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Sida Decentralised Evaluation

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# Evaluation of the Public Administration Reform Fund in Bosnia and Herzegovina

Final Report



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**Final Report  
April 2015**

**Jim Newkirk  
Zehra Kacapor-Dzihic**

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The views and interpretations expressed in this report are the authors' and do not necessarily reflect those of the Swedish International Development Cooperation Agency, Sida.

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# Abbreviations and Acronyms

BiH	Bosnia and Herzegovina
Brčko	Brčko District, a self-governing administrative unit
Entity	The Governance/ Administrative structure of BiH incorporates two entities (the Federation of Bosnia and Herzegovina and Republika Srpska, together with Brčko District, a self-governing administrative unit.
EUD	The Delegation of the European Union in Bosnia and Herzegovina
FBiH	Federation of Bosnia and Herzegovina
MOFT	Ministry of Finance and Treasury
MoU	Memorandum of Understanding – in this instance, the agreement between the BiH Council of Ministers, EUD and donor nations defining the establishment, funding and operation of the Public Administration Reform Fund.
PAR	Public Administration Reform
PARCO	Public Administration Reform Coordination Office
PARF	PAR Fund - the Fund established to finance the projects defined in the PAR Strategy
PARF JMB	The Joint Management Board of the PAR Fund
PARM	Public Administration Reform Monitoring - project funded by Denmark and Sweden to monitor public sector reform in BiH.
PAR Strategy	The Public Administration Reform Strategy defined and agreed by the different Heads of Government of BiH.
RS	Republika Srpska

# Preface

This evaluation of the Public Administration Reform Fund in Bosnia And Herzegovina was commissioned by the Embassy of Sweden in Sarajevo, Bosnia and Herzegovina.

Indevelop carried out the evaluation between December 2014 and April 2015. Jessica Rothman was the Project Manager with overall responsibility for managing the implementation and the process of the evaluation, and quality assurance of the methodology and reports was provided by Dr Ian Christoplos.

The independent evaluation team included the following members:

- Jim Newkirk, Team Leader
- Zehra Kacapor-Dzihic, Evaluator

*This report incorporates feedback from Sida, the Embassy of Sweden in Sarajevo and PARF stakeholders which was received on the Draft Report.*

# Executive Summary

## **Background**

The Government of Sweden provides development assistance to Bosnia and Herzegovina (BiH) through the Results Strategy for Reform Cooperation with Eastern Europe, Western Balkans and Turkey 2014-2020. The intent of this strategy is to assist countries to reform and develop their public administrations and to build closer links with the EU. In terms of the Strategy's objectives in Bosnia and Herzegovina, the focus is on *Result Area 2A - Strengthened democracy, greater respect for human rights and more developed rule of law, with a focus on strengthened public administration.*

The PAR Strategy incorporates the PAR Fund (PARF) as a fundamental component to assist in the reform process. The PARF was designed and established as a source of funding for technical and expert assistance in implementation of the projects defined in the PAR Strategy's Action Plans. The PARF is funded by Sweden, the UK and the Netherlands (Norway and Denmark also provide assistance in Phase 2). The Delegation of the European Union in BiH (EUD) provides its support through technical assistance projects, as it cannot provide budget support to the Government of BiH. The PARF is overseen by a Joint Management Board (the PARF JMB). Contributing donors and relevant Authorities in BiH signed a Memorandum of Understanding (MoU) for the establishment of the PARF in July 2007. Through the end of March 2015 the MoU has been amended five times.

## **The Evaluation Approach**

This evaluation report considers the results of the PARF, and the designated 12 funded projects. The report is intended to inform donors, and the Governments of BiH, regarding the operation of the PARF, including its strengths and weaknesses, and where possible suggests improvements in operations and other forms of international support for the purpose of implementation of BiH's public administration reform strategy.

In order to assess overall achievement, criteria for assessment was required, against which field enquiry and analysis was made. This effectiveness criteria is best defined within the context of the PAR Strategy, and the contribution of the 12 projects to realising the PAR Strategy. Key to this are the six designated reform areas, together with the detail provided in the PAR Strategy document. All 12 projects have a heavy emphasis on activities (i.e. inputs), with some focus on outputs. The document review found there was almost no explicit consideration in design or implementation of the projects to ensure that results are able to effectively bridge the 'gap' between activities undertaken and outputs delivered and the ultimate goals of the PAR Strategy. As a result, and based on the evaluation team's detailed assessment of project documen-

tation, the evaluation focused at the output level, while attempting to address existing or potential outcomes.

In order to address the specific questions in the Terms of Reference related to the role and function of the Public Administration Reform Coordination Office (PARCO), some specific enquiry was also made at this level. Sida does not fund PARCO, per se, and this enquiry was not the focus of the evaluation, but feedback was sought directly from PARCO, and other stakeholders, as to the strategic, management and administrative capacities and directions of PARCO in order to inform Sida's thinking on future funding directions. Further, the relevance and quality of the specific PARF investments are dependent on PARCO's work and particularly their dialogue with different stakeholders. The extent to which Swedish concerns about cross-cutting issues are reflected in the programming were also judged as likely to be related to the extent to which these concerns are embraced within PARCO.

Field work included individual and group interviews with relevant stakeholders from government at different levels, donors and CSOs. All individual and group interviews followed interview protocols tailored to the respective stakeholder group and aligned with the overall evaluation framework. One component of the field approach was an attempt by the evaluation team to draw out stories of how practice, norms and attitudes have changed as a result of the PARF initiatives, using a modified Most Significant Change methodology. As part of interviews with entities, interviewees were asked to describe what they are doing differently now than what they were doing before the project.

### **Summary of Findings – Relevance**

The key challenges facing the PARF are not in relevance, but in efficiency and effectiveness.

