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**BOSNIA AND HERZEGOVINA
SOCIAL ACCOUNTABILITY CAPACITY BUILDING PROGRAM
- SOCIAL AUDIT OF LOCAL GOVERNANCE -**

Qualitative research

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Contact details:

Obala Kulina Bana 15/1

71000 Sarajevo

Bosnia and Herzegovina

Tel: + 387 33 251230

Fax: + 387 33 251238

prism@bih.net.ba

www.prismresearch.ba

Prepared by:

Emir Dervisevic
Senior researcher, Prism Research

Snježana Kojic Hasanagic
Senior researcher, Prism Research

Sonja Milutinovic
Assistant Researcher, Prism Research

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Abbreviations

BiH	Bosnia and Herzegovina
CA	Citizens' Association
CSC	Community Score Cards
FBiH	Federation of Bosnia and Herzegovina
F2F	Face-to-face
FGD	Focus group discussion
IDI	In-depth interview
KM	Convertible Mark
MA	Municipal Assembly
MZ	Neighbourhood council (<i>Mjesna zajednica</i>)
NGO	Non-government organization
RS	Republika Srpska
SA	Social assessment
SME	Small and Medium Enterprise
WBI	World Bank Institute

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Introduction

Prism Research a social research agency based in Sarajevo, Bosnia and Herzegovina (BiH) has conducted qualitative research during August and September 2006 in four municipalities in BiH with the aim of providing the World Bank Institute (WBI) with pertinent information and insight to support the development of baseline measures for local governance indicators. The information was collected from citizens, civil society organizations, local government, community representatives, and local services providers using focus group (FG) discussions and face-to-face in-depth interviews. The research provides in-depth information about work of local authorities and provision of public goods and services that will serve in the development of quantitative survey instruments.

The goal of the research was to obtain information about specific characteristics of services (one service per each municipality) in each municipality that is financed by local municipal government. A different service was researched in each municipality. In addition to looking at the technical details of the services, and citizens' access and usage, the research was structured so to generate indicators that measure citizens' satisfaction with the quality of services, as well as providers' self-evaluation of service provision. A key part of the research was participants' recommendations for improvement of service provision that might serve as a guideline for concrete policy action in each municipality.

In the following sections of this report, the main research findings are presented so as to emphasize important features of the provision of each service. After that, an overview of the research methodology that was applied and used to obtain the information is described. Research findings for each service and municipality are presented in separate sections. In the first part of each section, we present the main characteristics of the service provision, ranging from technical details to problems related to access, coverage or transparency. In the second part, service user generated performance indicators and provider self-evaluation indicators are showed, as well as grades for each one given by the two groups of focus groups participants: service users and service providers. The final part of the research findings section is reserved for recommendations suggested by users and providers for improvement in quality of the service and service provision.

Methodology

This report presents results of the focus group discussions and face-to-face (f2f) interviews in which 122 individuals participated. Four underdeveloped municipalities were chosen in the sample based on a number of attributes: i) less war affected/ more war affected, ii) less developed/ more developed, iii) more rural/ more urban, iv) experience of un-transparent authority/ without experience of un-transparent authority

The following municipalities were selected. Information on a specific issue was surveyed in each:

Municipality	Service
Donji Vakuf	Public administration
Knezevo/Skender Vakuf	Local roads construction and maintenance
Derventa	Waste collection and removal
Gorazde	Preschool education/ Kindergartens

Community Score Cards (CSC) methodology was used as a framework for the organization of the focus groups and interviews, as well as for development of the focus group discussion and in-depth interview guides. The methodology allows for in-depth inspection of provision of public services provided by the municipality, including the participation of all stakeholders - users or providers. Using this methodology, three focus groups are organized in each municipality. The first group of participants consisted of service providers, public officials and local authorities. The second group consisted of citizens, civil society organizations and community representatives. The third group in each municipality was the most interesting one. According to CSC methodology, it is called an 'interface meeting' that allow users and providers to meet and discuss the service together. In terms of the research, the 'interface meeting' provides the most comprehensive and precise information about the service since all players are involved in the discussion. The term 'providers' will be used in the report when referring to the first population and 'users' for the second one.

In each municipality a different focus group discussion guide was used, but structured in the same way in order to provide a consistent format of information collected. The guide for the three groups in each municipality was the same in structure and with the same questions. Slight differences were included in order to entirely investigate the position of the two groups – service users and service providers - in the process of service provision. During the interface meeting (third focus group) the answers and conclusion from the first two groups were summarized and introduced by moderator to both users and providers. The questions were discussed again especially those where different and contradictory answers had been given. In addition to that, the indicators and group grades were compared and participants were able to observe all grades.

Different focus group guides were developed for each service, but their structure was same in order to allow for standardized information and reporting. At the beginning of each group the moderator introduced the research project and its goals. After that, respondents introduced themselves as well as their positions in municipality. The first thematic area was devoted to service characteristics and quality as well as its usage and citizens' access. The central part of the discussions was reserved for the questions on citizens' participation in service design and implementation as well as monitoring and evaluation of achieved results. During the third part, the issues of public finances decision-making, budgetary expenditure, revenue

generation and public procurement were discussed. At the end, focus group participants were asked to generate the indicators that would be used to measure service quality and performance, to grade the service using the indicators and to give recommendations for service improvement.

From the aspect of service provision, the CSC approach gives users an opportunity to express their opinion about the service in the presence of those responsible for service provision, and it also gives providers an opportunity to collect information that may help them to improve the service and to give users additional information. During the research, citizens expressed their strong appreciation for the opportunity to participate in the discussions. For example, in Knezevo both providers and users came to an agreement that this approach might be applied when making decisions about the municipal budget and public priorities. In Gorazde, the parents and kindergarten workers agreed on a concrete action of making an integrated request to the local authority for an increase of revenue for the kindergarten.

CSC methodology requires that in each local community or municipality only one public service is investigated in order to cover all sides of the service provision process and all of its characteristics. During the research we have faced the challenge of being presented with too broad a spectrum of information given by participants. This was mainly due to the size of the unit of research: a municipality. Namely, the causes of the problems related to the services may and often do vary considerably in different parts of any one municipality, as well as in terms of the service delivery outcome.

Another factor that had an affect on the conduct of the research was the timing. The research was conducted during the general election campaign for the higher levels of government in BiH (cantonal, entity, state). This influenced the discussions in that participants frequently pointed out the problems that are not related to the municipal level of government and local service provision. The pre-election campaign evidently had the effect of stimulating participants to think about more general issues and problems that are not of a municipal-level nature (e.g. legitimacy of different tiers of government, government organization and jurisdiction, etc.), and not so much about concrete and public service related problems. Both providers and users in the discussions and interviews recognized that much of the cause for local problems lies in the functioning of the higher levels of government (cantonal in FBIH, entity, and to a lesser degree, state level). This information, although interesting, is not of direct relevance to the report, for local authorities and local service providers cannot have any direct influence on such issues.

In the preparation of the users' focus groups and definition of participants, a set of criteria were used to allow for equal representation of: a) urban and rural areas, b) sexes, iii) age groups, v) education. Additionally, the presence of representatives of SMEs was secured in each group of users, except in the case of Gorazde where we addressed the issue of kindergartens. In the case of recruitment of participants for the service provider focus groups, the main criterion that was applied was the role in the process of the service provision. For each service, it was important to include representatives of the local government (legislative and executive authority), as well as direct service providers.

The challenge that we faced in the selection of group participants related to the population of representatives of local communities/ neighbourhood councils, namely presidents of the local community councils. There is a high degree of ambivalence with regard to their position in the municipality - they work both as public officials and as community representatives at the same time, depending on their status in the municipality. In some cases their position is quite similar to NGOs, but in some they act in close adherence to local government procedures. The list of all focus groups participants is given in Appendix 1.

Toward the conclusion of each focus group we asked participants to tell us what indicators might be used to measure the quality of the service. Indicators were first obtained in the group of providers and then in the group of users. We asked the users to also score indicators that were not generated by them but were generated by providers in the first group. After they agreed on the significance of a specific indicator, group participants scored the current situation in the municipality on a scale from 1 to 5 for each indicator where 1 means 'poor quality' and 5 means 'very good quality'. The indicators generated by both users and providers are presented in subsections named 'Community performance scorecard and Provider self-evaluation scorecard'.

Regarding indicator generation, one has to take into account the fact that the participants always first think about the bad features of a service and tend not to consider others that are good. This component of our research is crucial for the second quantitative phase of the research because all generated indicators will be used as a basis for development of survey instruments. These instruments will be divided in two parts. First set of instruments will be used for collection of information from general population in a representative sample. Second set will serve for development of a municipality profile form that will help us collect data from different sources ranging from local authorities to public utility company managers.

In-depth interviews were used as a technique to obtain additional information about the service. This technique was also applied in the case where we could not secure the participation in the group discussion of a person who had pertinent information about the service. In some municipalities the issue was well investigated in the focus groups, so we found that this information was simply confirmed in the in-depth interviews. The guides for the interviews were same as those for the group discussions adjusted for f2f discussion. A total of 18 interviews were carried out and findings we have obtained are presented separately in the report.

Detailed Research findings

1 Local governance in Donji Vakuf

1.1 Satisfaction with local government, its quality and reliability

Specific findings from FGs

1. Only rare users have expressed satisfaction with local authorities and municipal agencies. Reasons for dissatisfaction with the work of local authorities (council and major's office) include: i) failure to implement decisions of the municipal council and councils' failure to call to account for it, ii) poor treatment of councillors and the chairman of the council within municipal administration (chairman of the council was only recently provided with an office), iii) failure to implement decisions of the major, iv) uneven treatment of different local communities and settlements with regards to prioritization of public needs, v) lack of knowledge about true situation and the real needs of population, vi) disrespect for the code of conduct which had been adopted by the council, vii) loss of accountability in the system of local governance and unclear transfer of responsibility from one service to the other as well as to the higher levels of government.

2. Citizens listed the following as the reasons for their dissatisfaction with the work of municipal agencies: i) incompetence in relation to development of programs and projects of public importance and in applying for donor funding and for resources from the budgets of the higher levels of government, ii) conflict of interest and nepotism, iii) lack of professionalism and lack of objectivity, iv) length of time necessary to issue administrative orders, certificates and licenses as compared with that needed in neighbouring municipalities, v) age of public servants and their failure to adapt to the requirements of the new public administration, vi) too many employees in the local administration (one public servant to every 300 residents), vii) lack of disciplinary measures, viii) failure by municipal agencies to implement decisions of the municipal mayor, ix) non respect of the rules on the working hours.

3. Representatives of the local authorities and municipal agencies are well aware of the citizens' dissatisfaction, they list the following as the reasons for that: i) limited competences of municipal authorities compared to the higher levels of government of which citizens are often unaware, ii) lack of budgetary funding which prevents satisfaction of all the needs, iii) administrative practice inherited from the previous (socialist) system, iv) absence of a one-stop-shop (currently under construction).

4. Representatives of the municipal council have stressed the constructive work of the council as significant improvement from the previous situation. Constructive in the sense of passing of decisions and achieving consensus.

5. All listed reasons for users' dissatisfaction were mentioned in both group discussion gathering only users and in interface meeting.

6. In the meeting with local administration representatives, users agreed that councillors were accessible, but have also stated that councillors' "openness" did not contribute to fulfilment of citizens' needs and requirements, i.e. better participation. In relation to this, they mentioned both informal meetings with the councillors and attendance by citizens to the sessions of the council.

