
REBUILDING LOCAL DEMOCRACY

Bosnia and Herzegovina: Municipal Development Project (MDP)



Meeting of authorities of the Doboj Municipality with representatives of a local NGO

Snežana Mišić Mihajlović (Key Informant)

Joy Elamon (Case Study)

New Delhi, October 2012

Table of contents

1. Background.....	3
2. Context and Power Analysis.....	3
3. Participation/ Accountability Mechanism(s).....	4
4. Analysis and Main Lessons Learnt.....	6
5. Concluding Remarks.....	8
6. References.....	8

List of Abbreviations

BiH	Bosnia and Herzegovina
CSO	Civil Society Organisation
FBiH	Federation of Bosnia and Herzegovina
MDP	Municipal Development Project
MDPi	Centre for Management, Development and Planning
MZ	Mjesna Zajednica
NGO	Non Governmental Organisation
RS	Republika Srpska
SDC	Swiss Agency for Development and Cooperation

1. Background

The Municipal Development Project (MDP) in the Doboï region of Bosnia and Herzegovina (BiH) which started in 2001, reached the end of its third phase in 2011. Supported by the Swiss Agency for Development and Cooperation (SDC), the first two phases were implemented by Intercooperation and the third by the Centre for Management, Development and Planning (MDPI) – an NGO based in Doboï. The overall goal was to have the municipalities in the Doboï region lead their development processes in accordance with the principles of good governance and continuously upgrade the standard of living of all their citizens. One of the components was to develop and institutionalise mechanisms and processes for public and community based participation, with special emphasis on gender issues and the provision of equal opportunities to all its citizens.

Over the years, in an effort to attain the standards laid out in the European Charter of Local Self Government, BiH has been adjusting and developing its legal framework on local governance. Some gaps remain with regard to the implementation of the new norms, in particular when it comes to ensuring participation and accountability, which are key components of good governance, as outlined in the Charter.

The pre-war socialist Yugoslavia had some forms of local self-governance. However, the positions of the municipalities and the sub municipal structures at village or city quarter level called **Mjesna Zajednica (MZs)** were weakened by the breakup of Yugoslavia and the war and post-war situation. The Mjesna Zajednica is a traditional local self-governance structure at village / city quarter level, which is nowadays integrated in the main local governance laws, but with lesser powers than before. As municipalities are rather large, the MZs are the most appropriate structures for direct participation of citizens in governance processes. Due to this loss of power, coupled with a lack of clarity on the role of MZs and a related loss of citizens' confidence in them, participation in these local fora decreased.

The MDP has been trying to address these aspects. While the first two phases have paved the foundation for strengthening participation and ensuring accountability (awareness creation, capacity development), the main objective of third phase was to increase the influence of “empowered people” at MZ level. The focus of the third phase was on integrating MZ priority setting and action planning within the municipal budget and planning process (institutionalisation). The main visible impacts include the higher awareness of MZ stakeholders about their democratic rights, increased capacities to get engaged in municipal decision making, more integration of local priorities in municipal planning processes and a significant improvement in the communication between MZs and municipalities, thus strengthening downward accountability.

2. Context and Power Analysis

The war had a significant impact on the lives and livelihoods of people, but also on the various local governance systems that existed formally and informally. In the pre-war period, the municipalities acted as local governments. With the growth of these municipalities, they could no longer manage all the tasks of a local government and consequently transferred some of these tasks to MZs. Through this delegation of functions, the “traditional” MZ structure was re-vitalised and MZs became legal entities with specific rights and powers. During the war, they could not function at all as warring groups controlled all powers relevant to governance.

After the end of the war and through the Dayton agreement, **power was centralised (mostly at entity level¹)** in a new Constitution. The MZs were not get reorganised to fit into this new institutional set up. Despite this, they continued to exist and function in some areas, but overall it took several years until they were formally re established in the laws on Local Self- Governance. Yet, these laws did not give full clarity on the roles and powers of the MZs and it was left to the

¹ Republika Srpska (RS) and Federation of Bosnia and Herzegovina (FBiH) at sub-state level.

municipalities and cantons (regional structures in the FBiH) to regulate the MZs. Consequently, the decision to decentralise and institutionalise MZs as participatory fora of democracy lies in the hands of these municipalities and cantons. In practice, the MZs are mostly not legally accepted structures. For example, their jurisdictions are yet to be made clear and their sources of funding are dependent on the decisions of the municipalities. This lack of legal obligation of municipalities to strengthen MZs has weakened the legitimacy and processes at the local level for participation, action planning and mechanisms for downward accountability. In this context, citizens too do not always see tangible benefit of having MZs.