The PARF is relevant for BiH's quest for public sector reform, and is in line with BiH's renewed commitment to EU accession and improvements in public administration. The funded projects are in line with the EU accession requirements and contribute to good governance principles. The support of the PARF is consistent with the Enlargement Strategy. Both the PAR Strategy and the Revised Action Plan remain relevant to BiH's EU accession priorities and continue to provide a relevant framework to public sector reform. Further, both the intent of the PAR Strategy and the detail within the Revised Action Plan remain relevant, including the basic framework of Reform Areas. The six Reform Areas remain relevant.

The lengthy development/ approval/ tendering process for projects has direct (and negative) effects on project relevance, as delays in the process impacts directly on effectiveness of delivery and output/ outcome. The process, despite its complexity and duration, ensures inclusiveness and participation in decision-making; it ensures 'buy-in' from governments of all levels and consensus on priorities. This process also ensures that each project responds directly to the PAR Strategy and the Revised Ac-

tion Plan and that it is also seen by each potential beneficiary agency and each level of government as relevant and a priority.

### **Efficiency**

The PARF is not efficient. The inefficiency of the PARF is the single most significant factor leading to the inability of the PARF to deliver its intended outputs and outcomes, and to deliver the intended outcomes of the PAR Strategy and the Revised Action Plan. There are six critical factors that contribute to the inefficiency of the PARF. Each of these factors is analysed in detail in the body of the report: the long and cumbersome decision-making processes; PAR Coordinators' lack sufficient decision-making authority and the related lack of authority within Supervisory teams to support project initiatives; an over-emphasis on joint projects; a lack of capacities for public procurement, together with the complex requirements of the public procurement law; challenges to international bidders in participation in the local market on PARF projects; PARCO's role has an over-emphasis on coordination, not management.

PARCO provides a high quality of coordination to the PAR Fund. In a difficult governance environment, and a complex administrative framework across BiH and between levels of government, PARCO maintains a neutral role as a technical/ resource body. PARCO is also visible in a positive role in project implementation. The JMB, as the overall management and coordination body, demonstrates its knowledge of, commitment to and capacity for assisting public sector reform in BiH. In representing all relevant stakeholders, the JMB has the capacity to provide the oversight and direction needed to ensure PARF success, providing PARCO with the direction and support needed for successful implementation of the PARF.

### **Effectiveness**

As a result of a range of factors, the PARF does not demonstrate overall effectiveness in achieving the outputs and outcomes defined within the PAR Strategy and Action Plan. The table (*Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects*) assesses results in each Reform Area, based on each of the assessed projects, and can be found at the Effectiveness section of the report.

There are two areas where inefficiencies in PARF processes are impacting on effectiveness. These factors are discussed in detail in the Efficiency section: the impact is that the slow processes of design, approval and procurement inhibit the ability of the PARF to actually deliver projects - too few projects are developed, funded and implemented; the impact of fragmented governance (entity and Brčko District) on PARF effectiveness: The critical impact is the decision-making processes that now require the JMB to refer decisions on project ideas, designs, Terms of Reference and tenders back to government for approval, increasing both the complexity and the timeframe for approvals.

Once projects are approved, and procured, they generally proceed well according to implementation plans. The selection of implementing partners has, largely, been effective. However, where projects themselves demonstrate effectiveness in activities, they do not necessarily lead to outcomes at the PAR level because they are not taken up by Government.

### **Sustainability**

Given the relatively small number of completed reforms, it is difficult to comment extensively on sustainability. Representatives of beneficiary agencies want the reforms, and are themselves committed to the reforms. Interviewees from implementation and supervisory teams are unified in their views that these projects will improve their own work patterns, and the quality and effectiveness of their outputs, and will have specific, positive impacts on citizens, and the citizen experience of the public service. However, there is no uniformity across government in the uptake of these reforms – there is an insufficient level of integration of the funded/ proposed reforms into formal public administration institutional norms and procedures.

### **Impact**

As with the discussions on effectiveness and sustainability, there are positive indications related to impact, but these indications are, at this point, relatively few and inconsistent, and therefore do not provide a strong sense that the PARF is impacting strongly on public sector reform in BiH. Two indicators worth mentioning though are the potential impact on transparency in budgeting and expenditure indicated through the BMIS and the indicated and real changes in administrative procedures and processes being brought about with the easier access to personal documents.

### **Gender mainstreaming And Anti-Corruption**

With one exception (a gender-responsive budgeting component in the BMIS project), projects and PARF policies and procedures have no structural, policy or procedural commitments or frameworks related to gender equality and anti-corruption. These issues were raised and discussed with PARCO during the evaluation field work, confirming PARCO's commitment to addressing these areas. Detailed recommendations have been made in these areas.

### **Conclusions and Lessons Learned**

Continued financial and technical support to the JMB, PAR Coordinators and PARCO can potentially contribute to reform, but only if it is subject to certain changes/ developments within government, the JMB and PARCO that would improve the efficiency (and ultimately the effectiveness) of the PAR Fund. The focus of continued support is appropriate within the six currently designated reform areas, and within the existing PAR Strategy and Revised Action Plan.

The decision-making processes for approval of project ideas and Terms of Reference requires streamlining. This streamlining does not imply any lessening of the detail of assessment, and would be delivered specifically within the framework of the MoU, but will involve removing layers of approval.

Changes in decision-making processes should involve strengthening the role of the JMB, PAR Coordinators and PARCO, with the specific intention of seeing decisions made within these groups, rather than being referred back *at each stage* to ‘government’.

Without losing the necessary imperative of a unified approach to public sector reform across BiH, nor the need for joint projects, it is critical to place a greater emphasis on the actual implementation of reforms and to encourage these reforms irrespective of whether or not they can happen in a joint or an individual context.