Specific findings from IDIs

7. NGO representatives stress that they are satisfied with the work of municipal agencies and the treatment which the NGO sector receives from the local administration. Provision of premises for the work of NGOs and their relationship with the municipal mayor were stated as the reasons for satisfaction.
8. Opinion of MZ representative about the work of local administration was just the opposite to that of the NGOs. Reasons for dissatisfaction include: i) lack of creativity in the work of municipal servants, ii) lack of professionalism, iii) working habits inherited from the socialist system, iv) lack of interest on the part of administration to resolve burning problems, v) long lasting indifference of the local administration to the problem of local communities' infrastructure and institutions, vi) transfer of responsibility from one municipal agency to the other.
9. MZ representative claims that he is forced to talk directly to the mayor because that is a much more efficient way to resolve problems than turning to the municipal agencies.
10. SME representative mentioned poor organization of agencies and distribution of officials within the municipality as the reasons for dissatisfaction. Besides, unhelpfulness of some officials and their otherwise bad relationship with clients, as well as long bureaucratic procedures contribute to dissatisfaction. The latter had also been mentioned by other respondents in relation to issuance of birth and citizenship certificates. Poor treatment of clients by clerks is reflected in clerks' insolence and bias.
11. Representative of another company said that official correspondence received through regular procedure (minutes, decisions) is poorly written and includes many mistakes.
12. Incompetence of municipal councillors (their poor education) prevents them from making the right decisions and contributes to dissatisfaction among interviewed returnees.

1.2 Transparency

Specific findings from FGs

13. Respondents in the group of users complained that the decisions about design and implementation of public infrastructure works were highly non-transparent and unreliable.
14. Disrespect for the hierarchy structure had also been mentioned (mayor has no authority) in relation to the local decision making, which also prevents transparency and identification of the points of responsibility.
15. Disagreement on the status of municipal authorities in relation to the responsibilities of specific levels of government was a reason for lack of understanding and argument between providers and users. Users claim that local authorities have a lot of space for non transparent actions because of uncertainty about distribution of competences between municipal and cantonal authorities.
16. Additionally, municipal council representatives believe that the board of political parties is a highly useful mechanism which expedites and improves the work of the council, while users believe that it jeopardizes transparency of decision-making by the municipal council and that it significantly limits participation of citizens, civil society and local communities.
17. SME representatives claim that they have witnessed on several occasions the transfer of responsibility between different municipal agencies in relation to the work of inspection services, processing of the complaints procedure and issuance of licenses for the use of the city land.

Specific findings from IDIs

18. Request by the users that all council decisions should be displayed on the bulleting boards in villages and local communities was not accepted by the local authorities. Complexity of such procedure, related high cost and the fact that council decisions are announced by the local radio station were given as reasons for that argument.
19. Internal agreements by the heads of political party clubs are an obstacle to the transparency and participation of citizens in decision making process.
20. Besides, head of the local community council claims that municipal agencies lack accountability and that there is no mechanism of sanctions which would contribute to solving of this problem.

1.3 Access to decision-making processes and participation

Specific findings from FGs

21. A significant number of settlements and villages are not organized as local communities and have not elected local community councils. When the founding of local communities and election of their councils is initiated the problems arise due to failure to gather sufficient number of citizens. In the local communities which have councils the problem is that they have no working schedule or specific meeting dates nor, which is highly important, there is a regular and adequate system in place for financing of the councils' work.
22. Citizens accept local communities as a channel through which to influence decision-making procedure at the local level, but they strongly doubt that it is possible to achieve satisfaction of requests submitted by local communities.
23. In the experience of users and local community representatives, different local communities are treated differently by the municipal authorities. Such imbalance is primarily reflected in decisions about investment into infrastructure.
24. Respondents almost always agree that it is important for a specific local community to have one of its residents among the municipal council members. This is primarily because such councillors represent the interests of their local communities and include their problems on the councils' agenda.
25. Group discussions clearly revealed the difference in the opinion of users and providers, that is, the local administration representatives, in relation to the lack of interest on the part of citizens to take part in the decision-making procedures. Providers claim that the above lack of interest is the primary reason for low participation of citizens in decision-making. They also state that the understanding that local authorities cannot achieve anything is the primary reason for such lack of interest. On the other hand, users claim that the lack of interest is due to the absence of mechanisms which would open way for citizens to influence decision-making procedures. The same reasons were given for the low election turnout.
26. Regarding the decisions about municipal budget, heads of local communities can propose amendments to the budget. Councillors claim that only one head of a local community uses this right regularly. They are unaware that any proposed amendment had ever been accepted. The problems also arise when heads of specific local communities are members of political parties because their proposals fail to secure the backing of councillors from other political groupings.
27. As for evaluation and assessment by citizens and local community representatives of public services provided by the municipality, respondents said that the mechanisms for that were inexistent. Citizens have no knowledge of the work of supervisory boards while local

administration representatives claim that the above processes are carried out in accordance with the law.

28. Users say that prioritization of needs which require municipal funding is not based on real assessment, analyses and citizens' suggestions but is rather dependent on the interests defined by narrow circles within political parties.

29. Providers stress that the initiative for infrastructure development comes from the local communities. On an invitation from the municipal agencies, local communities develop project proposals which they then submit to the municipality. It is impossible that some local communities are treated unequally since decisions are made by the council.

30. The municipal council has founded this year a commission which sets the priorities and the local community liaison officer is the principal link between the commission, citizens and the local communities.

31. President of the municipal assembly fully trusts his councillors and their professionalism. He believes that they are well informed about municipality and are thus capable of making the right decisions about its needs.

32. Providers believe that it would be too much to expect from the local administration to secure regular financing for chairpersons of local community councils as well as that it would further increase already huge bureaucracy. In the interface meeting, the head of the Social Activities Service offered to the chairman of the local community council to use municipal premises since they do not have their own. However, the local councils' chairman was of a strong opinion that in that case municipality would be able to influence organization of work of the local community council.

33. President of the local community council stated in the interface meeting that he has submitted four years ago a request to the council to provide him with office space which has never been accepted while some NGOs easily access premises for their work.

34. Participation of citizens in the sessions of municipal council is almost insignificant which is also true for public hearings on budget.

35. Secretary of the municipal council contradicted chairman of the municipal council in the interface meeting claiming that the council had little information about the true needs of local residents.

Specific findings from IDIs

36. Municipal council is governed in its work by personal opinions and interests of a small group of people gathered around political parties rather than the interests of local communities and citizens, a small-scale company owner stated.

37. Council never complains and calls to account when its decisions are not implemented by the executive authorities. Instead they easily ignore such a situation, said a local community representative who follows every session of the municipal council. He claimed that only one third of council decisions were really implemented. Respondent said that it was primarily the responsibility of the president of the assembly who never calls to account for the failures to implement council decisions.

38. The same respondent said that the president of the assembly played only a minor role and had no credibility which would have been expected given his function. Until this year, he did not even have his own office.

39. Another local community representative said that municipal agencies were preventing strengthening and development of the local community councils. Municipal council has

passed a decision to provide 60KM each month to presidents of local community councils. Payment of this compensation is delayed by eight months.

40. All the respondents agreed that there was no mechanism enabling citizens to assess the quality of public services provided at the local level.

41. An NGO representative confirmed that the mayor often asked for their support on the issues related to the local problems or organization of different cultural and other events. Local community representatives could not have provided similar examples.

42. Regarding the complaints procedure, there are three ways in which to submit complaint over poor quality of public services, namely: formal complaint to the municipality, in personal contact with communal inspector or with the mayor. It is often the case that none of the above three channels is efficient.

43. In addition, municipality has only one communal inspector tasked with supervising all communal services which is clearly a problem.

1.4 Responsiveness of the local government

Specific findings from FGs

44. Participants in the group of users from different parts of municipality and different local communities claim that the local administration representatives do not work “in the field” and are thus uninformed about municipal problems. Respondents believe that the administration is distanced from citizens and their needs. Numerous examples had been cited when citizens unsuccessfully requested relevant services to make field visits and gather information about the real situation. Examples were also mentioned when communal inspector witnessed improper use of public infrastructure and has done nothing to impose sanctions on those responsible.

45. Respondents have again stressed in the interface meeting that the local administration representatives were not working in the field and one municipal councillor also mentioned several cases in which municipal agencies have failed to visit areas hit by severe problems.

46. Some respondents believe that it is because of incompetence that municipal councillors fail to recognize the needs of the population and professionally identify the problems and find proper solutions.

47. Poor treatment of clients by a number of civil servants distances citizens from the local authorities, prevents their access to information and contributes to a negative perception by citizens of the entire work of the local administration.

48. Public works such as installation or repair of the sewage network are carried out without the clear approval from the citizens for which reason local authorities appear to be autocratic.

49. In the interface meeting users have mentioned several examples when the municipal agencies have failed to react to urgent problems faced by the citizens (some settlements being cut off during winter, blocked local roads used by a large number of residents, absence of signalization in local roads) or respond to specific needs of some population groups (cultural events for youth, gym for primary school children).

50. President of a local community council has stressed that they have not received over the past year invitation by municipality to submit proposal for the use of the city construction land as was previously the case. He claims that the written invitations must follow announcements by the local radio for all public calls in order to secure greater participation of citizens in decision-making.

Specific findings from IDIs

51. Municipal mayor meets every Thursday with citizens who have submitted formal requests for the meeting over the week. Respondents believe that this is a convenient way to reach mayor and talk to him. After hearing about specific citizens' requests, mayor can direct them to relevant municipal agencies.

52. NGO representative believes that the local administration is open for cooperation with the non-governmental sector. The NGO regularly informs administration about its activities and municipality agrees to cooperate on specific projects in which it is interested.

53. Business sector representative claims that it is possible to reach every councillor and talk to him/her because they live in a small municipality. He also thinks that the interests of political parties prevail over those of citizens. This is most felt when a political party responds to citizens' requests and makes a proposal in the interest of the entire community but fails to secure the backing of other political parties which fear that by supporting the proposal they would help their political rivals in 'scoring some points' with the citizens.

1.5 Social Capital

Specific findings from FGs

54. It is often the case in some local communities that citizens maintain local roads on their own without any support from local administration.

55. One of the problems stressed by users is that the municipality does not recognize results achieved by volunteers who engage in public works. Municipality fails to take responsibility for further maintenance of the infrastructure built by volunteers.

56. Some local communities gather school material for primary school children.

57. The parents' councils in primary school is an important body which attempts to solve the problems faced by the school (looking for donations for infrastructure and teaching materials) and by the children from poor families (gathering of school materials, donations for school trips).

Specific findings from IDIs

58. NGOs have played an important role in urban areas in engaging citizens on the projects to clean the streets and river beds or to plant flowers.

59. Business sector representative claims that the poor economic situation has discouraged a large number of citizens from joining informal or formal organizations. He believes that there is a strong disbelief among citizens that common interests can be achieved through joint action.

60. President of the local community claims that he has major problems in organizing community meetings and that he almost never succeeds in bringing together sufficient number of people required for passing of decisions.

1.6 Informedness

Specific findings from FGs

61. Participants in all the groups have agreed that the level of knowledge of citizens about the work and the plans of public administration and its decision making processes is at a very low

level. Citizens' preoccupation with personal problems is seen as the principal reason for that. Unemployment rate is very high and citizens spend a lot of time in search of work. In most cases, citizens do not have sufficient or regular free time in which to gather information about public life, local administration and public services. Population which struggles daily to secure the basic means for normal life relies on the information from the people with which they are in regular contact.

62. Users believe that distribution of information via radio is not proper because they cannot balance between their personal obligations and working hours and the timing when the information is broadcasted. They often receive information from secondary sources and it is incomplete or untimely.

63. Almost all the respondents were aware that the local radio publishes information about municipal council decisions.

64. As confirmed by respondents in both groups, local radio is the primary source of information about public debates, council decisions, public procurement and technical information on the work of local administration. Radio signal cannot be received in all parts of the municipality for which reason some residents have no access to the above information. Another way in which administration informs citizens about new regulations, tenders, scholarships and activities of the municipal agencies is by the way of bulleting board in the municipal building.

