	1	1
Modrica (C)	1	2	3	3	1
Novi Grad (N)	1	2	3	3	1

<sup>32</sup> Frequent decisions on temporary financing.

<sup>33</sup> Frequent decisions on temporary financing.

<sup>34</sup> Frequent decisions on temporary financing.

<sup>35</sup> Frequent decisions on temporary financing.

## ACCOUNTABILITY DIMENSION: INDICATOR SCORES

3.1 Transparency of municipal work	Municipalities in 2005	Municipalities in 2010
0–Municipality takes no or little effort to make its work publically available. Council sessions may not be open to the public.		
1–Municipality makes basic attempts to inform citizens, makes some information & important documents available. If website exists, it is updated sporadically, with most documents missing. Council sessions may not be open to public.	GVU, <sup>36</sup> Novi Grad, <sup>37</sup> Konjic, Vitez	
2–Municipality informs citizens about activities on a regular basis, makes information & important documents available via largely updated website. Council sessions open to public, but may not be announced in advance.	Čapljina, Modriča <sup>38</sup>	Čapljina, <sup>39</sup> Konjic, <sup>40</sup> Novi Grad, <sup>41</sup> Vitez <sup>42</sup>
3–Municipality takes extraordinary efforts to inform citizens about its activities on a regular basis, makes information and documents regularly available via a user-friendly website. Council sessions open to public, announced in advance.		Modriča, <sup>43</sup> GVU <sup>44</sup>

<sup>36</sup> According to GVU administrators, web site was not up and running in 2005. However, they did publish Official Gazettes (OGs) back then containing key documents such as budgets.

<sup>37</sup> Did not have a website in 2005. Publicity of work back then rated as lower (interview with CT, BK, CS) However, did publish OG, so some transparency of work was present.

<sup>38</sup> According to municipal representatives: Sometime after 2005, Modrica introduced new systems, from public hearings, roundtables, different brochures, the media, and websites to TV broadcasts. Administrators prepared a communication strategy and introduced ISO standards, etc.

<sup>39</sup> Website: OG available on website, although not all issues. Not updated regularly. Sessions: Open, all NGOs and IOs were invited. Everyone can be present, but cannot speak, unless it is something that personally affects them or their organizations, which should be announced in advance. Materials regarding session always on web sites. A Čapljina web portal (not the official website) publishes information before and after session. Radio Čapljina records the entire “report” from the session is on the radio’s website (interview with QL).

<sup>40</sup> Website: OG not available on website, not all important docs available on website. Information on website mostly pertains to what was adopted at council session. Sessions: Open and citizens can attend. The sessions are broadcast (next day) on Radio Konjic (interview with EE). Media records sessions. After sessions, transcripts are made, and from the transcripts minutes. Sessions are rebroadcast on radio the next day. Every citizen can receive part of the transcript that interests him, and in line with FOIA (interview with JS). There is an Info desk.

<sup>41</sup> Website: Even in 2012, the website is not updated systematically. Information on council sessions is sporadic. Otherwise, website is interactive has useful info, like OGs since 2011. Council sessions: recently began announcing sessions and agenda is published on website (interview with OT). They prepare minutes from sessions; are available upon request. Sessions recently broadcast on local radio. Citizens have to issue a request to council leadership to attend sessions and can speak only for 5 minutes (interview with CT) due to space constraints. Sessions are recorded and broadcast on the radio the next day. Municipal reps also appear on radio after council sessions. Minutes are public and available on request. Have started publishing municipal newsletter with information on council decisions.

<sup>42</sup> Council sessions: Sessions announced at least 7 days before. Media are invited with session agenda. Usually announce sessions at Radio Vitez before session and highlight more significant agenda items. Sessions broadcast on radio. Plan to announce sessions on website. Sessions are technically publically open, but in practice not due to space constraints. But everything, including OGs, available through info center and broadcasts.