As counter-intuitive as it may seem, there is too much focus currently on coordination and communication. The necessary strategic and procedural documentation exists to allow decisions to be taken at the JMB to implement projects. This is the priority: assessing and approving potential projects and moving them to implementation.

The key to ‘a more timely implementation of funded projects’, in terms of the JMB, is not in improvements in dialogue but in the role the JMB needs to play in facilitating the *taking of decisions*, within the JMB, within governments and within PARCO.

PARCO has the *capacity* to ‘handle and eventually lead donor coordination in the field of PAR processes in BiH’ - the more relevant issue is *mandate*, particularly in relation to ‘leading’ PAR processes.

### **Recommendations**

The evaluation’s terms of reference anticipate that the evaluation will make ‘recommendations for further planning and programming’. Recommendations have been structured as recommendations for Government, PARCO and Sida/ the Embassy, and are built on the findings and conclusions of the evaluation. Significantly more detail on each recommendation is found in the body of the report.

#### **Recommendations for government**

The PAR Strategy and the Revised Action Plan - It is recommended that all levels of government in BiH formally reconfirm the relevance of the existing PAR Strategy and the Revised Action Plan 1, and that each government affirms its commitment to these for ‘the foreseeable future’.

The Role of PAR Coordinators - It is recommended that this position be strengthened with a mandate to make decisions *where those decisions conform with the government’s previously-stated commitment to the intent of the PAR Strategy and the implementation of the Revised Action Plan*.

The Role of the Joint Management Board of PARF - It is recommended that the JMB clearly re-define the rules of procedure per the MoU, in line with the recommendations found at 6.2.1 and 6.2.2, or other related procedures designed to facilitate the moving of projects from concept to approval to implementation.

The Role of PARCO - It is recommended that the defined/ mandated role of PARCO be upgraded to include the requirement that PARCO (and its systems) provide all necessary impetus to other agencies and government systems necessary to improve the design, approval and implementation of PARF funded projects.

### **Recommendations for PARCO**

Refinements to The Existing Design and Approval Process - It is recommended that the process of Project Idea/ Approval/ Project Fiche/ Approval/ Project Terms of Reference/ Approval be reduced to a single design/ approval process. The full explanation of this single design/ approval process is described in detail in the body of the report.

Framework Contracts - It is recommended the JMB consider tendering for framework contracts with companies for provision of services in each of the six reform areas. The full explanation of this process is described in detail in the body of the report.

Individual versus Joint Projects - It is recommended that the strong focus on development and implementation of 'joint projects', in favour of 'individual projects' be changed. The emphasis should not be on individual over joint projects, but the existing constraints on development and implementation of individual projects should be eased. More individual initiatives should be allowed and encouraged, specifically where they contribute to overall reform goals and add value to joint projects and the general efforts of the PARF.

Structure and Implementation of Procurement For PARF-funded Projects – It is recommended that PARCO engage a specific human resource, either on a consultancy basis or as part of staff, to be responsible for all aspects of procurement, and all aspects of ensuring that tender documentation is prepared in line with BiH legislative requirements, and fulfils these requirements when a tender is issued.

Improvements to Project Result Frameworks (and Reporting) - It is recommended that PARCO access, with support and assistance from the JMB, the necessary technical and training resources to develop PARCO's in-house capacities and skills in the development of result frameworks for funded projects, and in the use of these frameworks in project reporting and evaluation.

Integration of Gender Equality as a Cross-Cutting Theme - It is recommended that PARCO improve the integration of gender equality as a cross-cutting theme through implementation of a strategy involving two separate, but mutually-supportive approaches. These approaches are defined in detail in the body of the report.

Integration of an Anti-Corruption Focus as a Cross-Cutting Theme - It is recommended that PARCO improve the integration of anti-corruption as a cross-cutting theme through implementation of a strategy involving two separate, but mutually-

supportive approaches. These approaches are defined in detail in the body of the report.

**Recommendations for Sida/ the Embassy**

The key role for Sida/ the Embassy in the changes required within the PAR Fund and PARCO is in the role of support to PARCO and the JMB in discussions with government and in enabling the changes through their own discussions at a government level. The following recommendations are provided in this context.

Continued Advocacy Related to Government Decision-making - The Swedish Embassy acts also on behalf of Norway and Denmark in Bosnia and Herzegovina. This unified voice should be used for on-going advocacy with BiH governments at all levels for an adequate response to public administration reform and the related (low) utilisation of funds from the PARF.

The Role of the Joint Management Board of PARF - It is recommended that the JMB clearly re-define the rules of procedure per the MoU, in line with the recommendations found at 6.2.1 and 6.2.2, or other related procedures designed to facilitate the moving project from concept to approval to implementation.

# 1 Project description

## 1.1 PUBLIC ADMINISTRATION REFORM IN BOSNIA AND HERZEGOVINA

The Government of Sweden provides development assistance to Bosnia and Herzegovina (BiH) through the Results Strategy for Reform Cooperation with Eastern Europe, Western Balkans and Turkey 2014-2020. The intent of this strategy is to assist countries to reform and develop their public administrations and to build closer links with the EU. In terms of the Strategy's objectives in Bosnia and Herzegovina, the focus is on *Result Area 2A - Strengthened democracy, greater respect for human rights and more developed rule of law, with a focus on strengthened public administration*.<sup>1</sup>

According to the Terms of Reference for this evaluation, Public Administration Reform (PAR) in BiH has been recognised as a key priority, not only for the development of the country, but also for the country's European partnership (Sweden has supported this reform for seven years). Progress has been made in strategy formulation, including the development of the *Public Administration Reform Strategy*<sup>2</sup> (hereinafter referred to as the PAR Strategy). According to the PAR Strategy document:

This Strategy for Public Administration Reform aims at reforming the Public Administration of BiH, to substantially improve BiH's administration over the next decade. The reform is a precondition for the integration of BiH into the European Union, which considers sufficient administrative capacity, and the ability to adopt and implement the core of EU law (the *acquis communautaire*), a key requirement for EU membership. This Strategy aligns with key strategic documents and commitments of BiH, such as the European Partnership, the BiH Strategy for European Integration, and the Mid-Term Development Strategy.