The war also destroyed organised civil society structures and led to a change of priorities of the citizens of BiH. Many rural areas were abandoned or destroyed, people displaced and economic problems prevented the people from demanding for the reinstallation of the MZs. Overall, the **open space for participation** was reduced and the organised civil society was weakened and unable to demand for spaces to be opened. In addition, the state / entities did not reinstall MZs as visible and formal space for participation and downward accountability. Instead, they transferred own powers to the municipalities and cantons but left it to their discretion, if and how they wanted to make use of it. The new law on local self governance (2006) gives a certain strength and special position to the MZs, though not the same position they enjoyed earlier. However, MZs are still not referred to as means for direct citizens' participation, but rather as a country-wide legal entity and mandatory form of local self-governance (with a focus on service provision in villages). Again, it is in the discretion of the municipalities to decide what level of powers and functions they want to delegate to MZs.

Another problem is the **highly complex multi-level state structure which is to a large extent structured along ethnic criteria**, where most important legislative authority is at the entity level (FBiH, RS). The power of municipalities is limited, i.e. they can mainly regulate the implementation of the existing legal provisions. To make things worse, the FBiH has delegated core legislative power to the cantonal level (10 cantons in the FiBH). The problem of this wide discretion of cantons in regulating the functioning of local governments is most evident where ethnic majorities at the municipal level are minorities at the cantonal level. So, there are the visible powers at the cantonal level as well as the invisible powers by way of majority in the cantonal level calling the shots. In general, these levels do not have any open spaces other than the Assembly where only the representatives can take part. Here again, the majority rules and the interests of the minority get sidelined. In this context, where politics, institutions and decision-making are divided along ethnic lines, which are visible in certain cases and invisible in most of the cases, **concerns about minority rights, gender equality, citizen participation in decision making downward accountability do not receive much attention.**

Although legally, equal opportunities for being elected are guaranteed, the lack of access to resources prevents many of the underprivileged to compete in elections. In addition, due to the deeply politicised and ethnicity-based election culture, people who are not associated with dominating political parties do not get space for participation in such democratic fora. Thus, even **though the system seems to provide open spaces, in practice the invisible powers in the form of dominating political parties (still often defined along ethnic lines) dominate the scene.** This is applicable at all levels, at the municipal, cantonal (in FiBH), entity and national level.

3. Participation/ Accountability Mechanism(s)

In order to meet its goal of developing the municipalities in the Doboï Region to become examples for good local governance in BiH, the MDP project searched for ways to increase citizens' participation in the context described above. The chosen approach was to engage with both the municipal officials as well as citizens and their organisations. First, the status of citizen's participation, civil society organisations and MZs in the project area were assessed. This analysis resulted in the understanding that the project should aim at increasing the potential of the MZs as traditional area-based participatory mechanism. The steps included creating MZ action planning and

facilitation teams (create spaces for participation at the local level), and capacity building of MZ stakeholders to empower them to play a more active role (claim spaces for participation at the local level). It was hoped that the establishment of communication channels between MZ and local government representatives by facilitating exchanges during the preparation of the MZ action plan, would open up the closed spaces and also serve as an avenue for demanding spaces. This also served to address the issue of downward accountability to some extent.

In the MZ action teams, all interested citizens from the village / city quarter were invited to participate and the decisions were taken by consensus of all members (in some cases complemented by opinion polls about priority projects), with the intention to address the issue of hidden and invisible powers. One problem faced in practice was that the local political agenda (invisible power) had a significant influence on the decisions made in any of the open participatory fora. In many cases, there was a risk of elite capture by way of the hidden powers represented by the local political elite, both at the municipal and MZ levels.

Legally, the Mayor is accountable to the Municipal Council and the Councillors are accountable to the citizens. However in reality, with the dominant political outfits controlling the Councillors, their actual main accountability is towards the political party they represent and not towards the citizens. This is even reinforced by the fact, that social accountability mechanisms in BiH are weak and the citizens' are not used to challenge the Councils decisions. **Thus, the invisible and the hidden powers articulated through the political system prevent the citizens to use even the invited spaces, and prevent the effectiveness of created and/or claimed spaces.** This was the real challenge faced by the project MDP.