<sup>43</sup> For assembly sessions, call and conclusions are published on website. TV broadcasts sessions. They use posters and Radio Modriča 2-5 days prior to announce sessions with agenda (interview with TN). They also invite 28 organizations. Two days after session, the assembly president describes it on the radio, and what was adopted. They plan soon to announce the agenda as well on website. Between 100-150 persons attend each council session. Minutes are available, sent to same organizations/individuals invited (interview with AE). For access to documents: there is a public notice in the citizen service center and local officials will help citizens to obtain a document of interest, without a FOIA request (interview with FA). Website only recently (2012) started to publish OG online.

<sup>44</sup> Council sessions: announced on website beforehand and open to public (interview with NN). Website: well updated, contains all OGs since 2001 & important documents (budget execution reports, budgets, strategic plans...).

<b>3.2 Transparent budgets and budget execution reports</b>	<b>Municipalities in 2005</b>	<b>Municipalities in 2010</b>
0–Rudimentary budget with only one type of classification, no narrative part	Konjic, <sup>45</sup> GVU, <sup>46</sup> Vitez <sup>47</sup>	
1–Budget documents have two to three types of classification but narrative part is not very detailed. Also, budget items may not disaggregated; or execution report may not entail comparison to previous year's execution; in budget, no forecasts for more than one fiscal year	Novi Grad, <sup>48</sup> Čapljina, <sup>49</sup> Modriča <sup>50</sup>	Čapljina, <sup>51</sup> Konjic, <sup>52</sup> GVU, <sup>53</sup> Vitez <sup>54</sup>
2–Budget documents have forecasts for more than one fiscal year; different sources of revenue clearly identified in a disaggregated manner; detailed execution of previous year, especially for execution report. Narrative part explains individual revenues or expenditures; executive report explains why some plans were not realized		Novi Grad, Modriča
3–In addition to requirements listed under 1 & 2 categories above, information about how new policies will impact revenues and expenditures or possibly, program/project classification as good practice		

<sup>45</sup> Contained just economic classification. No narratives provided for 2005 budget and execution report.

<sup>46</sup> Contained just economic classification. No narrative was made, the budget was explained by mayor to council because of crisis at the time. No narratives provided for 2005 execution report.

<sup>47</sup> Contained all three classifications. Just estimate of execution. No narratives provided for 2005 budget and execution report.

<sup>48</sup> Contained two classifications.

<sup>49</sup> Čapljina had all three classifications. Execution report for 2004 was for 9 months.

<sup>50</sup> Although some aspects are lacking, there is a very detailed narrative.

<sup>51</sup> No narrative part for budget was provided, just the execution report.

<sup>52</sup> No narrative part for budget was provided, just the execution report.

<sup>53</sup> No narrative part for budget was provided, just the execution report.

<sup>54</sup> No narrative part for budget was provided, just the execution report. All classifications & execution report are detailed.



<b>3.3 Open citizen days, public hearings or other traditional participatory mechanisms held regularly</b>	Municipalities in 2005	Municipalities in 2010
0–Municipality does not have venues for citizen participation, but <i>ad hoc</i> participation may occur	Čapljina, Gornji Vakuf Uskoplje <sup>55</sup>	
1–Municipality rarely allows for citizen participation in decision-making	Novi Grad, <sup>56</sup> Vitez	Čapljina <sup>57</sup>
2–Municipality institutionalized some venues for participation it uses on regular basis. Public hearings generally organized in satisfactory manner	Modriča, <sup>58</sup> Konjic	Novi Grad, <sup>59</sup> Vitez, <sup>60</sup> Gornji Vakuf Uskoplje <sup>61</sup>
3–Municipality has numerous institutionalized venues for participation, allows for “stronger” participation (e.g. involving citizens in advisory committees). Municipality holds public hearings open to citizens that are exceptionally organized		Konjic, <sup>62</sup> Modriča <sup>63</sup>

<sup>55</sup> Administrators said they did not have public hearings back then.

<sup>56</sup> It appears that they started institutionalizing citizen participation avenues only recently. Five years ago, public hearings (PHs) were not as frequent (interview with BK).