65. Providers stress out that building of a one-stop-shop would facilitate citizens in accessing the information. So far, citizens had to spend a lot of time to access the officials tasked with dissemination of relevant information.

66. In the interface meeting, citizens suggested that all relevant information should be sent to local community representatives in a written form, which they said was the most efficient way to provide public with relevant information.

67. Besides, users suggested to providers that it would be very useful for citizens if they printed clearly and simply written an information bulletin.

Specific findings form IDIs

68. NGO representative claims that citizens do not use their rights from the Law on Free Access to Information. She believes that it is because they have no knowledge about the law and are thus seeking information at only one location – the writing office.

69. The local community council president has confirmed that the citizens are almost never using the above law. He informed us that only 4 official request for information had been submitted by citizens over the past five years. He believes that it is because the citizens are not politically mature enough to know how to achieve their rights.

70. President of local community council who attends all the municipal council sessions said that municipal agencies are somewhat negligent even when it comes to informing the councillors. It is often the case that municipal agencies fail to provide information to the councillors even when councillors pose some questions.

71. Municipality publishes Official Gazette. As has been confirmed by most respondents, it is very hard to obtain a copy of the Official Gazette. Some stressed the point by saying that it is easier to obtain a copy of the Official Gazette in France than in Donji Vakuf. Others said that the Official Gazette was "hidden treasure." Even the majority of municipal agencies do not have their own copy of the Official Gazette.

72. Working materials of the municipal council sessions where for long unavailable to the citizens. At the initiative of a local community president they are now being sent to the liaison

officer for local communities where citizens can read them although they still cannot get their own copy.

1.7 Public finances

Specific findings from FGs

73. Of all the participants in the group of users only one president of local community council knew the amount of the total municipal budget and expenditures by individual budgetary items. With regards to public finances, other respondents had inconsistent information about international donations for infrastructure.

74. Judging by the examples given by respondents in relation to donor funding, citizens find the awarding criteria to be unclear and related administrative procedures flawed. Providers have also confirmed that the council suspended in its last session work of the commission for selection of donation beneficiaries.

75. Since the last year, local community representatives enjoy the legal right to propose suggestions and amendments to the budget. Users agreed that their attempts are unsuccessful. Councils of a small number of local communities meet to discuss municipal budget and draft proposals. Local community council presidents state that the citizens' turnout for these meetings is very low because citizens do not believe that they can impact decisions about municipal budget.

76. President of municipal assembly described in the following words that not much can be achieved through public debate since municipal budget depends on 'priorities': "Municipal agencies are the priority; we must finance them because we need them. Infrastructure problems are our next priority in developing the budget and than support for associations and organization... We would like the citizens to create the budget in all of its segments is another thing. That is truly impossible. But we respond to the needs of local communities, citizens' gatherings etc to extend to which it is possible. All suggestions, complaints and proposals are taken under consideration and we accept them as much as it is possible in adopting the budget."

77. Providers informed us that it was not until this year that local administration started publishing information about public hearings on the budget. Almost none of the citizens participated in these hearings. Secretary of the municipal council explained why it was so in the following words: "This year we wanted it to be the budget of the citizens so we presented the draft budget to the citizens. However, our limit was 1,600,000 and citizens have more needs than we can realistically satisfy. It turns out that the debate does not make much sense and is not justified because people discuss it but when it comes to deciding we have to do what we have to do. Priorities must be covered. But it is good that citizens tell us what they think about the budget etc. But realistically speaking they do not have much influence. We can shout slogans and tell stories but citizens do not have much influence on the planning of the budget. Budget is limited by available funds and by priorities, when all that is satisfied little remains to be influenced by the citizens."

78. "Mark for mark" is the policy applied by local authorities in financing of infrastructure works. In terms of public finances, respondents mostly spoke about this policy. If a certain community or settlement needs to finance infrastructure construction (building or repair of water supply network, maintenance of a local road, street lighting, repair of bridges, building or repair of the sewage system) it can secure the funding from municipal budget. Local authorities are ready to provide from the budget an amount equal to that gathered by the citizens. These are mainly projects to resolve some urgent problems in the total value of up to

50,000 KM. Local community councils appoint a few persons to be charged with project management.

79. Respondents believe that such policy opens a lot of space for non transparent activities. It is difficult for citizens to assess the real value of infrastructure projects so it is done by municipal agencies or companies selected by the municipality which opens way for misconduct. One participant in the group of users said that a project of the true value of 10,000 can be assessed by the agencies to cost 20,000 in which case citizens pay for capital works on their own.

80. In the opinion of users and one councillor, another problem with this policy is that it is practically impossible in some local communities to collect funding for financing of public infrastructure. In the interface meeting, providers claimed that in such areas local authorities finance capital works in full but that it takes more time due to budgetary restrictions. Users believe that local administration does not have clearly defined priorities for such cases of 'complete' financing.

81. With regards to public procurement procedure, it was very difficult to obtain information which would help us understand it. Users have a very limited knowledge of the procedure to set up public procurement criteria, while public officials claim that it is all regulated by law. Users say that there is a lot of corruption in this area but do not have sufficient information to support their claim. When asked about corruption, providers said that it was impossible because of the existing legislation.

82. In the interface meeting, users stressed that huge problems arise due to spending of budgetary funding for purposes other than those for which they had been allocated. They cited the example of budgetary funds for winter road maintenance which were spent for other purposes.

83. Participants in both groups were unable to list a single mechanism by which citizens can evaluate the effects of public investments. Council receives reports on the use of budgetary funding, but there is no standard reporting procedure which complicates the assessment of quality of works and control of spending. Cases are known when a huge discrepancy had been obvious between the quality of works and invested funds, but there were no cases of formal investigation. This involved funding for local roads and finances for the cases of flooding. The difference amounted to 75,000 KM or 5% of the total budgetary funds intended to be used for those purposes.

Specific findings from IDIs

84. Business sector representative claims that the "mark for mark" policy opens up a lot of space for non transparent work by local administration. He believes that it places additional burden on the citizens and that the capital investments must not be conditioned by financial abilities of local communities and their will to allocate funding for such purposes. He also believes that budgetary spending must not be dependent on ad hoc requirements but should be planned and that the budgetary plan has to be respected. Such practice causes "spillover" of public funding from one budgetary item to another.

85. President of a local community council also claimed that there were cases of spillover of budgetary funding and that the current expenditure of municipal administration was favoured to public services and infrastructure. The same respondent complained that the funds achieved through privatization were also spent on current expenditure rather than for capital investments.

86. NGO representative informed us that NGOs are also sending their proposals for budget funding, but that their requirements had never been fulfilled. Council decides on the total

amount for financing of the work of NGOs and that amount is equally divided between NGOs that submit funding requests. The respondent believed that it is not a good practice because financing is not conditioned by the results achieved in the work with the local community.

87. Some citizens sent a proposal to the council to reconsider its decision to finance public infrastructure projects on the basis of “mark for mark” policy because he believes that there are no legal grounds for its application. Council was required to respond within a month, but after two months any answer was not received. We mentioned this case in the group of providers and were told that the council had a problem in deciding about the commission which should discuss the proposal.

88. Last year, the council was sending written requests for budget proposals to local communities. This year only one public hearing was organized and no invitations were sent to local communities. Hearing had no impact on deciding about the budget. Instead, the initial budget proposal was adopted.

1.8 Community performance scorecard and Provider self-evaluation scorecard

No.	Users	Indicator	Group Grade	
			Users	Providers
1.	Satisfaction with the work of the local authorities and municipal agencies	Satisfaction with the work of the local authorities and municipal agencies	2	5
2.	Engagement by local community representatives	Engagement by local community representatives	1	2
3.	Citizens' participation in MZ sessions	Citizens' participation in MZ sessions	2	2
4.	-	Citizens' Participation in NGOs	2	4
5.	Dispersion of municipal councillors (their place of living) throughout the municipality	Dispersion of municipal councillors (their place of living) throughout the municipality	2	5
6.	-	Proportion of those who receive and who are concerned with information	2	5
7.	Number of formal requests for information	Number of formal requests for information	1	1

Evaluation of the grading

89. Indicator 1: Difference in the value of this indicator between the two groups is in that the providers assess efficiency of work of the municipal council and municipal agencies from the procedural point of view while users assess the true effects of their work and adopted decisions.

90. Indicator 2: This indicator is used to measure how well were the interests and needs of specific local communities protected in the work of the council depending on the engagement of the local community representatives. Users believe that the engagement by local community representatives does not pay off at the moment, but expect the situation to change. They believe that local community representatives have the best information about real needs of the population. Providers claim that the engagement of local community representatives is very low and that they could be more effective if they were more proactive.

91. Indicator 3: This indicator is used to measure citizens' participation in decision making at the community level as well as cohesion of the local community in relation to public needs. The two groups shared the opinion that participation of citizens in the local community meetings must increase because that is the best way for defining the needs of the local community.

92. Indicator 4: This indicator was not adopted as a result of debate probably because NGO representatives were not represented in the group of users. Interview with a NGO

representative indicated that NGOs participation leads to more significant social engagement and greater impact on the local community. Providers believe that NGOs are important mechanism for citizen participation and that is well developed in Donji Vakuf.

93. Indicator 5: Interests and needs of a local community are better protected in the work of the council if one of the councillors resides there. This is also the case in awarding of donations. Users claim that distribution of funding by local communities depends on the place of residence of councillors. Some local community representatives also complained that their budget proposals were being neglected because no councillors were living in their area. Providers say that the structure of municipal councillors is representative of the local communities.

94. Indicator 6: This indicator is used to measure informedness of the population, but such where information is provided to those who need it. In debate about this indicator it became obvious that the users criticize local community for not having a differentiated approach to different population groups (youth, returnees, farmers).

95. Indicator 7: Both users and providers informed us that the citizens are almost never using the Law on Free Access to Information. Only 4 official requests for information had been submitted by citizens over the past five years. This is because the citizens have poor knowledge about the law and because they are not politically mature enough to know how to achieve their rights.

1.9 Recommendations for Improving Performance

Providers

96. Adopting a code of conduct for civil servants.

97. Local authorities must work more on educating citizens about their rights with regards to the local administration.

98. Building of the one-stop-shop would shorten time required for bureaucratic procedures, secure easier access for citizens to municipal agencies and increase their knowledge about the work of municipal authorities.

99. Providers believe that there should be a legal requirement for at least one local community representative to attend the sessions of the assembly in order to increase citizens' level of information and their participation in decision making.

Users

100. Introducing the position of the head of the cabinet of municipal mayor would ease the work of the mayor and enable greater supervision of the implementation of relevant decisions.

101. Employment of young people in municipal agencies would increase efficiency, access for and openness to the citizens.

102. Formal establishment of a local communities' assembly would contribute to greater participation of citizens in decision making processes especially with regards to decisions on allocation of public funding. Citizens remember this body from the socialist period.

103. Local community representatives should join councillors in deciding on important issues and should have the right to vote. It had been suggested that the appointment of municipal councillors should be done at the level of local communities. President of a local community should at the same time be municipal councillor, which is similar to the proposal to establish local communities' assembly.

104. Municipality must employ more communal inspectors to ensure higher quality of public services.

105. Timely and systematic distribution of working materials of the municipal assembly to all those who attend council sessions would enable better participation of citizens and increase their knowledge about the work of the assembly.

106. Provide a copy of the official gazette and minutes of the council sessions to each local community council.

107. Send donations directly to users and not the municipal authorities so that they make decisions about priorities and distribution criteria.

108. Ensure continuous funding for the work of local community councils.

109. Reduce by one third the number of municipal administration employees

110. Users suggest professionalizing the function of the president of municipal assembly since they believe it would raise the quality of work of the assembly, supervision of implementation of the council decisions and better participation of citizens in decision making. Providers believe that it would only increase the administration which is already bigger than prescribed by the law. Providers believe that the above is not necessary because the work of administration is already debated and discussed by the council.

