

## **Terms of reference (TOR) for a consultancy in Bosnia and Herzegovina (BiH):**

### **Assessing the relevance of the Swiss local governance portfolio in BiH and developing a concept note for the next Cooperation Programme (2021-2024)**

Mandate duration: October 2019 – November 2019

#### **1. Context**

Bosnia and Herzegovina (BiH) is established as a parliamentary democracy by its Constitution, which is an integral part of the 1995 General Framework Agreement for Peace (Annex IV). The state of BiH consists of two entities, the Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS), as well as Brčko District (BD). The Federation entity comprises 10 Cantons, each of them with an assembly in charge of adopting legislation and the budget, and overseeing the cantonal government. In 1994, the country has ratified the European Charter of Local Self-Government, whereby the political, administrative and financial independence of local authorities should be guaranteed. Local authorities should respond to the needs and interests of their citizens according to the subsidiarity principle. Yet, at the state level, no law exists on the fundamentals of local self-government, which should organize in a harmonized way the system of local self-government in accordance with the European Charter of Local Self-Government. The basic form of local self-government in BiH is the municipality. The country counts 145 municipalities, 80 in the FBiH, 64 in RS and 1 in BD. Both entities have a law on Local Self-Government, adopted in 2004 in the RS, and in 2006 in the FBiH. In 2017, RS adopted a four-year Strategy for Development of Local Self-Governance, and has a dedicated Ministry of Administration and Local Self-Governance. In the FBiH, no such strategy has been formulated, and local governance is covered under the Ministry of Justice, as there is no ministry for local government. The European integration process, in which BiH has a potential candidate country status since 2016, bears some implications for local governments. Knowing that over 70 percent of the EU legislation is implemented at the regional and local level, even if the integration seems to be a way ahead, it is imperative for local governments in BiH to be prepared in order to ensure their future obligations.

Currently, the local governance system in BiH is characterised by an incomplete and inadequate framework, at the policy, legal, institutional, and fiscal levels. As underlined by the Report on the Local Government Initiative (LGI)<sup>1</sup> “As the reform Agenda progressed, it became increasingly clear that many of the most difficult problems in BiH stem from poorly defined relationships and responsibilities at the level of local government”. The report identified several areas that could be improved within the existing structures, such as vertical and horizontal cooperation among governments, regionalisation of public service delivery, reducing the burden for servicing of the external debt from local governments, changes in the revenue allocation system, advancement of the public finance management system at the local level, etc. To date, these concrete recommendations have not been embraced by competent authorities and translated into policy action. Overall, there is a lack of debate and dialogue, in particular at the state and entity level, about the much needed local government reforms. Topics such as fiscal and functional decentralization, whereby the efficiency, effectiveness and quality of public services should be increased by simplifying and modernizing the organizational structure, are not on the political agenda. This puts a glass ceiling and hampers the development of a strong and thriving local governance system in the country.

In spite of this unfavourable framework, municipalities are seen as one of the most dynamic and responsive entry point in order to improve the lives of citizens in the country, with directly elected mayors and municipal councils. Tangible progress has been made by local governments in the past decade, spurred mainly by the support from the international community, as well as by growing local leaderships’ responsiveness to community needs. The myriad of local government interventions supported by the international community yields good results in the areas of public service delivery, development planning and management, participatory decision-making, alongside segments of legislative reforms. These achievements clearly improve the quality of life at the local level, but much remains to be done.

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<sup>1</sup> The LGI Report was finalized in June 2018. It presents the main findings of a Joint Commission on Local Government that held consultations at all levels throughout the country in order to identify areas to improve the system of local governments in BiH. This initiative was supported by the European Union, the Swiss Embassy and USAID.

## **2. Swiss engagement**

Switzerland has been supporting BiH in its transition towards democratic governance for nearly two decades. In the past five years, Switzerland has established a portfolio focusing on local governance, composed of four Projects<sup>2</sup>. These projects are all part of Domain A: Democratic Governance, Municipal Services and Justice, as defined in the 2017- 2020 Swiss Cooperation Programme. Three of these projects are being implemented by UNDP and one, Strengthening the AMCs, by SALAR<sup>3</sup>. This portfolio covers nearly half of the municipalities in the country, and works with all 10 cantons, the two entities and Brčko District.