<sup>57</sup> Public hearings done for spatial plan on cantonal waste management plan and a solar power plant (per legal requirements). A survey was done for capital investments (through GAP program). Public hearings used when necessary, as they are demanding. Public hearings for budgets were not organized (interview with BV).

<sup>58</sup> According to municipal administrators, sometime after 2005, they started working in a completely different manner locally, started to behave more transparently towards citizens: “We introduced some systems that we didn't have before, from public hearings, roundtables, different brochures, the media, and websites to TV broadcasts. We prepared a communication strategy, then worked on human resources” (interview with CO).

<sup>59</sup> Major problems with PH: Not announced ahead of time; almost no “ordinary” citizens attended. Mayor receives citizens by appointment; there is no open day. However, as of 2010-11, appear be introducing good practices: Open calls for assembly committee representatives (thanks to OSCE); municipal representative office hours through MZs (2012). It just organized the first secret ballot MZ elections (2011). They adopted a decision on citizen participation (MAP). There is an interactive website, web-based surveys, facebook page. It seems to be opening up to citizens.

<sup>60</sup> Municipal council has a committee, predominantly made up of citizens, which was formed upon the administration's proposal that proposes improvements to work of the citizen service centers and website. Do not have designated open day with mayor. They organize hearings on the budget draft; but their hearings are not open to the public (citizens can send in their suggestions). However, they do organize a lot of public hearings unrelated to the budget, which are announced via media and posters in MZs (interview with NH).

<sup>61</sup> Thanks to OSCE, they have written a document on participatory mechanisms used in municipality. The most used mechanisms are citizen assemblies, public hearings, and surveys. The mayor receives citizens every Thursday. Citizens use this frequently (interview with PM, TQ, CN).

<sup>62</sup> Municipality organized PHs for development strategy and for development of a partnership strategy. Budget hearings are organized. Mayor had designated day earlier but he now receives them every day. They have a capital investment committee that is made up of 22 members, including MZ and youth organization representatives (interview with EE, EB, TB). Although PHs are not very well organized, the plus side are announcements on the radio and the organization of a dozen public hearings in different MZs covering the large territory of the municipality. There is a well-equipped presentation.

<sup>63</sup> Mayor receives citizens every day from 9-10; Mayor has special days to receive diaspora. Citizens/civil society organization (CSO) representatives are included in committee allocating CSO grants. Citizens/businesses were also involved in creation of development strategy through the municipal development team. A PH is held on budgets.

<b>3.4. The municipality has functioning mechanisms for administrative and fiscal oversight</b>	Municipalities in 2005	Municipalities in 2010
0–The municipality does not have any oversight mechanisms.	Čapljina	Čapljina <sup>64</sup>
1–The municipality has <i>ad hoc</i> oversight mechanisms, or if institutionalized, mechanisms that do not appear to work in practice.	GVU, Modriča <sup>65</sup>	
2–Municipality has a functioning oversight mechanism.	Vitez, Novi Grad, <sup>66</sup> Konjic	GVU, <sup>67</sup> Vitez, <sup>68</sup> Modriča, <sup>69</sup> Novi Grad <sup>70</sup>
3–The municipality has introduced numerous oversight mechanisms that appear to function well.		Konjic <sup>71</sup>

<sup>64</sup> Responded “no” to our question on oversight (interview with BV).

<sup>65</sup> Did not have ISO in 2005. Budget committee was introduced through the MAP program, so it was later.

<sup>66</sup> They had a budget committee and oversight committee back then, which were later discontinued (around 2009/2010) and replaced by an internal control committee within the administration.

<sup>67</sup> There is no internal control, internal auditor or any oversight committees (interview with PK). They have a budget committee that gives its opinions on finance documents (budget, execution report). They do not have the obligation of control; this is a competence of the FBiH/cantonal supreme audit institution (interview with TQ). They said they have “administrative control” on the level of canton that deals with these issues (interview with CN). They think they do not have to have internal auditor as they are small municipality (interviews with TQ, PK).

<sup>68</sup> Budget committee was formed “long time ago” (interview with NN). Municipal representative said they had no oversight mechanisms. Also have ISO, but they did not really mention it as part of oversight.