The MDP focused on creating new spaces for participation and later getting them institutionalised. As mentioned, one of the key tools used was the MZ action planning process. Also, the project fostered local partnerships among different sectors at municipal level, e.g. inter-sectoral working groups. In addition, it supported invited spaces instruments like public hearings and public consultations. The MDP tried to make effective use of these spaces by defining rules for organisation of public hearings, etc. **The MDP hereby aimed at democratising the rules and spaces, thus also changing behaviours and institutional cultures.** All these efforts were complemented by capacity building and co-financing of projects. Nevertheless, the capacities and sustainability of local NGOs and CSOs have been and still are one of the most critical factors limiting the institutionalisation of these initiatives.

The institutionalisation question also leads to the issue of existing power structures at various levels. While projects like the MDP can take up such initiatives, the key success factor is their integration within the overall municipal level system. This, in turn, depends very much on decision makers like the Mayor and the Municipal Council. The MDP worked closely with the executive side (officers and mayor) and some of the Councillors too participated in the processes. In spite of some good practices, broad institutionalisation cannot yet be observed. In many cases local political elites were not in favour of accepting citizen inputs in decision making. Another challenge were situations, where political leadership in municipalities and MZs were from different groups / political parties. Since the citizens were fully aware of these power dynamics, they were also more reluctant to invest time and energy in participation.

The MDP made **specific efforts to provide space and voice to the disadvantaged people like women and youth living in rural areas.** These too faced the invisible power of the traditional understanding that the "older men" represent the families in public. In addition, the MZs and other similar participatory platforms have traditionally been occupied by the prominent elderly people, where women and youth did not play a big role. Still, it is important to note that the MDP was able to mobilise active and outspoken women and youth to engage in participatory processes at the local level. Successes were observed mainly in those places, where the MZs were able to access local government representatives and action plans were institutionalised.

Regarding **accountability**, sustainable progress could be achieved in those cases, where new formal and informal communication channels between MZs and municipalities were installed and

pursued even after the closure of the project. Joint implementation of specific activities of the action plan through co-financing (municipality, MZ, MDP) was also a good instrument to convince the MZs that their ideas and priorities were welcomed by the municipalities. Nevertheless, sustainability, i.e. getting the concept and experiences institutionalised through the legal framework is yet to be achieved.

4. Analysis and Main Lessons Learnt

The MDP project started in a post-war context with a new governance structures in place. It was a highly complex governance system along the ethnic lines – the main goal being to achieve a ceasefire and end the war. This, in turn led to powerful cantons (in the FBiH) and municipalities. Therefore, at the initial project stage, the legitimacy and potential of the MDP resided in BiH' vision to become a member of the European Union, which required fulfilling standards regarding local self governance structures and citizen participation in decision making and governance at the local level as defined in the European Charter of Local Self-Government.

More than 10 years later, the country has democratic bodies in place at various levels. In principle, elections are open to all citizens. However, resources are required and the existence of dominant political parties prevents many citizens who are not affiliated to any political party to occupy these so called open spaces. The space for inclusive participation becomes more open as one goes down to the lowest level of governance, i.e. MZs. The new law on local self governance from 2006 sets the frame and clarifies the position of MZs. However, this position and related power is still dependent on what is transferred to them by the cantons (in the FBiH) and municipalities. Despite this constraint it can be argued that the MZs provide space or at least a scope for claiming these spaces at local level.

In this context, the project focused on four main strategies: the creation of MZ action teams as new spaces for participation, capacity building of MZ stakeholders, fostering communication between MZs and municipalities and co-financing implementation of MZ priority projects. The overall **approach of the MDP was to work with the civil society at the MZ level as well as the municipalities where interaction and involvement of the Mayor and other officials are guaranteed.** This was expected to strengthen the process of advocacy and policy influencing. Though not highly successful across the project area, there are many municipalities where the various processes are still being continued with the enthusiasm of MZ activists. In many municipalities, the MZ action plan is being implemented. In many cases this has also paved the way for a culture of participatory mechanisms and communication channels. Though officially and legally not yet fully integrated in all municipal systems / regulations, there are instances where the civil society managed to creating spaces and to influencing planning, budgeting and policy making processes.

It is obvious that power relations played a major role in the whole process. While the visible power of the national level government enacted the law for the existence of MZs, it shied away from defining their character, powers and rights. Hidden powers could have played a role in leaving such decisions to the cantonal and municipal levels. On the other hand, the cantons and municipalities are reluctant to define the MZs and provide adequate powers and resources to the MZs, thus weakening the system.

In practice, it is primarily the hidden powers in the form of dominant political party leadership and political elite which take the decisions in various participatory platforms in the municipalities and cantons (including the councils and assemblies). Since the systems puts strong emphasis on majority, i.e. often the majority of respective ethnic groups, the voices of the disadvantaged and the marginalised rarely get heard.