In terms of donor coordination, Switzerland co-chairs with UNDP the Local Governance/Local Democratisation Donor Coordination Group. The structural challenges of the local governance system as described above have been the focus of discussions in this group in the past year. However, donors are mostly engaged in implementing their own projects. There is a lack of commitment from the international community to push for a more intensive dialogue with the authorities in BiH and to address more systematically the much needed local government reforms.

As concluded by the 2015 Evaluation of SDC's Performance in Governance Programming and Mainstreaming, and its case study on Bosnia and Herzegovina, "the Swiss Agency for Development and Cooperation already is a leading development partner in the field of governance, and especially in local governance, in Bosnia and Herzegovina. Through its long-term commitment, reflective practice and adaptive learning, Swiss cooperation has catalysed important gains on the ground, generated leading-edge methods and tools, and strengthened its credibility in doing so".

## **3. Purpose and Scope of the work**

In November 2019, the Embassy of Switzerland in BiH will plan its next Cooperation Programme (2021-2024). This process entails an in-depth assessment of the relevance of the Swiss interventions in supporting local governments and related reforms in BiH. Based on this assessment, a concept note on the options should be elaborated for the future engagement of Switzerland in local governance in the country. For this task, the Embassy of Switzerland will hire a team of two persons, an international expert (team leader) and a national expert (consultant).

The team will carry out the following tasks:

- (i) Provide an assessment of the relevance, mains achievements, limitations and challenges of the Swiss local governance portfolio, based on an analysis of :
  - Political, institutional and social context in BiH.
  - Interventions of other donors in BiH.
- (ii) Assess the potential to diversify strategic partnerships in the local governance portfolio, including with civil society organizations.
- (iii) Develop a concept for the engagement of Switzerland in local governance for the next Cooperation Programme. This concept should integrate concrete ideas for a strategic Swiss engagement, based on the consolidation of the portfolio and the integration of new project/s. This includes identifying clear entry points and defining the scope of a new Swiss-supported local governance reform project, that builds upon the achievements reached within the Swiss local governance portfolio in the past years, and taking into account:

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2 AMCs: Strengthening Associations of Municipalities and Cities in BiH. Phase 1 (01.01.2018 – 31.07.2021)

ILDP: Integrated Local Development Project. Phase 3 (01.03.2017 – 28.02.2021)

MEG: Municipal Environmental and Economic Governance. Phase 1 (01.07.2014 -30.06.2020)

MZ: Strengthening the Role of Local Communities/ Mjesna Zajednica in BiH. Phase 1 (01.10.2013 -31.10.2019)

3 SALAR: Swedish Association of Local Authorities and Regions.

- The current situation and prospects in terms of local governance reforms in BiH, the political willingness of BiH authorities (at state and entity level) to define and implement comprehensive local governance reforms, the role and engagement of the international community in local governance reforms, the position of Switzerland in terms of policy dialogue and its comparative advantage in BiH.
- Similar local governance reforms programs and experiences in other contexts.
- Agenda 2030 and localization of SDGs in BiH.
- The need to be more effective in mainstreaming gender and social inclusion.
- The Strategy of the Swiss confederation on international cooperation.
- Complementarities with other projects of the Swiss Cooperation in BiH.

#### **4. Methodology**

The consultancy team will be comprised of two experts (international team leader and national consultant) for a total of maximum 20 working days each between October and November, 2019. Work methods of the experts include, but are not limited to:

- A desk study of key documents: local governance project documents, evaluation reports, policy papers, strategies, etc.
- An inception paper (maximum 3 pages) that summarizes the main findings of the desk study and ensures a broad understanding of the context and of the TOR. This inception paper should highlight the limits and/or the major issues of the consultancy.<sup>4</sup>
- Briefing with the Embassy of Switzerland in Sarajevo.
- Field visits in Swiss funded project areas and non-Swiss project areas.
- Interviews with key actors in local governance areas which include state, entities and municipal authorities, Planning institute, AMCs, private sector.
- Interviews or discussion with representatives from different development actors including EU, UNDP, World Bank, Embassy of Sweden.
- Meeting with relevant NGOs/CSOs and citizens.
- Debriefing with the Embassy of Switzerland in Sarajevo (discussing key findings).
- Preparation of i) the assessment report on the relevance, main achievements, limitations and challenges of the Swiss local governance portfolio; ii) the assessment note on the potential to diversify strategic partnerships in the local governance portfolio; iii) the concept note for the engagement of Switzerland in local governance for the next Cooperation Programme (2021-2024).

#### **5. Organization of the consultancy team and required profiles**

An international team leader will be responsible for the preparation and organization of the consultancy process, and preparation of the draft and final deliverables of this mandate.

In order to select the international expert, several consultants will be invited by the Embassy of Switzerland in BiH to express their interest in this mandate. The international expert will be chosen by the Embassy based on his/her professional experience relevant to the mandate, combined with the quality of the technical offer, and the competitiveness of the financial offer.

The international expert should be free from any conflict of interest related to this consultancy.

A national consultant will support the team leader by providing relevant context-related information, particularly related to the administrative structure of BiH, its governance system and local government dynamics, organising the programme and logistics during the field visits and interviews. The national consultant will be selected by the Embassy of Switzerland.

The national consultant should be free from any conflict of interest related to this consultancy.

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<sup>4</sup> The objective of the Inception paper is to inform the Client about the understanding of the context and the mandate and major issues that will be addressed during the field mission. It is an opportunity to clear up misunderstandings and/or ask for clarification of specific aspects mentioned in the Inception paper before the field mission.

**Required profile of the international team leader:**

- At least MA degree in public administration, management, social sciences or related field
- Substantial experience in the field of local governance development and related topics
- Good knowledge of the context in BiH
- Professional relevant experience
- Willingness to contribute to a team effort and to manage and coordinate the work with the national consultant
- Experience in working in complex settings
- Excellent analytical skills
- Excellent communication and written English skills
- Previous work experience in BiH or in the region is considered an advantage

**Required profile of the national consultant:**

- Degree in public administration, management or social sciences
- Experience in the field of local governance development and related topics in BiH
- Strong knowledge of the local governance context in BiH
- Good understanding of assessment processes and methodologies
- Excellent communication and written English skills

**6. Timetable**

Activity	Period / Deadline	Workdays	
		International Team leader	National consultant
<b>Preparation</b>			
• Desk study • Inception paper • Communication with the Swiss Embassy in Sarajevo • Preparation of the field mission	1- 10 October	4	3
<b>Field mission in BiH</b>			
• Travel to and from BiH • Briefing and debriefing with the Swiss Embassy in Sarajevo • Field visits and interviews	14- 27 October	9	7
<b>Reporting</b>			
• Sending the draft assessment report, assessment note and concept note to the Swiss Embassy	4 November	6	5
• Finalizing the deliverables based on the Embassy's comments	11 November	1	1
<b>TOTAL</b>		<b>20</b>	<b>16</b>

## **7. Requirements of the consultancy deliverables**

- The assessment report on the relevance, main achievements, limitations and challenges of the Swiss local governance portfolio should not be longer than 20 pages (excluding executive summary and annexes).
- The assessment note on the potential to diversify strategic partnerships in the local governance portfolio should not be longer than 7 pages.
- The concept note for the engagement of Switzerland in local governance for the next Cooperation Programme (2021-2024), including concrete ideas for a strategic Swiss engagement, based on the consolidation of the portfolio and the identification of concrete entry points for new project/s, should not be longer than 15 pages.

All deliverables shall be written in English. The Embassy of Switzerland in BiH reserves the right to request changes in the structure of deliverables or the inclusion of additional information.

## **8. Contract and logistics**

The international team leader and national consultant will sign a contract with the Swiss Embassy in BiH. Transportation in BiH for the contracted services and interpretation will be organized by the Embassy for the field mission in the country.