<sup>69</sup> Responded “no” to our question on mechanisms of internal audit, control, and special oversight committees (interviews with CH, CQ). BG said they do not have the legal obligation of having an internal auditor because they do not have a budget greater than 10 million in own sources. They have “internal audits,” because they have an ISO standard (interview with CO). Before external ISO, they had internal audits. They have internal certified auditors – their employees, which is an obligation of the ISO; these internal auditors do the check before the external one. They also have a rulebook on internal control procedures that has to be amended because things are changing, which pertains to financial management (interview with CH). They have a well-functioning budget committee introduced by an International Organization (interviews with TN, EE).

<sup>70</sup> Since 2009, there is an internal audit committee that checks administrative departments and sends them recommendations. Since 2007 (thanks to a foreign donor), there is an internal audit committee pertaining to ISO standard realization and which exclusively pertains to the system of quality management. Before, there was an assembly committee for oversight, whose work was discontinued because of lack of funding for external members. Similar thing happened to budget committee in 2011 (interview with OE). Seem to have acted in line with 2008 SAI recommendations, came up in 2009 with rulebook on eliminating deficiencies in the work of the administrative service. Worked on and adopted acts that regulate different aspects of the administration’s work (interviews with TF, OE). In comparison to oversight in 2005, the situation was not assessed as worse. In line with the external audit, a program to overcome problems was made and realized and information on its realization was prepared for assembly. Interviewees assert the mayor seeks to inform the assembly.

<sup>71</sup> As an actual position within the administration, since maybe 5 years ago, an internal auditor controls work of all departments, records inconsistencies, and attends all weekly mayor’s council meetings. He can and does inform the mayor on all occurrences. He makes his work plan that is verified by the mayor, and like all other officials, submits an annual report on his work (interviews with EB, TB). There is also an internal committee, introduced 5 years ago, for monitoring office work that once a year assesses how many solved cases there have been, whether there are cases that could have been solved but were not, before sending an obligatory report to the Cantonal Ministry of administration and local government (interview with TB). They also have ISO accreditation, with controls once a year. A budget committee was formed in 2005. There exist internal controls in terms of payment procedures.

SCORES ON INDICATORS OF ACCOUNTABILITY									
	Transparency of municipal work		Transparent budgets and budgets exec reports		Participatory mechanisms in place		Functional admin.& finance oversight		Sum in improved accountability
	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	
Vitez (C)	1	2	0	1	1	2	2	2	3
GVU (N)	1	3	0	1	0	2	1	2	6
Konjic (C)	1	2	0	1	2	3	2	3	4
Capljina (N)	2	2	1	1	0	1	0	0	1
Modrica (C)	2	3	1	2	2	3	1	2	4
Novi Grad (N)	1	2	1	2	1	2	2	2	3

### DEVELOPMENT DIMENSION: INDICATOR SCORES

<b>4.1. Percent of budget allocated for capital projects<sup>72</sup></b>	<b>Municipalities in 2005</b>	<b>Municipalities in 2010</b>
0–Less than 20%	GVU, Čapljina	
1–Between 20-30%	Novi Grad, Modriča	GVU, Modriča, Novi Grad, Čapljina
2–Between 30-40%	Konjic	Vitez, Konjic
3–More than 40%	Vitez	

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<sup>72</sup> Based on analysis of official municipal budgets.

<b>4.2. Action plan for development strategy is implemented</b>	Municipalities in 2005	Municipalities in 2010
0--No strategy or action plan was adopted	Čapljina, Gornji Vakuf Uskoplje, Vitez, Konjic <sup>73</sup>	Čapljina
1--Strategy was adopted but without any action plan; no evidence of systematic monitoring of strategy; strategy not implemented (or projects implemented individually, on <i>ad-hoc</i> basis, unrelated to the strategy)		Vitez, Konjic
2--Strategy and action plan adopted but no evidence of systematic monitoring of strategy. However, some evidence that strategy is being implemented		
3--Strategy and action plan adopted and systematically monitored. Evidence of implementation progress	Novi Grad, Modriča	Novi Grad, <sup>74</sup> GVU, Modriča