Finally, in MZs invisible powers also play a major role. The socio-cultural norms and belief that men are supposed to represent the family take away from women the invited space to participate in decisions making processes. As MZs have traditionally been a platform for rural elderly elite, the

youth is also excluded of this open space. Consequently, overcoming these problems regarding access to spaces was a difficult challenge.

The MZ action plans and their inclusive elaboration process ensured that they contained strategic directions and projects of interest for the MZ population (including the disadvantaged) beyond the mere interests of the political elite. By empowering the MZ action teams through training cycles, they were empowered to make the prioritisation of community problems in an informed way.

Main success factors were the following: Always ensuring that the facilitator is neutral; Organising events at locations close to citizens and making sure that the people are motivated to discuss and speak freely (i.e. go to the people where they feel at ease!); Assessing the local political economy. Capacity building in terms of raising awareness and introducing new methods and approaches has been the most successful and important project strategy. Local governments were encouraged to communicate with the community through channels which are closer to the people, e.g. the local radio stations, community public boards and internet. In addition the MDP supported their institutionalisation to make these efforts sustainable. The MDP contributed to the strengthening of a democratisation process in the MZs and municipalities in the project area. However, it is important to note that major influence and changes in the national / entity policy and legal framework could not be achieved during the project implementation.

With the outlook to apply lessons from the MDP to other cases / countries, it is crucial to highlight the context in which it was implemented. BiH is in a post-civil war situation where stability and national integration is the main concern. In this context, a lack of trust of visible and hidden powers in the political system constitutes a strong hindrance to any democratisation process and provision of participatory fora. In addition, the municipalities and the cantons were empowered to decide on the status and powers of the MZs, which could be considered as the most effective participatory governance structure in BiH. However, the municipalities and cantons were also reluctant to delegate powers and rights they recently received. This meant that the MZs had to create or demand spaces and compete with visible and hidden powers for their rights.

These were the reasons, why many of the MZs were weakened together with the capacity and confidence of citizens in such participatory fora. On the one hand, the Laws on local self governance and the need to implement them effectively provided the need and potential for the MDP. On the other hand, the hidden and invisible powers through the political elite and the prevailing societal norms and practices posed major challenges. Therefore it was key to work both with the municipal functionaries and civil society actors. A diverse set of strategies was applied, e.g. capacity building, co-financing and providing platforms for participation to ensure effectiveness. Instead of directly addressing accountability issues, the project strategically opened the communication channels between MZ stakeholders and the municipalities, which in turn opened up a space for engagement and ensuring accountability.

Other important lessons can be drawn related to the policy influence. Particularly in a post-war situation coupled with highly active political parties, harmonisation with other projects, like-minded initiatives and donors is key. In addition, it requires a lot of interaction and engagement with the "political system", including the visible and hidden powers at all levels. **If and how a project like the MDP can and/or should address them is a critical question.**

In conclusion, it is obvious that a thorough political economy analysis, which includes structures, laws and visible spaces, but also invisible and hidden powers and spaces at all levels, is of utmost importance before starting any initiative in similar circumstances.

5. Concluding Remarks

Over a decade, the MDP has provided different experiences and learnings on how participation in decision making could be established in post-war emerging democracies. The understanding that the power relations at all levels matter a lot in such initiatives is key. Visible powers are held by the approved governance structures at the national, cantonal, municipal and MZ levels, while hidden powers are exercised through the political elite and the dominant political parties and ethnic groups. In addition to these, there are invisible powers based on socio-cultural norms that exclude certain groups like women and the youth from the so called open and invited spaces, especially at the lower governance levels.

The MDP was successful in creating the awareness and demand for such spaces and also in creating specific spaces in the project area. It contributed to the development of a culture of participation in MZ action planning and communication between citizens and local governments through establishing communication channels. These are important achievements considering the political and power situation in the country.

However, we cannot expect projects of this nature to be the panacea for participation and ensuring accountability. The transfer of these experiences into legal reforms would be possible only if the higher level authorities and the main power holders are addressed and on board. In addition, without understanding and directly or indirectly engaging with the hidden powers of the political system, such initiatives on participation and accountability cannot be made sustainable and institutionalised in such a complex situation.

6. References

Fostering Participation of Citizens in Local Governance Experiences in working with local communities in Bosnia and Herzegovina, Author Mandy Wagner, Municipal Development Project