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<sup>1</sup> Evaluation Terms of Reference.

<sup>2</sup> *Public Administration Reform Strategy*. The Joint Strategy was agreed by the Heads of Government in the summer of 2006. AP 1 covers the overall development of horizontal administrative capacities such as legislative drafting, administrative procedure, human resource management, public finance, policy-making and legislative drafting, institutional communication, and information technologies. AP 2 focuses on the organisation and strengthening of public sectors - amongst others- to enable the public administration in BiH on all levels to adopt and implement the *acquis*.

An *Action Plan 1* and a *Revised Action Plan 1* were prepared in support of PAR Strategy implementation. Progress in PAR Strategy implementation is also visible in the creation of the Public Administration Reform Coordination Office (PARCO) as the key implementation agency.

However, the Terms of Reference also point out the inherent difficulties in PAR in BiH, with the fragmented, cumbersome, unclear and redundant administrative structures, which are understood to require substantial strengthening “in order to be able to respond effectively to the requirements of the EU integration process and to deliver services to its people”<sup>3</sup>.

The Revised Action Plan expired at the end of 2014. The PAR Strategy has an implied completion by ‘the end of 2014’, although this is not definitive. The evaluation team heard in the Entities and Brčko that ‘the Strategy has expired’, but also heard that ‘the Strategy has not expired’. The evaluation team heard that ‘the EU view is that the Strategy is expired’, but the EU itself clearly stated to the evaluation team that the Strategy is *current*.

### 1.2 THE PAR FUND

The PAR Strategy incorporates the PAR Fund (PARF) as a fundamental component to assist in the reform process. The PARF was designed and established as a source of funding for technical and expert assistance in implementation of the projects defined in the PAR Strategy’s Action Plans. The PARF is funded by Sweden, the UK and the Netherlands (Norway and Denmark also provide assistance in Phase 2). The Delegation of the European Union in BiH (EUD) provides its support through technical assistance projects, as it cannot provide budget support to the Government of BiH. The PARF is overseen by a Joint Management Board (the PARF JMB). Contributing donors and relevant Authorities in BiH signed a Memorandum of Understanding (MoU) for the establishment of the PARF in July 2007. Through the end of March 2015 MoU has been amended five times.

The objective of the PARF is to ensure a harmonised approach to the support of project implementation, across the whole of BiH, within the framework of six key areas defined in the PAR Strategy<sup>4</sup>:

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<sup>3</sup> Evaluation Terms of Reference.

<sup>4</sup> While there has been some slight reworking of details and names of these six key areas, they remain fundamentally the same. The names used throughout the evaluation reflect current usage.

- Institutional Communication;
- Human Resources Management;
- Administrative Procedures And Administrative Services;
- Strategic Planning, Coordination and Policy Making;
- E-Government;
- Public Finance.

The main stakeholders of the PARF are PARCO and the PAR Coordinators in each entity.

PARCO is responsible for overall coordination of public administration reform processes across BiH, Action Plan 1 and Revised Action Plan 1, including coordination with PAR donors, operational management of the PARF and coordination with administrative bodies responsible for PAR processes. PARCO's organisational structure can be seen here: <http://parco.gov.ba/eng/?page=9>.

PAR Coordinators in each entity are responsible for coordination within each specific administrative level, as well as with PARCO.

The PARF is overseen by the Joint Management Board (PARF JMB), which represents donors, PARCO, entity governments, the District of Brčko and the Ministry of Finance and Treasury of BiH (MOFT).

A total of 5,5 million Euros were contributed to the PARF for Phase 1, comprising 1.5 million Euros each from Sweden and the Netherlands, and 2,5 million Euros from the UK (DfID). The EUD provided funding for technical assistance to PARCO. BiH contributed to the PAR by funding the running costs of the PARCO offices.

In the first phase of the PARF, 15 projects were supported. Of these 15, 11 are completed, and are the subject of this evaluation. The process of nomination and selection of projects is extensive and detailed, and is assessed as part of this evaluation.

Overview of Projects Funded by the PARF in Phase I <sup>5</sup>				
Project Number Per The PARCO Website <sup>6</sup>	Title of the Project	Reform Area	Contracted Budget in BAM <sup>7</sup>	Total disbursed in BAM with VAT
1	Establishment of Network of Info Stands	Institutional Communication	155,610	148.395
2	Strategic Communications	Institutional Communication	149,526	145.579
3	Training of Public Relations Officers	Institutional Communication	128,285	128.198
4	Development of Performance Management System in the Structures of Civil Service in BiH	Human Resources Management	760,383	744.151
5	Draft of Administrative Decision Making in BiH Quality Improvement Programme	Administrative Procedures And Administrative Services	444,600	404.581
6	Improvement of Rules and Procedures for Legal, Other Regulations and General Acts Drafting in BiH	Strategic Planning, Coordination and Policy Making	786,041	674.980
7	Blueprint of Development of Central Bodies of Governments in BiH - Implementation of the phase I (Procurement of consultancy services and Procurement of equipment)	Strategic Planning, Coordination and Policy Making	1,802.930	1,731.879
8	Transposing EU Legislation in the Legal System of BiH	Strategic Planning, Coordination and Policy Making	395,752	394.201
9	Training of Civil Servants for Application of Information Technologies and Work on Computers	Human Resources Management	1.213.425	1,207.751
10	Design and Establishment of Interoperability Framework and Standards for Data Exchange	E-Government	191,571	177.379
11	Budget Management Information System (Procurement of consultancy services and Procurement of equipment)	Public Finance	1,256.078	1.217.122

<sup>5</sup> This evaluation shall focus on these Phase I projects which are completed.