SCORES ON INDICATORS OF DEVELOPMENT ORIENTATION					
	Percent of budget allocated for Capital Investment Projects		Action plan for development strategy implemented		Sum in Improved Development
	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	
Vitez (C)	3	2	0	1	0
GVU (N)	0	1	0	3	4
Konjic (C)	2	2	0	1	1
Capljina (N)	0	1	0	0	1
Modrica (C)	1	1	3	3	0
Novi Grad (N)	1	1	3	3	0

<sup>73</sup> None had a real strategy. Some like Vitez or Konjic had some short-term strategy-like document that was never implemented or relevant.

<sup>74</sup> Because Novi Grad's document on implementation was worse than in 2005 we were close to demoting Novi Grad to the "2" category.

## EQUITY DIMENSION: INDICATOR SCORES

<b>5.1 Perception by groups of the population who could be marginalized that access to services and participation in local decision making can be realized equitably</b>	Municipality in 2005	Municipality in 2010
0–No meaningful input and some questions about non-discrimination re: decision-making and access to services (utility hookup...) beyond documentation	Čapljina, <sup>75</sup> Novi Grad, <sup>76</sup> GVU <sup>77</sup>	Čapljina <sup>78</sup>
1–Participation possible through normal business in which municipal structures are open to requests, particularly by NGOs representing vulnerable groups; and their inclusion in the budget on an annual basis	Konjic (.05), <sup>79</sup> Modrica, <sup>80</sup> Vitez <sup>81</sup>	Vitez, <sup>82</sup> Konjic, <sup>83</sup> GVU, <sup>84</sup> Novi Grad, <sup>85</sup> Modrica <sup>86</sup>
2–Participation through invitations sent to NGOs representing different vulnerable groups to apply for budget funds or attend public hearing on draft budget; meaningful opportunities to influence decision-making; and a plan for social inclusion that is implemented		
3–Multiple bodies and/or plans in place to support different vulnerable groups		

<sup>75</sup> A minority NGO representative said that the current mayor, as bad as he is regarding Bosniaks, is better than the previous one. He admitted that he even voted for the current mayor.

<sup>76</sup> Municipality offices' treatment of returnees have "made an extreme leap forward" with the new mayor (interview with TF).

<sup>77</sup> It was not until February 2005 that OHR ended its supervision of the municipality (OHR Sarajevo, 2/1/05). In practice, the GVU mayor acknowledges that the municipal administration was not united until 2006.

<sup>78</sup> There is little to no consideration given by Čapljina to the needs of returnees and refugees and also Roma in the municipality, according to advocates for these groups.

<sup>79</sup> A minority NGO believed that the municipality discriminated against its project proposals in 2005, a situation that changed in 2006 onward. Minority NGOs mention that they receive invitations to municipal meetings, but that other outreach is lacking.

<sup>80</sup> Municipal officials assert that the entire NGO sector is involved [in engaging vulnerable groups.] The whole philosophy of the current mayor, who was also the mayor in 2005, is that there should not be distinct treatment of citizens because of their group status.

<sup>81</sup> An activist (interview with JT) believes that all initiatives have come from the grass-roots side, "one-way," and that there is little follow up on the municipality side. An interviewee (EI) asserts that minority MZ leaders have had to fight hard for their initiatives.

<sup>82</sup> Vitez received an award for its work with Roma, but there is no formal communication with them. The municipality also gave monetary support to a youth organization, but interviewees agree that other sectors of the population are neglected and have no clearly defined way to influence the budget. There have been assertions made that Vitez's minority engagement exists more on paper than in action.

<sup>83</sup> Interviewees in Konjic assert that the municipality makes an effort to listen to vulnerable groups, providing the example of a project to help students with special needs. Though there is a lack of formal communication, the council is friendly to the input of NGOs.

<sup>84</sup> GVU adopted a document for social inclusion as part of its 2010 development strategy, but its actual implementation and impact are unclear. The municipality appears to focus the majority of its outreach efforts on the Roma. Interviewees state that the municipality could do more to reach out to vulnerable groups, and one points out that there are two schools under one roof.