111. Sending of written materials to local community councils and printing of information bulletins as a standard procedure for reporting on the work of the municipality, its decisions, rules and budget would contribute to greater informedness of the citizens. It would be a much better way for dissemination of information from the current use of the local radio.

2 Local roads in Knezevo/Skender Vakuf

2.1 Local roads building

Specific findings from FGS

112. Total length of categorized roads' network in the territory of Knezevo municipality is 104 kilometres, of which 51 km are and 53 are not asphalted roads. Besides, there are further 81 kilometres of non-categorized roads.

113. As for the level of satisfaction with construction and maintenance of local roads, users believe that the situation has improved greatly over the past two years contributing to a significantly higher level of satisfaction among citizens compared to the previous period. This is primarily due to construction of new sections of asphalted roads which connect some of the most remote villages with the city. A total of 25 kilometres of local roads had been asphalted, mostly with funding from the municipal budget (loan funds). Some of the works were financed by entity governments and a lesser part with funding from the World Bank. The above is in reference to three-meter-wide roads.

114. Above investments resolved the problem of some of the most populated villages, but only partially those of the villages and rural communities whose routes connect to the asphalted road. A MZ representative claims that the above roads are in a very poor condition rendering some of them unusable in the case of rain and snow. Providers state that connecting of smaller villages with the asphalted roads would require much more funding from what had been invested for the connection with the centre of village. One of the reasons is that these roads are mainly dirt roads and non categorized pathways.

115. Distance and population size were two primary criteria used by administrative bodies in deciding about road construction. Users participating in the interface meeting were unanimous in their support for decisions of the municipal authorities related to recently constructed roads.

116. In relation to construction of roads, users from urban areas complained that local administration paid no attention to side roads and was only focusing on principal street running through the city centre. Most roads connecting the outskirts with the city centre are in a very poor condition and almost unusable for motor vehicles.

117. One of the problems mentioned by users was absence of the city bypass for which reason all the inter-city traffic runs through the city centre contributing to fast ruin of the local road. The road which is used is very narrow contributing to frequent traffic jams. Many freight vehicles travelling through the city contribute to air pollution and uncleanness of the city streets. The city cannot be clean if numerous vehicles pass through it, the users claim.

118. Bypass road construction plan had been developed more than twenty years ago, but providers claim that the municipal budget is insufficient for its implementation and that the project must be taken over by a higher level of government. They are reportedly aware of the problem, particularly in relation to the plan to turn Knezevo into a significant regional tourist destination which calls for redirecting of some of the traffic away from the city.

119. Road construction companies are regional companies which also maintain regional roads. When asked about supervision of their work, providers said that there was no any improper construction recorded or sanctioned.

120. The representative of the association of returnees stated in the interface meeting that she has sent information to the local authorities about requirements for road construction and maintenance and street lights but has never received any response. Providers stated that other problems had higher priority, but that there was no excuse for not responding to the correspondence from the representative of the association of returnees.

Specific findings from IDIs

121. Residents mentioned cases in which villagers financed construction of roads from their own funds. In most cases they financed construction of shorter sections and critical areas and the works were conducted without professional assistance.

122. In no case over the past two years an entire road had been asphalted. Mostly only some sections had been asphalted, mainly critical and unusable parts. Road sections in a better condition remain not asphalted. On average, one third of the total road length is asphalted. While they are satisfied with the fact that something has been done, residents believe that the problem was not solved entirely, because roads are already becoming unusable and require intervention and repairs.

123. Local communities' representatives with whom we have spoken are well informed about the road related problems in their area. Most of their activities in negotiating with the authorities are related to this problem. However, nobody was able to provide an example of cooperation between different local communities and their common stance in contact with the administration.

124. NGO representative claims that additional problems arise in relation to local roads which link two villages in two different municipalities. Such roads are almost never constructed or repaired due to jurisdiction problems and the lack of cooperation between different municipalities.

125.

2.2 Local roads maintenance

Specific findings from FGs

126. Scatteredness of villages and rural communities complicates their connecting with the city and regional roads. Only 51 out of 104 categorized roads are asphalted which results in high budgetary spending (150,000 KM or 7.5% of the total budget) for filling and repair of not asphalted roads. Still, according to the head of the local communal utility company, this does not cover all the needs.

127. Local government has no plan for maintenance of the roads. For this purpose, local community representatives submit requests to the local administration. After collecting a number of such requests, municipality provides and distributes certain quantity of filling sand. Problem with this is related to the transportation, rolling and spreading of filling sand because municipality usually does not provide funding for that purpose.

128. Providers informed us that there was no specific maintenance company, but that the maintenance works were awarded on ad hoc tenders. In the case of less important roads municipality provides the filling sand while local residents carry out the filling works.

2.3 Winter maintenance

Specific findings from FGs

129. Since municipality's average height above the sea level is 1000 meters it receives a lot of snowfall during the year for which reason significant budgetary funding is required (between 80,000 and 140,000 KM or between 4 and 7 percent of the total budget, depending on the snowfall intensity). There is no single company tasked with winter road maintenance.

130. Administration engages significant number of individuals with necessary machinery (which involves a lot of improvisation) for winter cleaning of less significant roads. Municipality covers the cost of fuel while local residents provide workforce and machinery. Companies and workers for maintenance of more significant roads are engaged via tender. These are mostly construction companies able to adjust their own machinery for the purpose of winter road cleaning.

131. Problem with winter road maintenance relates to cover sewers which are often opened due to carelessness and inexperience of drivers. This represents a major problem for pedestrians and other participants of traffic.

Specific findings from IDIs

132. Representative of a small company claims that there are well known cases of political malversation in relation to winter road maintenance. Since unemployment rises during winter there is significant competition for maintenance of roads. It sometimes happened that the best equipped vehicles were not used because their owners were not politically suitable.

133. NGO representative claims that the problems arise in the city during winter because snow is not driven away but only piled in some parts of municipality contributing to great concentration of snow there.

2.4 Signalization and drainage

Specific findings from FGs

134. Local roads, except in urban areas, do not have proper drainage and sewers resulting in withholding of water, creation of natural drainage channels and faster road wear. Also, there is no road signalization except in urban areas.

2.5 Work of communal inspection services

Specific findings from FGs

135. Councillor in the group of providers claims that there is a significant problem related to staffing of inspection and urban planning agencies. According to him, only two persons with adequate qualifications are employed by these agencies.

136. Head of employers' association in the group of users claimed that certain political lobbies often prevent or complicate the work of communal inspection for private purposes. Communal inspector confirmed the above in the interface meeting stating that he faces lobbying of and pressure from different entities under inspection or their intermediaries even outside his working hours.

137. Users claim that communal inspection did nothing so far to sanction forest exploitation companies which violate rules for the use of local roads contributing to their greater wear and tear. In most cases this involves disrespect for the axis and total load ballast for the local roads. Head of the service for communal works said in the interface meeting that new regulations for protection of roads through the system of control of axis load had recently been adopted and that their stricter enforcement has started. The inspector so far submitted some ten reports on the basis of the new legislation. Axis load is limited to 6 tons and the total load to 24 tons.

138. As for the sanctions reported by communal inspectors, a lot of cases are returned by second instance courts due to violation of procedure or incomplete reports. Head of the communal works agency blames this on the inspector for public roads. However, the inspector for public roads is not direct supervision authority for construction of roads. None of the providers were aware of any sanctions imposed in cases of improper construction of roads.

Specific findings from IDIs

139. – Small enterprise owner informed us about the cases in which the mayor himself had obstructed the work of the inspection for sake of different private interests. This had been done by a direct order to communal inspector to stop activities related to some cases.

140.

2.6 Community performance scorecard and Provider self-evaluation scorecard

No.	Indicator		Group Grade	
	Users	Providers	Users	Providers
1.	Local roads building: Kilometres of roads asphalted	Local roads building: Kilometres of roads asphalted	3	4
2.	Local roads building: Kilometres of roads asphalted and not damaged	Local roads building: Kilometres of roads asphalted and not damaged	2	3,5
3.	Road repair: Kilometres of roads properly maintained	Road filling: Kilometres of roads properly maintained	2	2
4.	Winter maintenance: Number of days in a year when settlements are cut off due to rain or snow falls.	Winter maintenance: Number of days in a year when settlements are cut off due to rain or snow falls.	3	4
5.	Drainage: Kilometres of roads with the proper drainage and canalization	-	1	n.a.
6.		Work of communal inspection services	1	4

Evaluation of the grading

141. Indicator 1: Providers and users have shown an almost equal level of satisfaction with the construction of roads over the past two years. A somewhat lower grading in the group of users is due to the fact that it involved persons from critical parts of municipality. Besides, users complained because the roads were not asphalted in full but only at critical sections and also because of significant funding required for maintenance of those roads.

142. Indicator 2: This indicator is related to the quality of asphalted roads and their endurance. Users believe that the quality of constructed roads is not very high for which reason they tear fast. Opinions of providers on this indicator were divided. General administration representatives were awarding higher grading than did the persons specifically tasked with construction and supervision of use of the local roads.

143. Indicator 3: Both groups agree that the current intensity of road filling does not satisfy true needs of the population. Providers claim that the budget is not sufficient to enable greater spending. Everyone agrees that the procedure for rolling and spreading of filling sand is inefficient. Users suggest that the forest exploitation companies should contribute to maintenance of all the roads which they are using.

144. Indicator 4: Municipality's average height above the sea level is 1000 meters. Despite heavy rain and snow fall, local administration successfully organizes winter cleaning of local roads for which reason roads in most populated areas are usable. This is possible because of the engagement of a large number of local residents in that the municipality provides fuel and residents provide workforce and vehicles.

145. Indicator 5: Providers did not point out this indicator for which reason their grading is missing. Users believe that the newly constructed roads do not have proper drainage which results in their fast tear.

146. Indicator 6: Primarily failure to sanction improper use of roads by forest exploitation companies. This is related to disrespect for the axis and total load ballast for the local roads and the use of snow chains when there is no snow. Users were unaware of stricter rules recently introduced by the local administration while providers described it as a significant achievement.

2.7 Recommendations

Users

147. It is necessary to make higher quality roads at the expense of their length. Users believe that the funds saved in construction of poor quality roads are lost over a few-year-time since such roads wear faster.

148. Roads connecting outskirts with the city centre and with the main street must be asphalted because they have become nearly unusable for motor vehicles.

149. Random filling of roads should be replaced with systematic asphaltting which would prove to be more cost efficient over a long period of time.

150. Construction of a bypass road would unburden urban transportation network and contribute to better maintenance of the local city road.

151. Forest exploitation companies should cover part of costs of construction and maintenance of roads because they are among the primary users.

152. Design a program for financing of the work of local community councils.

153. During winter a certain amount of snow should be driven out of the urban part of municipality rather than waiting for it to melt. In this way high concentration of snow at some locations in the city would be avoided.

Providers

154. Employment of professional staff by municipal agencies overseeing urban planning and infrastructure and communal inspection agencies as well as training of the current employees.

155. Tender development for winter maintenance of roads for a period of several years would encourage companies to invest into equipment and to provide greater quality of service.

156. Municipal administration must design programs for greater involvement of citizens in passing of decisions related to construction of both local roads and other municipal infrastructure.

157. Municipal administration should support citizens' initiatives for public works (city cleaning, support for socially vulnerable groups, cultural programs for children and youth) in the media and promote more strongly support of the local authorities for such initiatives. This would increase awareness of general population on the importance of participation in the public life and of submitting proposals for financing.

158. To secure more transparent budgetary spending it would be important to present reports on public spending in every local community at regular intervals (every three or six months). In this way, it would be possible to identify shortcomings and increase citizens' interest for participation as well as to educate population about public finances.