<sup>6</sup> The Project Number per the PARCO website will be used as the reference project number throughout the evaluation.

<sup>7</sup> BAM (Bosnian Convertible Marks) – the exchange rate in December 2014 is 1.96 BAM to the Euro.

The other four supported projects in Phase 1 are summarised below. They are as yet not completed, and are not the subject of this evaluation.

	Establishment of modern departments for HRM in bodies of administration in BiH	1.594.711	
	Training of Public Relations Officers – Phase II	120.000	
	Building of Capacities for Combat against Corruption in the Structures of Civil Service in BiH	500.000	
	Treasury Information System of the Brčko District	648.000	

In January 2012 Sweden signed an agreement with BiH on implementation of the second phase of financial assistance to the PARF. The Swedish contribution to Phase II of the PARF is 28 MSEK (approximately 3 million Euros). The Norwegian contribution is 24 MNOK (approximately 3 million Euros) and Denmark will contribute with 28,25 MDKK (approximately 3.76 million Euros). BiH government contributions to date comprise approximately 473.000 Euros (BAM 925.000) from their respective budgets. Continued technical assistance is being provided by the EU Delegation and GIZ.

One project from Phase II of the PARF has been completed (with funding from Phase D), and is also the subject of this evaluation.

12	Widening of the Information System for Human Resources Management by Software Modules for Personnel Planning and Maintenance of the Internal Labour Market in the Republic Bodies of the Republic of Srpska	Human Resources Management	57.587	57.587
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The Terms of Reference indicate that no independent evaluations have been made of the 12 nominated projects, but in fact 6 have been evaluated. (These evaluations are judged by the current evaluation team as being of varying quality). These evaluations have been assessed and provide part of the framework for the evaluation methodology used for the current evaluation.

# 2 The Evaluation

## 2.1 PURPOSE OF THE EVALUATION

As per the evaluation's Terms of Reference<sup>8</sup>.

*Sweden, as one of the financiers of the project, has undertaken to perform the evaluation of the PAR Fund in order to assess the overall level of achievement of the goals and results, effectiveness and impact of projects finalised through the project, effectiveness of risk management, the quality of coordination and communication between the project stakeholders, and interaction of non-governmental organisations and media with the project partners. The evaluation should provide recommendation whether continued Swedish support to the PARF is considered feasible and if so, under which conditions.*

*The evaluation should also advise the Governments of BiH regarding the operation of the PAR Fund, its strength and weaknesses, possible improvements and in relation to other forms of international support to implementing a public administration reform strategy, etc.*

## 2.2 SCOPE OF THE EVALUATION

This evaluation report considers the results of the PARF, and the designated 12 funded projects. The report is intended to inform donors, and the Governments of BiH, regarding the operation of the PARF, including its strengths and weaknesses, and where possible suggests improvements in operations and other forms of international support for the purpose of implementation of BiH's public administration reform strategy.

As required in the evaluation Terms of Reference, the evaluation has:

- Evaluated the implementation of funded projects against overall sector developments, and assessed the relevance of funded activities.
- Evaluated the implementation of funded projects against plans, subject to the available documentation and the time limitations of the evaluation.

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<sup>8</sup> The evaluation Terms of Reference can be found in Annex 2.

- Evaluated if and how the cross-cutting issues of gender equality and anti-corruption have been included in the design of funded projects, and what results are visible as a result of this inclusion.
- Shared lessons learned that will be of value for further planning and programming.
- Made recommendations for further planning and programming.

## 2.3 INTENDED USERS OF THE EVALUATION

The primary intended users of the evaluation are:

- The PARF JMB.
- The Government of BiH, specifically
  - The Council of Ministers of BiH
  - The Government of FBiH
  - The Government of RS
  - The Government of Brčko District, BiH.
- Donors – contributors to the PARF.
- PARCO.
- PAR Coordinators.

## 2.4 LIMITATIONS OF THE EVALUATION

Six important factors impacted on the ability of the evaluation team to provide the analysis necessary to assess results against plans and to provide appropriate lessons learned and recommendations:

- The political complexities in BiH made it necessary to draw on an extensive range of views/ information/ data to ensure the varying political perspectives and constraints were understood and to triangulate the data.
- Further, PAR in BiH is heavily constrained by political factors, which influence the extent of achievement of results attributable to the PARF. The evaluation has commented on these factors but did not undertake a thorough analysis of the political economy of PAR in BiH.
- The analysis of the 12 separate, complex projects, delivered during a wide timeframe, by different agents with different methodologies, across the two entities and Brčko, limited the time available for both field work and subsequent analysis.
- The content of the 12 projects is quite diverse, and direct comparisons were not possible. The evaluation team was very careful, in this context, in making any generalisations across the sample.
- Outcome level assessments were limited by the scope of each project's activities and outputs, and the focus of the project's reports (including monitoring reports). Generally, the focus of this documentation was at the activity and output levels, constraining analysis at the outcome level.

- Assessment of impact is constrained by timeframes, as it is too early to assess long-term effects and in many cases, as noted above, the outcome level intentions of the interventions are not always clear. However, effort has been made to understand if, and where, outputs of interventions have been integrated into the administrative and/or governance systems.

## 2.5 EVALUATION APPROACH

The key to the field work and methodological approach, as well as a limitation to evaluate outcomes, was the potential of the evaluation team to best extract information from the range of funded projects, across the entities and Brčko. Given the time limitations, within the context of the diverse institutions, local realities and a complex political situation, extracting and then analysing appropriate detailed information was a complex process.