<sup>85</sup> Novi Grad asserts, like other municipalities, that it gives priority to infrastructure reconstruction for returnees. They have specific procedures for vulnerable group inclusion, including a "forum for security." The Municipal Council is aware of the needs of vulnerable groups, though sometimes it was unclear if interviewees were speaking about minority constituent nations or other populations such as the Roma.

<sup>86</sup> Modriča does not have institutionalized procedures for vulnerable group inclusion, but the municipality does have a protocol for cooperation with national minorities (who are mostly Roma) and it asserts that it treats groups of special concern of the republic. It also gives at least a small amount of funding to programs for Roma, returnees, and youth. There is no evidence that the municipality reaches out to members of minority constituent nations. It asserts this group needs no special attention, and should be treated as equal citizens.

<b>5.2 Groups that could be marginalized are included in the planning process of the budget and throughout the budget cycle</b>	<b>Municipality in 2005</b>	<b>Municipality in 2010/now</b>
0–None to tiny	Čapljina, <sup>87</sup> Novi Grad, <sup>88</sup> GUV <sup>89</sup>	Čapljina (.25) <sup>90</sup>
1–Minimal effort by leadership to meet and consult with representatives of vulnerable and/or support vulnerable groups through disbursing funds from the municipal budget for projects proposed by NGOs and local communities with a substantial number of vulnerable citizens	Konjic, <sup>91</sup> Modriča, <sup>92</sup> Vitez <sup>93</sup>	Vitez, <sup>94</sup> GUV <sup>95</sup>
2–Designate 1 councilor for national minority groups; groups included in a municipal commission(s)		Novi Grad (1.5), <sup>96</sup> Modriča (1.5), <sup>97</sup> Konjic <sup>98</sup>
3–Consideration through invitations at all different aspects of the budget process, as well as NGO or external representative of vulnerable groups sitting on municipal fora, or commissions to assess projects for budget funds		

<sup>87</sup> A minority NGO leader said that the current mayor, as bad as he is regarding even bothering to listen to the needs of Bosniaks, is better than the previous one. An activist for a different minority said that her organization has been provided no information about budget planning, that the mayor has not consented to her requests for meetings, and that she frequently checks the official municipality website for opportunities, without finding any.

<sup>88</sup> Municipality offices' treatment of returnees "made an extreme leap forward" with the new mayor (interview TF).

<sup>89</sup> The GUV mayor acknowledges that the municipal administration was not united in practice until 2006.

<sup>90</sup> Čapljina does not have any mechanisms for vulnerable group inclusion at the municipal level, and does not appear to be concerned with the needs of minority constituent members. An organization for children with special needs is noted by different interviewees as having some clout in the budget process but no other groups are named and the amount of influence this group has is indeterminate. Interviews indicate that Čapljina's municipal council does not meet with NGOs to discuss the budget.

<sup>91</sup> A minority NGO in 2005 asserted that the municipality was discriminating against them for denying them funding. Konjic does not have formalized procedures for vulnerable group inclusion in the municipal budget.

<sup>92</sup> Modriča's municipal administration does not believe that any groups should receive special treatment; instead all citizens are equal. An administrator (interview with CH) claims to treat returnee local communities equal with all other local communities, [including in the budget].

<sup>93</sup> A minority official (interview with NH) said there are no special consultations with members of vulnerable groups regarding their needs when the budget is prepared, as these issues have "always been addressed and recognized through the local communities [MZs] that cover the areas."

<sup>94</sup> There is no clear way in Vitez for groups representing vulnerable populations to influence municipal proceedings.

<sup>95</sup> GUV has no institutionalized inclusion of vulnerable groups. Interviewees assert that more could be done to reach out to different vulnerable populations and, in the case of minority constituent groups, one interviewee asserts that it is very difficult for those who are not Bosniak or Croat and that party membership is necessary to make any inroads.