159. It is necessary to develop a capital investments strategy to replace the current short-term planning.

160. It is necessary to ensure interest-based and functional organization of local communities.

161.

3 Services of day-care centres in Gorazde

3.1 Infrastructure

162. Capacity of day-care centre “Sunce” in Gorazde is 100 children. Currently only 60 children are enrolled – mostly preschool children, but also some school children who are in after-school care program.

163. With regards to the size of its premises, Sunce is currently not used to its full capacity and could enrol more children. However, that would require increase of other capacities (caregivers, furniture) which is not possible with the existing funding.

164. Size of the day-care centre’s building is 680 m² divided into 4 workrooms, 4 bathrooms and toilets, 1 reception room, wardrobe, dining room, kitchen, laundry and office space. All the interface meeting participants have agreed that Sunce offers necessary conditions for good care of pre-school children. In terms of its playground, users stressed that it was too little for the existing number of children (60), while providers said that they did not have the realistic potential to provide a bigger playground.

165. The most critical problem related to infrastructure concerns obsolete toilets and bathrooms. Ceramic tiles, water and sewage pipes are totally obsolete. Bathrooms are in function and are being used. The above problems were mentioned both in the group of providers and in the group of users.

166. Sunce’s furniture had been secured by international and local donors. It is not standardized or new, but participants believe that it is suitable for preschool children. Sunce also has two TVs, a video recorder, a DVD player and one computer which is used by school children.

167. In addition to Sunce, SOS Kinderdorf Foundation/Humanitarian Organization also provides day-care in Gorazde. SOS Kinderdorf’s infrastructure is far better than that of Sunce, but parents and providers both agreed that there were no differences between the two centres in terms of the quality of care and education they provide to children. In deciding about where to enrol children parents primarily consider the distance of the day-care centre from their home or work.

168. Day-care centre has central heating. One heating plant provides heating to day-care centre, primary school and municipal building. Users and providers confirmed that heating was a significant problem. It is turned on with delay so that children spend one full month in one room heated with an electric heater. Going out of that room to toilet, wardrobe or dining room represents a major health hazard for children. In the months when central heating is on it is very good.

3.2 Personnel

169. Day-care centre employs 13 people including 5 caregivers, 2 cooks/waitresses, 2 administrative workers, 2 security guards and 2 cleaning ladies. Providers stressed excellent relationship between employees and good working atmosphere, which are very important factors for environment in which children are cared for. The centre’s director, a psychologist by profession, also works as caregiver with the group of school children.

170. Six caregivers take care of 60 children divided into three mixed groups classified by children’s age: younger group includes children in the age from 2 to 4 years, older group the children in the age from 4 to 6 years, and after-school care group the children from 6 to 8 years of age (children in the first and second year of primary education)

171. Centre's working hours are fully suited to the needs of (school age) children and their parents. Users are satisfied because children can do their homework while in the centre.

172. Providers and users agree that educational program in Sunce is of a very high quality and that Sunce has professional staff trained for the work with preschool children.

173. While centre finds it very difficult to cover all of its expenses with the available funds, director claims that they are overstaffed with a cleaning lady and a security guard. These two people have been working in Sunce for a long time and are still not fulfilling conditions for retirement so nobody (not local administration or centre's management) dares to lay them off.

174. Municipality's deputy mayor claims that caregivers in SOS Kinderdorf have much more opportunities for continuous education and training than do those in Sunce. Sunce's director said that the reason behind poor education and training programs were dysfunctional cantonal pedagogic institute and Ministry of Education. In relation to caregivers' education and training, director said that the above two institutions did not contribute at all to development of preschool education.

3.3 Educational program

175. Under the Law on Preschool Education of the Federation of Bosnia and Herzegovina maximal number of children per group is between 25 and 30. Before the above law had been adopted groups in Sunce were much bigger which complicated the work of caregivers and had a negative impact on the quality of overall service.

176. Providers and users agree that Sunce has a good educational program. As had been confirmed to us in both day-care centres, educational programs in Sunce and SOS Kinderdorf are of the same quality as they both operate under the same law on preschool education. The only difference is that the latter provides better additional programs such as English lessons, meetings which children from other towns and "weekend play groups" for children from rural areas.

177. It is necessary to mention that municipality provides 5,000 KM annually in support of SOS's weekend play groups in rural parts of the city.

178. SOS Kinderdorf has much better and varied teaching materials. While the teaching materials in SOS Kinderdorf are of a high quality, in Sunce they are much more modest which encourages creativity and imagination of caregivers who work with modest materials (cardboard boxes, paper) to produce teaching tools. Caregivers in Sunce said that making of teaching materials consumes a lot of their time.

179. Parents are satisfied with the educational program in Sunce and do not believe that children could receive better care in some other day-care centre.

180. In the interface meeting some of the parents said that children should learn numbers and letters of the alphabet in day-care centre. They were curious about how is that achieved. Providers state that day-care centres do not have responsibility to provide such training and that it would be bad to require from preschool children to adopt such knowledge.

3.4 Nutrition

181. Users had no complaints on the quality of nutrition in Sunce describing it as well balanced and responsive to all the needs of children. Providers informed us that all federal food inspections (food quality, hygiene of kitchenware and cooks) have come up with positive reports.

3.5 Hygiene

182. Providers and users agree that the hygiene standard in the day-care centre is good. Employees carry out disease controls once a year. Disinfection of premises is conducted daily while full disinfection is performed twice a year by the Institute for Public Health.

183. All materials for personal hygiene of children are provided by parents while other cleaning and disinfection materials for kitchen, bathrooms and other rooms are provided by parents.

3.6 Medical services

184. Sunce does not have a nurse or doctor on its staff although it should be the case under the job systematization. As for the contacts with medical professionals, doctors occasionally visit the centre. Previously doctors visited the centre once every 15 days while dentists were coming occasionally. At the moment the visits are not organized on regular basis. An epidemiologist visits the centre as part of disease control program.

185. Children have regular medical check-up once a year, including all laboratory tests, so that they all have complete medical records. Also, the Institute of Public Health performs control testing once a year, usually during winter when there is greater danger of viral diseases among children.

3.7 Evaluation of the quality of service

186. At regular meetings with parents but also in daily contact with caregivers and administrative workers of the centre parents are provided with opportunity to express their opinions on the work of the centre including to present specific individual requests.

3.8 Collection of charges and financing

187. Providers informed us that the budgetary funding for day-care centre had increased significantly over the past five to six years. The number of children has not increased in the same period but the previously provided funding was insufficient to cover even the basic needs for which reason municipal council accepted the request of the centre's management to increase its funding.

188. The only debt generated by the centre is that to its workers. Sunce employees primarily complain of low salaries. Payment of salaries is delayed by two months while food allowance is paid irregularly and with delay and bonuses never.

189. The price of centre care for a child is 80 KM per month. Family child care providers charge about 200 KM per month in that the parents also cover the cost of food and personal hygiene materials. The price of care in SOS Kinderdorf is also 80 KM. The centre director believes that the price is not realistic since it suffices only for the cost of food. There are no legal provisions for setting of the price of day-care. The price had been set by the centre's management. The price of the centre care was calculated to meet parents' economic standard, but was also influenced by the charges by SOS Kinderdorf. Director said that her proposal to the management of SOS Kinderdorf to increase the price by 20% has failed. Reason for that is that SOS Kinderdorf is a humanitarian organization which aims to help the parents and not to achieve profit. In director's opinion, most parents would send their children to SOS Kinderdorf if the price of service in Sunce were to increase by 20%.

190. Director claims that available funding is insufficient for normal functioning of the day-care centre. This has the greatest effect on the centre's employees who are left without regular income and are unable to collect some charges to which they are entitled. Despite official

increase in funding for day-care centre to 80,000 KM per year, local administration fails to pay between 10 and 15% of that amount each year. Local administration representatives are aware of this and say it is due to irregular collection of budgetary funding. This problem was brought up in the interface meeting when a local community representative said that the municipal budget increases each year while the full amount of budgetary support for the day-care centre remains unpaid. It had been stressed that failure to pay the full amount for day-care centre cannot be blamed on irregular influx of budgetary funding, but that it was due to inconsistency in application of legal decisions on budgetary spending. Users accused day-care management of being too soft on the local administration and failing to secure legally guaranteed funding.

191. In light of the budget readjustment, deputy mayor has promised in the interface meeting an increase in the funding for day-care centre of between 5,000 and 10,000 KM. The funding for this purpose is expected to come from distribution of VAT revenues.

192. Day-care centre does not apply differential charges system. Director claimed that the collection of charges would decrease significantly if the differential charges system were to be used.

193. Providers informed us that 75% of parents whose children are enrolled in the day-care centre have above-average income. This was in reference to households where both parents are employed. Parents with lower income cannot afford the current price of centre care. Local administration has designed a welfare program for children of war invalids under which they pay only a half of the price. That is the only applicable welfare program and only three children are assisted through it.

194. Local administration is the founder of the centre and has the legal obligation to finance a part of its running costs. Total funding provided for day-care centre by the local administration amounts to 80,000 KM annually or about 6,500 KM per month. As has been confirmed by a participant who works for the municipal financial service, the above sum is not allocated based on the real needs of day-care centre, but depends on the available funding in the municipal budget. In addition to this amount, some 4,500 KM are collected from parents.

195. According to the head of financial service, when it was necessary to cut public spending in the past local administration would first reduce funding for the day-care centre. A lot of lobbying was required to maintain the funding for day-care centre at the existing level.

196. Local authorities do not fulfil their legal obligation to finance 20% of capital investments for maintenance of the day-care centre's premises for which reason it is impossible to carry out reconstruction work.

197. The problem which Sunce has with collection of charges from parents is that some parents pay the cost of day-care with delay. The collection reduces drastically during summer (by about 50%) because many parents withdraw children from the centre during summer holidays.

198. Local administration pays the Institute for Public Health for disinfection and control medical testing of children. The costs of diseases control and daily disinfection are covered by the centre. Annual medical check up of children is paid for by parents.

3.9 Community performance scorecard and Provider self-evaluation scorecard

199. Caregivers, day-care centre management and parents assessed the work of day-care centre by generated indicators. Other focus group participants, councillors and representatives of municipal agencies assessed only the first and the last indicator because they had no information about other indicators.

200.

No.	Users	Indicator	Group Grade	
			Users	Providers
1.	Education and learning programs: Opinion of primary school teachers about school readiness of children	Education and learning programs: Opinion of primary school teachers about school readiness of children	5	5
2.	Safety of children	Safety of children	5	5
3.	Quality of nutrition	Quality of nutrition	5	5
4.	Quality of hygiene	Quality of hygiene	5	5
5.	Socialization and emotional development	-	5	n.a.
6.	Physical development	-	5	n.a.
7.	High quality medical service	High quality medical service	4	4
8.	Heating	Heating	3	4

Evaluation of the grading

201. Indicator 1: Both groups of participants believe that primary school teachers can easily recognize the children who were exposed to pre-school education. All the focus group participants have given the highest rating for this aspect of the day-care centre's work and could have cited only positive examples.

202. Indicator 2: Parents were again satisfied and providers said that special attention was given to the safety of children. Situation is made easier by the new law which limits the number of children per group (25 to 30) and the maximum number of hours (6) which each caregiver can spend working with children to ensure that children keep their full focus and attention. Caregivers spend two hours a day to keep records on the progress of children. These records are compiled jointly with parents. Situation was much worse before when there were about 40 children in a group. Some parents were able to watch unnoticed as caregivers worked with children in the area for play and they were highly satisfied with what they have seen. According to providers, over the past ten years there were no serious problems concerning the safety of children.

203. Indicator 3: Users had no complaints on the quality of nutrition in Sunce describing it as well balanced and responsive to all the needs of children. Providers informed us that all federal food inspections (food quality, hygiene of kitchenware and cooks) have come up with positive reports.