The purpose of the evaluation's document review and field work was to 'assess the overall level of achievement of the goals and results, effectiveness and impact of projects finalised through the project'<sup>9</sup>. The PARF provides funding for a technical assistance programme with closely defined packages of support to a range of stakeholders. The evaluation analysed the extent to which these defined packages have responded to the perceived needs of beneficiaries/ project partners (i.e. interviewees) in relation to both the effectiveness of their work in public administration and in terms of their ability to adapt their work to EU norms. The review of individual projects was modest in scope and based heavily on the varied quality of existing documentation.

## 2.6 METHODOLOGY

In order to assess overall achievement, criteria for assessment was required, against which field enquiry and analysis was made. The effectiveness *criteria* is best defined within the context of the PAR Strategy, and the contribution of the 12 projects to realising the PAR Strategy. Key to this are the six reform areas noted above, together with the detail provided in the PAR Strategy document. During the inception phase the team developed an overview of the 12 projects from the available documentation. Assessment of the overall level of achievement of the 12 projects was further developed through interviews in both entities and Brčko. In

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<sup>9</sup> Evaluation Terms Of Reference

assessing the overall level of achievement (as well as implementation processes and lessons learned), information and feedback was gathered from a range of sources (PAR Coordinators, members of supervisory, implementation and monitoring teams for all projects at all levels of government, PARCO staff, representatives of knowledgeable external agencies and representatives of donors), although this varied according to the nature of the different projects.

All 12 projects have a heavy emphasis on activities (i.e. inputs), with some focus on outputs. The document review found there was almost no explicit consideration in design or implementation of the projects to ensure that results are able to effectively bridge the ‘gap’ between activities undertaken and outputs delivered and the ultimate goals of the PAR Strategy. As a result, and based on the evaluation team’s detailed assessment of project documentation, the evaluation focused on the output level, while attempting to address existing or potential outcomes. Critical aspects of this can be seen in the table at Effectiveness below (3.3.3 Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects), where the focus of the evaluation approach is on ‘uptake of project proposals’, ‘effective use of project-prepared systems’, ‘uptake of rules and procedures’, ‘extent of implementation’ of proposed changes, etc. The evaluation team has attempted to draw out what higher-level change these outputs have generated, subject to the extent of uptake and implementation.

In summary, based on the detailed analysis found in the matrix, field enquiry addressed six of the 12 projects:

- Development of Performance Management System in the Structures of Civil Service in BiH.
- Training of Civil Servants for Application of Information Technologies and Work on Computers.
- Improvement of Rules and Procedures for Legal, Other Regulations and General Acts Drafting in BiH.
- Blueprint of Development of Central Bodies of Governments in BiH.
- Design and Establishment of Interoperability Framework and Standards for Data Exchange.
- Budget Management Information System.

Some limited field enquiry (heavily dependent on input and perceptions of stakeholders and PARCO staff) also took place in relation to:

- Draft of Administrative Decision Making in BiH Quality Improvement Programme.
- Strategic Communications.
- Training of Public Relations Officers.
- Widening of the Information System for Human Resources Management by Software Modules for Personnel Planning and Maintenance of the Internal Labour Market in the Republic Bodies of the Republic of Srpska.

Desk-top assessment only was undertaken for the following 2 projects:

- Establishment of Network of Info Stands.
- Transposing EU Legislation in the Legal System of BiH.

In order to address the specific questions in the Terms of Reference related to the role and function of PARCO, some specific enquiries were also made at this level. Sida does not fund PARCO, per se, and this enquiry was not the focus of the evaluation, but feedback was sought directly from PARCO, and other stakeholders, as to the strategic, management and administrative capacities and directions of PARCO in order to inform Sida's thinking on future funding directions.

Further, the relevance and quality of the specific PARF investments are dependent on PARCO's work and particularly their dialogue with different stakeholders. The extent to which Swedish concerns about cross-cutting issues are reflected in the programming were also judged as likely to be related to the extent to which these concerns are embraced within PARCO.

This area of enquiry, addressed largely in the Efficiency section below, was the most lively and extensive area of discussion among all stakeholders.

Field work included individual and group interviews with relevant stakeholders from government at different levels, donors and CSO partners contracted to implement the Public Administration Reform Monitoring (PARM) project (Transparency International BiH and the Centre for Investigative Journalism). All individual and group interviews followed interview protocols tailored to the respective stakeholder group and aligned with the overall evaluation framework.

One component of the field approach was an attempt by the evaluation team to draw out stories of how practice, norms and attitudes have changed as a result of the PARF initiatives, using a modified Most Significant Change methodology. As part of interviews in entities, interviewees were asked to describe what they are doing differently now than what they were doing before the project. The focus of this approach was to gain from participants their perspective on the most significant change that took place in their ways of working, and why they consider that change to be the most significant. While responses to this line of enquiry were both interesting and useful, and did indeed give a better perspective on higher-level change from PARF initiatives than is otherwise readily available, the inputs were relatively limited in both quantity and quality, given the nature of the projects as previously discussed. Some insights were gained that contributed to bridging the aforementioned 'gap' between project outputs and the outcomes envisaged in the PAR Strategy, insight that is reflected in the Findings.

To ensure validity of data, and as part of the process of synthesising information derived from different data sources and through different means of data collection, the evaluation team used triangulation and complementarity.

- Triangulation (comparing data generated from different data sources to identify trends and/or variations): Discussions with donors and CSOs (particularly Transparency International BiH and the Centre for Investigative Journalism) assisted in triangulation, as did comparison of data from the different entities and between entities and PARCO.
- Complementarity (using data generated through one method of data collection to elaborate on information generated through another): Interviews and focus group discussions have been compared with findings from the desk review of project reports and evaluation reports.