<sup>96</sup> Novi Grad has reserved places in the municipal council for representatives of national minorities, though the current minority councilor is a Czech (of which the 1991 census indicates the municipality had only 3) and has a radio channel. While the municipality does not have any formal budget inclusion procedures, they reach out to local NGOs as the budget process is ongoing to determine their needs and announce competitions for grants. But, input takes places largely immediately before presentation of the budget.

<sup>97</sup> Modriča has also reserved places in the municipal council for representatives of national minorities and funds for a radio channel. The national minority representative is a Roma, even though only 3 Roma were registered in 1991. All NGOs have the opportunity to submit project proposals to receive funding from the municipality, and associations of Roma and returnees get a small amount of funding annually.

<sup>98</sup> Konjic issues invitations to NGOs when there are pertinent meetings or seminars hosted by the municipality. There is an office for reconstruction and development that works with returnees, an office working with soldiers, and a council for youth that makes funding applications possible. Details on their inclusion are vague, however, and Konjic appears to lack an institutionalized strategy for inclusion.

<b>5.3 Compliance with proportionality in local self-government<sup>99</sup></b>	<b>Municipality in 2005</b>	<b>Municipality in 2010</b>
0–Municipality fails to comply with legal obligation that the President of the municipal council and mayor are not from the same constituent nation	Čapljina, GVU, <sup>100</sup> Novi Grad	Novi Grad, <sup>101</sup> Čapljina <sup>102</sup>
1–Complies with legal obligation above, but constituent minorities are more than 40 percent under-represented	Modriča <sup>103</sup>	Modriča
2–Complies with legal obligation above, but constituent minorities are under 25 percent under-represented	Vitez, <sup>104</sup> Konjic <sup>105</sup>	Vitez, Konjic
3–Complies with legal obligation above, and constituent minorities are employed according to proportionality		GVU

SCORES ON INDICATORS OF EQUITY							
	Perception of potentially marginalized group that access to services & participation in local decision making can be done equitably		Potentially marginalized groups are included in the planning process of the budget & throughout the budget cycle		Compliance with proportionality in local self-government (administration & Mayor/President of council)		Sum in improved equity
	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	<u>2005</u>	<u>2010</u>	
Vitez (C)	1	1	1	1	2	2	0
GVU (N)	0	1	0	1	0	3	5
Konjic (C)	0.5	1	1	2	2	2	1.5
Čapljina (N)	0	0	0	0	0	0	0.25
Modrica (C)	1	1	1	1.5	1	1	0.5
Novi Grad (N)	0	1	0	1.5	0	0	2.5

<sup>99</sup> There do not exist explicit policies for employing members of minority constituent nations or national minorities beyond an awareness of what is required by law. Municipalities often point to poor economic conditions as a reason for a lack of employment in general.

<sup>100</sup> GVU's municipal administration in practice was still divided in 2005.

<sup>101</sup> Novi Grad violates the RS law local on local self-governance because the President of the municipal council and the mayor are from the same constituent nation – Serb. However, the vice president is a Bosniak. “This particular procedure is not being implemented through the law of the local governance. Proportional inclusiveness is not a part of any of the strategies” (interview with TF).

<sup>102</sup> Čapljina too, violates the entity law on principals of local self-governance, because it currently has no Council President and the council vice president appears to be acting President, and he is a Croat, like the Mayor.

<sup>103</sup> *Informacija o implementaciji zakona o lokalnoj samoupravi a u vezi sa primjenom člana 3.* 2005 reveals that Modriča in 2005 did have a President of the municipal council who was Bosniak. Due to Modriča's unwillingness to provide the RS minister of local self-government with information about constituent groups in local self-government, it seems fair to assume that their compliance was no better in 2005 than in 2010.

<sup>104</sup> Vitez's municipal administration is the same as it was 5 years ago (interview with NN).

<sup>105</sup> Municipal official (interview with JS) says in response to the question about whether Konjic has a policy for employing minorities, including constituent nations in the minority, and whether data exist on this: “I think there is not [a policy]. The municipality has even decreased the number of employees. And when it comes to... other constituent peoples, there are no guidelines for employing them.”