204. Indicator 4: Providers and users agreed that the centre ensures appropriate hygiene procedures and that there were no negative examples to that regard. All participants have given their highest rating.

205. Indicator 5 and 6: Indicators which were generated only by parents and for which they have all given their highest rating.

206. Indicator 7: Failure to have a nurse or a doctor on the staff is a significant problem. Providers claim that the existing medical protection is appropriate, but that it would be desirable to have a medical professional of the staff. If that was the case parents would feel safer and would find it easier to deal with sickness of their children. Also, it would ease the work of caregivers. Rating is for medical assistance provided by caregivers

207. Indicator 8: Users and providers confirmed that heating was a significant problem. It is turned on with delay so that children spend one full month in one room heated with an electric heater. Going out of that room to toilet, wardrobe or dining room represents a major health hazard for children. In the months when central heating is on it is very good.

3.10 Recommendations

USERS

208. It is necessary to employ a full time medical professional. This would significantly increase safety at the day-care centre and ease the work of caregivers.

209. Regular and legally regulated payment of funds for day-care by local administration is necessary so that the centre's management could plan its expenditures. In addition to that, local administration must fulfil its legal obligation to cover 20% of capital investments into day-care centre's building in order to solve the problem of obsolete bathrooms and toilets. In that sense, centre's management must take a strong stance on local administration and request from it to fully respect legal provisions related to budget expenditures.

210. Parents believe that access to the centre's entrance where children are collected is very bad and almost unusable for strollers. It is necessary to build a new access route to enable easy access to parents with children in strollers.

211. Caregivers should have special working uniforms when in contact with children instead of using their own clothes.

212. It would be necessary to improve heat isolation in the dining room because the floor there is tiled. Despite having proper footwear children are still cold when in dining room.

PROVIDERS

213. Reconstruction of bathrooms and toilets is the number one priority. Ceramic tiles, water and sewage pipes should be changed urgently.

214. If the centre was to also provide care for infants it would open its doors to parents with babies who are in urgent need of such service.

215. Provide caregivers with continuous education and professional development through attendance of seminars and specialized training.

216. Investment into teaching materials would ease the work of care providers and significantly increase the quality of educational service.

217. If at least one year of pre-school education was prescribed by law it would resolve to a great extent the financial problems of pre-school education institutions by providing them with secure source of funding.

218. It is necessary to develop a plan to put to use idle centre's capacities. Such measures should assist parents who are in need of day-care, but cannot pay full price for it. A welfare program financed from municipal budget could be a solution. In that way, efficiency of the day-care centre would be optimal.

4 Waste collection and removal in Derventa

4.1 Work of the service provider and its infrastructure

Specific findings from FGs

219. All of our discussants (provider and users) are aware that there are numerous weaknesses that hinder the efficient and effective operation of the communal utility service and state that they are not satisfied with its operations. An insufficient number of containers, vehicles, personnel are main reasons for this.

220. The public utility company has ceased to be in the ownership of the municipality, in accordance with the new entity government Law on Public Enterprises. The enterprise is now a shareholder company with majority government capital. At this time the municipality does not have any role in the management structure, while the supervisory board is elected through a public call. The Head of the utility service sector at the municipality informed us that the Municipal Association of RS has started an initiative for returning the ownership of this enterprise to the municipality that it services.

221. Both users and providers stress that the utility service organization has a poor infrastructure, i.e. three vehicles for removal of solid waste (one for each type of tray for various water containers – rubbish cans, small and large containers) that were received as a post war donation and were already used vehicles; and 15 employees (mainly low skilled workers) in the organizational unit 'Cistoca' (tasked with collection, removal and disposal of solid waste) does not allow for good quality provision of service even in the small part of the municipality that is currently serviced, let alone the entire municipal territory.

4.2 Municipal coverage

Specific findings from FGs

222. We were told by the municipality officials that the utility service covers the narrow town centre and adjacent inner settlements (4000 households and 300 businesses), while rural areas are not serviced at all. There are a considerable number of enterprises in rural areas that are deprived of the service. According to official estimates around 50 percent of the population is not provided with the service.

223. In rural settlements there are no rubbish cans or containers for solid waste disposal, and there are not designated places for the disposal of solid waste, and communal utility vehicles do not collect dumped waste. Thus rural residents that do not have the opportunity to bring and throw their waste in containers in town, are left to burn it or throw it at a 'convenient' location – next to the road, or into a nearby waterway.

224. In relation to urban apartment building settlements, there are too few containers provided and do not meet the needs of residents. In an example given by participants, the users of six apartment building entrances, or a total of 120 apartments, that have only one container that is emptied once a week at their disposal.

225. Users from rural parts of the municipality confirmed at the interface meeting that residents are prepared to pay for the rubbish collection service as it represents a very significant problem for them. On this point, providers stated that rural parts of the municipality will be included in the rubbish collection plan for the regional solid waste dump site, and they will be provided with central collection point locations spread through the entire municipality. Providers also stated that already now community council representatives can submit requests for their settlements to be covered with this service. The municipal administration, after receipt of the application, would agree a contract with the utility enterprise about providing rubbish collection services and the price would be established. Users were critical of this claim as they are aware that the utility enterprise does not have the capacity to broaden its services given its infrastructure capacities.

Specific findings from IDIs

226. The only mechanism through which citizens can influence the waste removal services is through their MZs. If they are not satisfied with services provided, citizens can stress the problems as one of the priorities from their MZ that need to be resolved. MZs submit their requests to the local administration which in turn conducts negotiations with the utility

enterprise. MZ requests are considered in the budget preparation process when discussion about service provision improvement is discussed.

227. In relation to the role of MZs in Derventa, according to participant experience, it is a fact that the MZ serves as the primary instance for community organization and opportunity for participation in decision making. The MZs submit requests to the municipal administration for projects that require funding in the short to medium term and are then realized in the framework of the MZ council. The problem lies in the fact that they lack necessary support in the preparation and execution of projects.

4.3 Frequency of solid waste removal

Specific findings from FGs

228. Service providers informed us that waste is collected and removed once a week, and from store and hospitality premises every second day. For the size of the population serviced and the volume of waste, this is considered by users to be insufficient. The result is overflowing containers surrounded by waste, unpleasant odours, and wind blown waste. Users confirm that the current frequency of rubbish collection is unsatisfactory, but that service providers respect the timetable for rubbish collection i.e. there is a regular service.

229. The head of the communal police also considers that the number of collections in the urban area is insufficient, and evidence of this is that the containers are often overflowing and there is a lot of rubbish around the containers. She also considers that a serious problem is posed by large waste and sanitary items that residents leave next to containers. The director of the utility enterprise considers that his company does not charge for the removal of these large items but rather only for standard household waste and that this service should be additionally charged. Large waste is removed after submission of order from the municipal agencies, and sometimes is collected when there is not too much standard waste.

Specific findings from IDIs

230. A specific problem related to the insufficient frequency of rubbish collection are containers in public places of large gathering, primarily the elementary and secondary school, markets, and containers near shopping centre and cafes.

231. The representative of a small business informed us that her store has solved the problems caused by infrequent rubbish collection so that all paper waste is taken to the local printer where it is recycled.

4.4 Unregulated rubbish dumping

Specific findings from FGs

232. It is difficult to establish the exact number of «wild» dumpsites on the territory of the municipality, but in any case it numbers into the dozens. Most respondents and participants mentioned that there are wild dumpsites in close proximity to their apartment building/house/settlement.

233. The number of the wild dumpsite and the volume of waste in them has decreased somewhat with some commercial businesses starting buy up of metal waste (where the population of this underdeveloped municipality that have very low incomes started collecting this waste and selling to these businesses). Now the wild dump sites are mainly of plastic, glass and organic waste.

Specific findings from IDIs

234. An additional problem is the large number of devastated houses that are frequently used for solid waste disposal despite the fact that they are located within the settlements.

235. As there is no town heating service in Derventa, residents mainly use solid fuel for heating. A serious problem is caused by residents dumping hot coals into containers leading to fires in the containers.

236. Participants described that there were cases after the war where people would dump left over ammunition and unexploded ordnances. This created a serious risk and problem in the collection and dumping of waste when there were occasional explosions.

237. For the dumping of rubbish in the existing dumpsite, the head of the municipal Communal Services Department seeks agreement for the dumping of town solid waste from the MZ where the dumpsite is located. The municipal assembly makes the procedural decision for this. This enables MZ representatives to set certain conditions about the manner of rubbish dumping and dump site maintenance as conditions for giving agreement.

4.5 Financing solid waste collection services

Specific findings from FGs

238. The charge for solid waste collection and removal for households is set based on the size (square meters) of the dwelling. According to data given by communal utility representatives, on average it is 3KM per month per household. However, given that in Derventa there has not been a regulatory separation of communal waste collection and water supply services, citizens receive joint bills for waste removal and water usage (that is calculated on number of household members). Without further enquiry into their bills, users did not know how much they were paying for solid waste collection and the criteria by which their charge was calculated.

239. The utility enterprises charges rubbish collection to companies/legal bodies at a price defined by contract.

240. The rate of payment collection is around 70% and the providers consider it as not that bad given the difficult economic situation of the population.

241. Users are not familiar with the amount and character of the revenues that the communal utility service has, and none of the officials at the interface meeting felt the need to comment on the fact that the financial report for last year for the communal utility company was not adopted by the municipal assembly.

Specific findings from IDIs

242. It is important to note that the existing debts of most users relate to the three immediate post war years. Most users understand that there cannot be an improvement in the services of the communal utility company and broadening of services to more locations in the municipality if payments are not regularly collected. Related to this, discussants state that residents would be willing to pay somewhat more for an efficient collection and quality disposal of solid waste.

243. The communal inspector stressed that they, as the supervisory body, send report to the utility enterprise when they find irregularities in the removal of rubbish. The utility enterprise sends bills to the local administration for the service provided, and this reflects about the undefined nature of responsibilities and manner of financing of this enterprise. The relatively

low price charged for rubbish collection, incomplete payment collection from households, and the inability to charge for dumping of rubbish at the current town dump site does not favour market orientation of the utility enterprise market orientation and better quality service.

4.6 Community performance scorecard and Provider self-evaluation scorecard

No.	Indicator		Group Grade	
	Users	Providers	Users	Providers
1.	Frequency of solid waste collection	Frequency of solid waste collection	2,5	3
2.	Number of local collection points for solid waste disposal	Number of local collection points for solid waste disposal	2	3
3.	Number of containers for selective waste disposal	Number of containers for selective waste disposal	1	1
4.	Maintenance of locations where rubbish collection containers are placed	Maintenance of locations where rubbish collection containers are placed	2	3
5.		Number of resolved reports and fines collected	n.a.	2
6.	Citizen awareness of environmental protection and cleanliness	Citizen awareness of environmental protection and cleanliness	2	1,5

Evaluation of the grading

244. Indicator 1: Discussants evaluate that the collection of solid waste depends on increased staff and infrastructural capacities of the communal utility company. Users evaluate that the current frequency of rubbish collection does not meet the needs of citizens. The insufficient frequency of rubbish collection results in overflowing containers, dumping of rubbish around containers, that is negative both in hygienic and aesthetic terms. The communal police officer also considers that the frequency of rubbish collection should be increased. Utility enterprise representatives are aware of the situation, but claim that it is the optimum that can be achieved given the financial limitations.

245. Indicator 2: This indicator relates to the number of containers and cans, and on the locations for rubbish collection in rural areas. Users claim that the number of containers and cans, and rural rubbish collection points does not meet the needs of citizens; whilst providers again cite budgetary and financial constraints as the reason for the inadequate service.