The detailed assessment framework and approach, defined at inception and used during field work and analysis, can be found in Annex 3.

### 2.7 MILESTONES AND DELIVERABLES

- Start of the inception work: 3 December.
- Deliverable 1 - Submission of the draft Inception Report: 13 January 2015.
- Feedback/approval of Inception Report: 20 January 2015.
- Field work 23 February – 6 March 2015.
- Deliverable 2 - Debriefing with Embassy 6 March 2015.
- Deliverable 3 - Draft Evaluation Report - Submitted 26 March 2015.
- Deliverable 4 – Workshop with Stakeholders and Presentation of the Draft Evaluation Report – 20 April 2015.
- Feedback/comments on the draft Evaluation Report 22 April 2015.
- Deliverable 5 - Submission of the Final Evaluation Report 29 April 2015.

### 2.8 EVALUATION STANDARDS

The evaluation and the reporting followed DAC's evaluation quality standards.

# 3 Findings

## 3.1 RELEVANCE

The PARF is relevant for BiH's quest for public sector reform, and is in line with BiH's renewed commitment to EU accession and improvements in public administration. The funded projects are in line with the EU accession requirements and contribute to good governance principles. The support of the PARF is consistent with the Enlargement Strategy, which concludes that Bosnia and Herzegovina "needs to [...] improve the functioning of the institutions and to bring them into a position to adopt, implement and enforce the laws and rules of the EU"<sup>10</sup>. Also, the PARF is consistent with IPA priorities towards "[i]mproving the capacity and efficiency of the public administration and setting a professional civil service, so to support the country's efforts to improve the functioning of the institutions at all levels of governance"<sup>11</sup>. For example, the BMIS project contributes to improvements in budgeting processes and will increase the efficiency and transparency of the budgeting process. The enhanced strategic planning approaches and improvements to related procedures visible in the *Improvement of Rules and Procedures for Legal, Other Regulations and General Acts Drafting in BiH* project and the *Blueprint of Development of Central Bodies of Governments in BiH* project are a prerequisite for the better alignment of BiH's planning processes with those of the EU.

Both the PAR Strategy and the Revised Action Plan remain relevant to BiH's EU accession priorities and continue to provide a relevant framework to public sector reform. While the Revised Action Plan expired at the end of 2014, and the PAR Strategy was specifically designed to deliver its intended outcomes by the end of 2014, the reality is that the planned reforms and intended outcomes have not been delivered. Further, both the intent of the PAR Strategy and the detail within the Revised Action Plan remain relevant, including the basic framework of Reform Areas. The six Reform Areas (see above and the PAR Strategy and Revised Action Plan documents) remain relevant, and needs in each area are visible. The slow

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<sup>10</sup> European Commission; Multi-indicative Planning document for Bosnia and Herzegovina, 2011-2013; Sarajevo, p. 11

<sup>11</sup> Ibid, p. 3

pace of reform, with changes mostly at the micro-level<sup>12</sup>, means that little change in the strategic framework or in action planning is required, beyond a re-affirmation by governments of the PAR Strategy and a specific confirmation, by governments, of an extension of the dates of currency of the Revised Action Plan.

At a declarative level, ‘beneficiary agencies’ and government at all focus levels (State, Entity and Brčko District) are very supportive and appreciative of PARCO and the PARF, as a vehicle for implementation of public sector reforms. However, the slow speed at which the PARF has been utilised, and the extended processes required for project development and approval, and subsequently for procurement, has led to discouragement within these same organisations towards the PARF (as is discussed in detail in the Efficiency section, much of the slowness of utilisation of the PARF is attributable to these same organisations).

Further, the lengthy process has direct (and negative) effects on project relevance. If the total duration of project preparation and procurement can be more than 3 years, many projects that finally make it to the implementation stage are no longer relevant for a given government. An example of this was the anti-corruption project, which went through a long approval and procurement process only to be cancelled. One project lost two years in preparation/ procurement when the paperwork from the best tender was missing one piece of paper, and the process was restarted. The BMIS project remained relevant throughout its preparation/ procurement, but did take 3.5 years to be contracted.

The PARF structure of decision-making, i.e. the process used in the design and approval of each project proposed for funding from the PARF, is very complex, and time-consuming, an area of the PARF discussed in detail in the Efficiency section. The process, despite its complexity and duration, ensures inclusiveness and participation in decision-making; it ensures ‘buy-in’ from governments of all levels and consensus on priorities.

The PARF structure of project design ensures that each project responds directly to the PAR Strategy and the Revised Action Plan and that it is also seen by each potential beneficiary agency and each level of government as relevant and a priority. Through this process all relevant governance structures and administrative bodies are involved in determining the content and focus of each funded project. The involvement began with the development of the PAR Strategy, continued through

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<sup>12</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels.

the iterations of the Action Plan and continues throughout all design and approval processes currently being undertaken by Supervisory Teams, PAR Coordinators and the PAR JMB.

The evaluation team heard consistently, when interviewing representatives of beneficiary agencies, that the actions and intended reforms of PARF projects were relevant (even critical) to their needs, with specific mention being made of the BMIS project, the Interoperability Framework project and the Improvement of Rules and Procedures project. As will be seen below, there is a significant gulf between beneficiary agency need/ project design and actual delivery, as well as between delivery and actual reform. The key challenges facing the PARF are not in relevance, but in efficiency and effectiveness.

For beneficiary institutions, the role and importance of Swedish support is not differentiated from that of other ‘donors’. There is a recognition that EU priorities are the fundamental criteria for the work and planning of BiH in terms of public sector reform, and an acknowledgement that the PAR Fund is focused in this area, but no general recognition among beneficiary agencies of the specific contribution made by Sweden in this area. PARCO itself recognises the specific role played by Sweden, through Embassy staff, in assisting the efficient and effective functioning of PARCO, and the PARF, and in the delivery of financial assistance from Sweden, Norway and Denmark.