246. Indicator 3: Users consider that introduction of selective waste disposal is a measure that the local government could undertake in the aim of service quality improvement. Users consider that citizens would adhere to regulations related to this method of rubbish disposal, and that this would solve a large part of the problem related to rubbish removal. Providers informed us that there is a plan to provide this service. In the first phase the plan is for 5 locations, and then to other parts of the municipality.

247. Indicator 4: Users informed us that during the collection of rubbish, the area around the containers is not cleaned and that a certain amount of rubbish always remains. At the interface meeting, the communal police representative stressed that the responsibility in this sense is largely with citizens that leave large items of rubbish next to the containers, and that the removal of such items should be paid separately. The problem is also caused by carelessness on the part of citizens when throwing rubbish into the containers.

248. Indicator 5: The municipal communal inspectorate does not have sufficient staff to cover the entire territory of the municipality (currently there is one inspector and one communal (environmental) policeman) so that the vast majority of misdemeanours related to waste disposal remain unreported and not fined. In addition, given that courts are overburdened with various cases, the processing of such cases can take up to 2 years. Providers believe that

progress in this respect is necessary for the service to improve. Users did not have enough information in this regard but they believe that the practice of avoiding fines through corrupt methods (contacts, party and political affiliation, service for service, bribes, etc.) is well known.

249. Indicator 6: When citizens talk about the bad effects of solid waste disposal practices to date it is evident that they are aware of: increased risk of direct infection of animals and people through polluted water used for human consumption and technical use, air pollution from burning off, detrimental effects on flora and fauna, and on people). However, given the many (primarily economic) problems that citizens face daily, they frequently forget the detrimental effects of inadequate solid waste disposal. Both users and providers consider that the raising of awareness in this regard is essential for the resolving of the problem of wild dump sites, incorrect waste disposal in containers, and the overall cleanliness of the town. All participants evaluated the current situation with very low marks.

4.7 Recommendations

USERS

250. Placing of a larger number of containers and bins for waste disposal in urban and suburban areas, and the establishment of collection points where rural residents could dispose of solid waste where the communal utility would collect and remove to the central municipal dump would be an indicator of improved service quality.

251. Workers responsible for the collection of rubbish from containers, after each collection, clean the area where the containers are located.

252. The utility company should pay particular attention to places of larger public gatherings, before all, the secondary and primary schools, and increase to a maximum the frequency of collection of waste from those locations.

253. It is essential to employ more people to work as communal police so that they are always in the field, monitoring the state of things and making recommendations for the resolving of concrete problems.

254. Local administration needs to ensure technical support to local community councils in relation to the development of projects with which they apply to the local government in regard to resolving of local community problems.

255. Both providers and users stress the need for a comprehensive citizen awareness raising campaign (media, schools, non-government sector...) that would assist in promoting citizen engagement in promoting environmental cleanliness and protection.

256. In terms of raising awareness of residents, users consider that youth need to play a key role. A young participant claims that young people in Derventa have grown accustomed to the bad appearance of the town and accept it as 'normal'. He considers it necessary to show Derventa how it looked before the war in order for young people to become significantly more active on this issue.

257. Both users and providers consider that an increase in collections from one to two times a week, and in some areas to three times a week would be a good indicator of improved service quality.

PROVIDERS

258. Charges for rubbish removal should be calculated on the basis of the amount of rubbish produced and not on the space of the residential unit, considers the chief of the communal police.

259. The units tasked with the removal of rubbish in the utility company, according to management estimates, need to be improved by 50% in terms of labour force and transport vehicles.

260. As vehicles used for the removal of rubbish cannot reach some locations due to traffic congestion and lack of parking space, a part of the rubbish collection should be conducted in the late night hours or early morning when access is free.

Main findings

Public expenditure management information

Donji Vakuf

- a) Participation of citizens in the sessions of the municipal council is essentially insignificant, which is also the case for public hearings on the budget.
- b) All the respondents agreed that there was no mechanism enabling citizens to assess the quality of public services provided at the local level.
- c) Local radio is the primary source of information about budget, public debates, council decisions, public procurement, and technical information on the work of local administration. Citizens suggested that all relevant information should be sent to local community representatives in a written form, which they said was the most efficient way to provide the public with relevant information. Besides, users suggested to providers that it would be very useful for citizens if they printed a clear and simple information bulletin.
- d) In addition to the low level of information that citizens have, municipal agencies are somewhat negligent even when it comes to informing the councillors.
- e) Of all the participants in the group of users only one president of a local community council knew the amount of the total municipal budget and expenditures by individual budgetary items. With regards to public finances, other respondents had inconsistent information about international donations for infrastructure.
- f) Since last year, local community representatives enjoy the legal right to propose suggestions and amendments to the budget. Users agreed that their attempts have been unsuccessful. Councils of a small number of local communities meet to discuss the municipal budget and draft proposals. Local community council presidents state that citizen turnout for these meetings is very low because citizens do not believe that they can impact decisions about the municipal budget.
- g) 'A mark for a mark', a matching policy applied by local authorities in financing of infrastructure works is perceived as ineffective because the estimation of the cost of public works is not transparent. Additionally, it is practically impossible in some local communities to collect funding for financing of public infrastructure. Participants in both groups were unable to list a single mechanism by which citizens can evaluate the effects of public investments. Council receives reports on the use of budgetary funding, but there is no standard reporting procedure which complicates the assessment of quality of works and control of spending.

Knezevo

- h) To secure more transparent budgetary spending it would be important to present reports on public spending in every local community at regular intervals (every three or six months). In this way, it would be possible to identify shortcomings and increase citizens' interest for participation as well as to educate the population about public finances.

Gorazde

- i) None of the parents know the budget of the daycare centre, the amount of municipality budget allocated to daycare centre, and if the centre has regular revenues. Poor informedness causes lack of parents' initiative to improve the daycare centre services.

Derventa

- j) Users are not familiar with the amount and character of the revenues that the communal utility service has, and none of the officials at the interface meeting felt the need to comment on the fact that the financial report for last year for the communal utility company was not adopted by the municipal assembly.
- k) In relation to the role of MZs in Derventa, according to participant experience, it is a fact that the MZ serves as the primary instance for community organization and opportunity for participation in decision making. The MZs submit requests to the municipal administration for projects that require funding in the short to medium term and are then realized in the framework of the MZ council. The problem lies in the fact that they lack necessary support in the preparation and execution of projects.
- l) Local administration needs to ensure technical support to local community councils in relation to the development of projects with which they apply to the local government in regard to resolution of local community problems.

Local public service information

Donji Vakuf

- m) The high level of dissatisfaction of users in regard to the work of the local administration and municipal agencies is explained by negative experiences in provision of administrative services, but also significantly more complex reasons such as the continual lack of accountability in the system, incompetence displayed in recognizing the needs of the population, and the unsuitable decisions brought about local priorities. On the other hand, representatives of the local government and administration consider that the reasons for the negative situation lie in external factors such as insufficient areas of responsibility and insufficient resources that the local government has at its disposal.
- n) The research clearly illustrates how the organization of the work of the municipal council and services are significantly determined by the transparency of decision making and public spending. The activities of political party clubs in the municipal council, the unclear hierarchical structure that facilitates the shuffling of responsibility and blame, and the absence of a system of sanctions undermine this transparency.
- o) Respondents believe that the administration is distanced from citizens and their needs. The primary reason given for this is that municipal councillors and officials do not go out into the field and thus do not have insight into the real needs of the population. The work of the municipal council is primarily conditioned by the relations between political parties and their interests that very often do not represent the interests of citizens.

Knezevo

- p) In terms of local roads building, the research shows that the entire length was never asphalted, but only some sections, mainly critical and unusable parts. Road sections in a better condition remain not asphalted. On average, one third of the total road length is asphalted. While they are satisfied with the fact that something has been done, residents believe that the problem was not solved entirely, because roads are already becoming unusable and require intervention and repairs. Additionally, users prefer building of new roads to 'road mending' stressing that this would be more useful to citizens as well as cost-effective in the long run.
- q) Local government has no strategic road maintenance plans but rather local community representatives submit requests to the local administration. After collecting a number of such requests, the municipality provides and distributes a certain quantity of filling sand. In terms of the tasks of transportation, rolling and spreading of filling sand, these are ordinarily conducted ad hoc. Sometimes public and private enterprises conduct these

tasks, but often it is the citizens themselves do this when the local government does not provide resources for this. It is a similar case for winter road maintenance, where the municipality covers the cost of fuel while local residents provide workforce and machinery.

- r) The research shows that certain political lobbies often prevent or complicate the work of communal inspections for private purposes. Communal inspectors face lobbying and pressure from different parties under inspection or their intermediaries even outside working hours.

Derventa

- s) All of our discussants in Derventa are aware that there are numerous weaknesses that hinder the efficient and effective operation of the communal utility service and state that they are not satisfied with its operations. An insufficient number of containers, vehicles, and personnel are main reasons for this. In rural settlements there are no rubbish cans or containers for solid waste disposal, and there are not designated places for the disposal of solid waste, and communal utility vehicles do not collect dumped waste. Thus rural residents that do not have the opportunity to bring and throw their waste in containers in town, are left to burn it or throw it at a 'convenient' location – next to the road, or into a nearby waterway.

Social capital

Donji Vakuf, Kneževo

- t) If we were to measure social capital through participation in the work of local community councils, we can conclude that this is an underutilized potential for social engagement. Citizens are accustomed to this form of social organization, are familiar with the mode of work and the possibility of achieving the realization of their own interests through involvement in these. This potential is underutilized given that a significant number of settlements and villages are not organized as local communities and have not elected local community councils. When the founding of local communities and election of their councils is initiated, problems arise due to failure to gather a sufficient number of citizens. Citizens accept local communities as a channel through which to influence decision-making procedure at the local level, but they strongly doubt that it is possible to achieve satisfaction of requests submitted by local communities.
- u) NGO representatives display a somewhat higher level of satisfaction than do MZ representatives in terms of cooperation with the local government and the acceptance and approval of proposals initiated by them. Very interesting examples of community mobilization (in the sense of cooperation, work force and funding) are created when there are common and generally urgent problems of usability of local roads, provision of school materials for children from poor families, environmental protection, and solid waste management.

Quality and performance indicators

- v) Using the CSC methodology, in the framework of the research, indicators and marks were generated of providers and users for the monitoring of quality of service of municipal services, citizen participation in local level decision making, and results achieved by local government, as well as public services of local road maintenance, solid waste removal, and preschool education.
- w) In relation to the evaluation of work of local governance and citizen participation in Donji Vakuf, differences in the marks given by users and providers relate to the following indicators: i) Satisfaction with the work of the local authorities and municipal agencies (2 vs. 5), ii) Citizens' Participation in NGOs (2 vs. 4), iii) Dispersion of municipal

councillors (their place of living) throughout the municipality (2 vs. 5), and iv) Proportion of those who receive and who are concerned with information (2 vs. 5). Marks were more alike for the following indicators: i) Engagement by local community representatives (1 vs. 2), ii) Citizens' participation in MZ sessions (2 vs. 2), iii) Number of formal requests for information (1 vs. 1).

- x) Participants in Knezevo gave the evaluation of local road building and maintenance services quality using the following indicators: i) Local roads building: Kilometres of roads asphalted (3 vs. 4), ii) Local roads building: Kilometres of roads asphalted and not damaged (2 vs. 3.5), iii) Road filling: Kilometres of roads properly maintained (2 vs. 2), iv) Winter maintenance: Number of days in a year when settlements are cut off due to rain or snow falls (3 vs. 4). v) Drainage: Kilometres of roads with the proper drainage and canalization (1, N.A.), vi) Work of communal inspection services (1 vs. 4).
- y) Providers and users held almost identical opinions about the quality of service of the public kindergarten in Goražde, and they evaluated the individual characteristics as follows: i) Education and learning programs: Opinion of primary school teachers about school readiness of children (5 vs. 5), ii) Safety of children (5 vs. 5), iii) Quality of nutrition (5 vs. 5), iv) Quality of hygiene (5 vs. 5), High quality medical service (4 vs. 4), (Heating 3 vs. 4)
- z) Both users and providers expressed dissatisfaction with the solid waste collection service quality in Derвента using the following indicators: i) Frequency of solid waste collection (2.5 vs. 3), ii) Number of local collection points for solid waste disposal (2 vs. 3), iii) Number of containers for selective waste disposal (1 vs. 1), iv) Maintenance of locations where rubbish collection containers are placed (2 vs. 3), v) Number of resolved reports and fines collected (N.A., 2), vi) Citizen awareness of environmental protection and cleanliness (2 vs. 1.5)

Recommendations for improvement of the services

- aa) Providers set out the following recommendations for improvement of both citizens' access to municipal agencies and their operational effectiveness, as well as increase of citizens' knowledge about the work of municipal authorities and participation in decision making in Donji Vakuf: i) building of the one-stop-shop, ii) obligatory participation of MZ representatives at the sessions of the municipal assembly, and iii) adoption of a code of conduct for civil servants. In that respect, users stated the following: i) introduction of the position of the head of the cabinet of municipal mayor, ii) employment of young people in municipal services, iii) local community representatives should have right to vote together with councillors or give an opinion when decisions on important issues are being made, iv) municipality must employ more communal inspectors, v) timely and systematic distribution of working materials of the municipal assembly to local community councils, vi) provide a copy of the official gazette and minutes of the council sessions to each local community council, vii) ensure continuous funding for the work of local community councils viii) reduce by one third the number of municipal administration employees ix) professionalizing the function of the president of municipal assembly, x) printing of information bulletins as a standard procedure for reporting on the work of the municipality, its decisions, rules and budget.
- bb) In the opinion of research participants, it is necessary to do the following in order for the quality of building and maintenance of local roads in Knezevo to improve: i) stricter enforcement of communal regulations, ii) policy of building higher quality roads at the expense of their length should be applied and random filling of roads should be replaced with systematic asphalted, iii) forest exploitation companies should cover part of costs of construction and maintenance of roads, iv) certain amount of snow should be driven out of the urban part, v) tender development for winter maintenance of roads for a period of

- several years, vi) employment of professional staff by municipal agencies overseeing urban planning and infrastructure vii) design of programs for greater involvement of citizens in passing of decisions related to construction of local roads.
- cc) The preschool in Gorazde requires improvements and change in the following areas: i) regular and legally regulated payment of funds for day-care ii) build a new access route iii) employ a full time medical professional iv) caregivers should have special working uniforms v) improve heat isolation in the dining room, vi) reconstruction of bathrooms and toilets, vii) investment into teaching materials, viii) provide caregivers with continuous education and professional development, ix) provide care for infants, x) develop a plan to put to use idle centre's capacities.
- dd) In order for the solid waste collection services in Derventa to improve, participants consider that it is necessary to do the following: i) Placing of a larger number of containers and bins for waste disposal in urban and suburban areas ii) clean the area where the containers are located after each collection, iii) establishment of collection points where rural residents could dispose of solid waste, iv) employ more people to work as communal police, v) design a comprehensive citizen awareness raising campaign, vi) increase the frequency of waste collection, vii) calculate charges for rubbish on the basis of the amount of rubbish produced, viii) a part of the rubbish collection should be conducted in the late night hours or early morning.

Appendix 1 - Focus groups participants

	Providers	Users	Interface meeting
Donji Vakuf	Municipal Assembly President Councillor Head of department for communal services MZ council president MZ council president Head of social activities department Secretary of Municipal Assembly	NVO representative Small Enterprise Owner President of Parents' Council in Elementary School Citizen Citizen Citizen Citizen Citizen Citizen	Small Enterprise Owner President of Parents' Council in Elementary School Citizen Citizen Citizen Secretary of Municipal Assembly Head of social activities department MZ council president MZ council president
Knezevo	Director of Communal Utility Company Head of department for finances Officer for urbanism MZ council president Councillor Communal inspector Secretary of Municipal Assembly Head of department for communal services	NVO representative President of Employers' Association Medium Enterprise Owner Director of Elementary School NVO representative Citizen Citizen	Councillor Head of department for communal services Director of Communal Utility Company NVO representative Medium Enterprise Owner Director of Elementary School Citizen
Derventa	Head of department for communal services Head of inspection department Communal services officer MZ council president Councillor Director of Communal Utility Company Head of Waste Removal Unit in Communal Utility Company	NVO representative NVO representative Director of Secondary School Citizen Small enterprise owner Citizen Citizen Citizen	Head of inspection department Director of Communal Utility Company Communal services officer MZ council president NVO representative Small enterprise owner Citizen Citizen
Gorazde	Deputy Major Head of department for finances and economy Director of Day-care Centre Councillor Councillor Caregiver Caregiver	Parent Parent Parent Parent Parent Parent NVO representative MZ council president	Parent Parent Parent MZ council president Director of Day-care Centre Caregiver Caregiver Councillor Deputy Major

Appendix 2 - In-depth interviews participants

TARGET GROUPS	MUNICIPALITY				TOTAL
	Donji Vakuf	Derventa	Knezevo	Gorazde	
Citizens	1	3	2	0	6
Citizens' Associations, NGO	2	1	1	0	4
Neighbourhood Councils	1	0	1	0	2
Small and medium enterprises	2	0	1	0	3
Municipality representatives	0	1	1	0	2
Director of 'SOS Kinderdorf'	0	0	0	1	1
TOTAL	6	5	6	1	18

Appendix 3 – Background information about the municipalities in which the research was conducted

Donji Vakuf

Donji Vakuf is located on the road that links large trading zones in Central Bosnia (municipality Vitez) with the region Bosanska Krajina and Croatia. This regional road passes through the very centre of the urban zone of this municipality. Although there is a high level of vehicle traffic through the town, both transport and passenger vehicles, there are few vehicles that stop in the town given its appearance and lack of tourist offers.



Despite the fact that one of the loveliest rivers in BiH flows through the very centre of the town, the lack of maintenance and exploitation means that Donji Vakuf does not add anything to its gross domestic product through tourism. Related to tourism, it is important to note that local government is investing a lot into 'Ajvatovica' – traditional place of pilgrimage to a large number of Bosnian Muslims. We consider that the ignoring of natural potentials as a firm basis on which to build tourist attractions in favour of this type of religious tourism that is 'current' for only a few days a year, is a reflection of short range planning at the local level. Besides this, traditional religious gatherings in BiH, and so too in Donji Vakuf, serve as opportunities to attract votes for parties that seek citizen loyalty through religious affiliation and ethnic identity. Finally, the focus of the local administration on the parts of the municipality where this event takes place is at the expense of other neighbourhood councils (MZs). This creates a sense of rivalry among citizens and damages social cohesion despite the fact that they are predominantly members of the same religious and ethnic group.

Besides the events related to Ajvatovica that last only a couple of days a year, Donji Vakuf is rarely mentioned in the national media. Up to a year back the news from Donji Vakuf related to the wilfulness of the municipal president, and the poorly conducted process of privatization of state companies that did not open any perspective for development and employment. The pre-war strong timer industry (Janj – Sipad) there is barely anything remaining after privatization that could lead to prosperity and new jobs.

The budget of Donji Vakuf for last year (2005) totalled about 1.7 million KM (information from FG participants) or 130KM per capita when calculated on the approximate population of the municipality which is 13,000.

Knezevo¹

Knezevo is a municipality in RS 50 km southeast from Banja Luka. Its altitude of around 900 m (Vlasic mountain side-hill) makes it being very reach with deciduous wood as well as with pinewood. Its population of around 13,800 mainly inhabits rural part of the municipality (75 percent) for whom livestock farming is main economic activity. Urban population mainly works in local administration, public companies and it is engaged in retail sale. Before the war, there were 60,000 sheep in the municipality. In the last 15 years the number decreased to 8,000. Milk redemption by companies from other municipalities represents an important source of income for the population. Income from cheese production is still at low level because of the unstandardized production. Oat cultivation that had also accounted for a big portion of municipality's output before the war does not exist today. Apart from that, Knezevo has great potential for winter and rehabilitation tourism because of its high altitude. „It might have become Banja Luka's lungs“, as respondents emphasized during the group discussions. Today, there is no organized tourist offer in Knezevo.



Knezavo's specific geographic position and its position of being frontier region during the war have made it very isolated and closed municipality from the rest of the country. Our discussants in Knezevo stressed this as one of main reason for the withdrawal of infrastructure and resources including the wood as a policy applied by the entity politicians. One may perceive this tension when talking to the local people including both the administration and citizens: „We must go to them (to Banja Luka), and they do not have to come here“.

In terms of infrastructure and public goods and services, Knezevo has huge problems with water supply, sewage, refuse/waste disposal, as well as local roads maintenance. A huge debt has been accumulated in municipal budget because there are no significant water wells and all water is brought by a water pump from the river Cvrcka which requires a lot of electricity. A big portion of water that is pumped is lost due to the old plumbing infrastructure (60 percent). Sewage system is also old and represents a treat to the environment. The problem with local roads is mainly related to speckled and remote villages.

¹ Skender Vakuf is another name for the municipality mainly used by Bosniaks. For simplicity reasons we will use Knezevo since majority of its today's population is using this term.

Derventa

Municipality Derventa is located in the north of Republika Srpska (RS). It borders with municipalities Brod, Modrica, Doboј, Prnjavor and Srbac, and to the north is the River Sava that represents a ten-kilometer long border with the Republic of Croatia.



Covering a total area of 517 square kilometres (km²), before the last war (1992-1995) in the 57 villages and the city of Derventa there lived a population of 57 000 residents, while today there are approximately 30 000.

Most of the territory of this municipality was affected by war activity and there were many victims and extreme devastation of material assets and infrastructure. In direct attacks there was damage or destruction of most residential apartment buildings and houses, industrial equipment, particularly processing capacities and the textile industry 'Ukrina', and agricultural production capacities. According to incomplete data the war-time material devastation is estimated at a value of over five hundred million dollars.

Upon the cessation of the war, the sanitation of buildings and infrastructure that were most pertinent to re-establishing vital community services was started with modest local resources. With donor assistance a part of the piped water supply system was repaired, the electricity and telephone systems, school buildings, kindergartens and health clinic, and also most local roads and roads of importance to inter-city communication. A part of industrial production capacity was restarted also.

In Derventa 60% of pre-war industrial capacity and production was for export. Significant production, with good road communication infrastructure, and skilled human capital potential represent the foundation of renewal and further development of this municipality.

Agriculture in the private and state-owned sector also represents a vital foundation for economic development of the municipality. Additional investment into crop production, stock feed production, seed processing, livestock capacities, buy-up and processing of milk, and meat production and processing could significantly increase the level of production as the pre-conditions exist and the market placement of produce is assured.

The geographic location and natural characteristics of the territory of the municipality Derventa provide significant potential for the development of hunting and rural tourism. The entire territory is rich in lowland game, while the area of Motajice is well known for its deer. The clear and unpolluted river Ukrina that flows through Derventa is rich in fish and is a popular picnic spot of citizens of Derventa in the summer.

Gorazde

Gorazde is a city and municipality in eastern Bosnia and Herzegovina on the Drina River. It belongs to FBiH and it is the administrative centre of Podrinje canton, the smallest canton in FBiH. There are around 25,000 citizens in Gorazde out of which 70 percent live in rural areas.



Having determined development of a modern and functional local administration as one of its priorities there has been a number of improvements in the work of public officials and local authorities. This was confirmed by both citizens and government officials but there has to be a lot of effort given by all stakeholders in order to develop mechanisms that will allow for citizens' participation in decision making processes.