## 3.2 EFFICIENCY

The PARF is not efficient. The inefficiency of the PARF is the single most significant factor leading to the inability to deliver its intended outputs and outcomes, and to deliver the intended outcomes of the PAR Strategy and the Revised Action Plan. There are six critical factors that contribute to the inefficiency of the PARF. Each of these factors is analysed below.

### 3.2.1 Inefficiencies in the PARF Operation.

#### *i. The long and cumbersome decision-making processes.*

The process of design and approval of PARF projects is extensive and time-consuming. There is nothing in the MoU that requires such a convoluted process. According to the MoU, the JMB meets quarterly or more frequently (each two

months according to current JMB plans for 2015) to address ‘the level of financial support to individual projects, final approval to both project specification and contract awards’<sup>13</sup>. Over time this final approval process has grown, and become much more complex and time-consuming, with extensive, consistent mention of this complexity and the time-consuming nature of the process throughout the evaluation field work.

Due primarily to the desire of PARCO, the JMB and donors, in the process of determining the content and focus of projects in the pipeline, to be inclusive and transparent, the approval process is currently organised in seven steps, *prior to* the public procurement procedure:

- Supervisory teams, together with RACs, develop the project idea.
- The project idea is approved by the JMB.
- A project fiche is prepared based on the approved project idea.
- Governments at all four levels approve the project fiche.
- The JMB approves the project fiche.
- The project’s Terms of Reference are developed.
- The project’s Terms of Reference are approved by the JMB.

Irrespective of the size of the project, or where it is to be implemented, this process can and does take months to complete. A full six months (or more), from idea to approved Terms of Reference, for a project of less than 50,000 BAM is not unusual. It is only at this point that the project then enters the process of public procurement.

*ii. PAR Coordinators lack sufficient decision-making authority and the related lack of authority within Supervisory teams to support project initiatives.*

The PAR Coordinators, and supervisory team members, according to their envisaged government role and position in the PARF, should be in a position to take informed decisions regarding projects initialised and developed within the PARF. However, evidence gathered during the evaluation indicates that during the process of decision-making (on the project idea, project fiche, project ToR) the stated support of PAR Coordinators for a project can change depending on the changing priorities of their government. Further, one interviewee noted that ‘with time you begin to deal with less politically sensitive issues, when these are mostly the areas where the most emphasis is needed, not less emphasis’<sup>14</sup>. As one member of a

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<sup>13</sup> Memorandum of Understanding for the Establishment of the Public Administration Reform-Fund (PARF).

<sup>14</sup> Field interview.

supervisory team said, ‘Regarding the strength of role of supervisory teams, it needs to be said that we represent the government, and we need their approval for projects. We suggest projects and we implement projects, we do not approve them, and we particularly need approval where projects impact on normative procedures.’<sup>15</sup>

As a result, government approval steps have been added at two stages of project development, complicating and extending the decision-making process.

*iii. An over-emphasis on joint projects.*

Two types of projects are funded by the PARF. Joint projects, i.e. those involving all levels of government, and individual projects, which are implemented with only one level of government (and at the entity level can be implemented only in the Federation *or* in RS). The evaluation team heard, during its field work, a consistent emphasis on maintaining a focus on joint projects from representatives of all levels of government. While individual projects are not specifically blocked, the emphasis is much stronger on joint projects. Notwithstanding the complex nature of BiH governance and administration, there is a stated wish across all levels of government to maintain a strong, joint approach. This is understandable, from the point of view of a harmonised approach to reform, and it is in line with the PAR Strategy and the RAP. Joint projects support this wish.

However, the view is also expressed that the emphasis on joint projects detracts from actual reform results. The basic structure of the Federation, with its Cantonal and then Municipal levels is, simply, irrelevant to the structure of RS. Moreover, structurally, Brčko is a district, but in essence (de-facto) it is a Municipality - its structural requirements do not mirror those of RS, nor of the Federation (nor even its Cantons). The basic needs are simply too different for there to be any significant cross-over in terms of joint project initiatives. Further, the emphasis on joint initiatives hinders critical support to any level of government where its needs are not mirrored across all of BiH. One comment from field interviews illustrates this: ‘Up to now, all projects have been joint. For example – the E-Government Project - we built a joint platform for services that are the same across all four levels, and these 4 platforms connected. On the other hand, each level has the freedom to propose one electronic service that suits their specific needs. This is how we approach these ‘joint’ projects at different levels. I am not sure what other Reform Areas are like, but I think unity is more accentuated. But, each level of government has its own issues, questions, needs that are specific to that level. I just think we need to

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<sup>15</sup> Field interview.

have more projects that are more focused on the different levels, rather than on this unity. Every level has its own laws.’<sup>16</sup>

*iv. A lack of capacities for public procurement, together with the complex requirements of the public procurement law.*

One of the main requirements of the PARF, as stipulated in the MoU, is for PARCO and partners to use the Public Procurement Law of BiH, and its provisions. While this is a commendable measure, particularly given the application of donor funds, it creates obstacles for the efficient supply of services within the reform process. There are two main factors that play a role in this process:

- The public procurement law contains complex procedures for procurement of services, particularly of consulting services, making it difficult for PARF to procure adequate services in an efficient manner, and particularly with regards to smaller projects.
- The PARCO team has limited capacity to prepare adequate tender documentation. Interviews reveal that there were cases where incomplete or inadequate tendering documentation was prepared, causing the cancellation of the tender. As was stated in an interview with a member of the JMB, ‘The fact that tenders are failing in the first round of appeals indicates to me that the Tenders are not prepared very well. It seems to me that they are being done too casually, and there is not enough focus on the specifics of doing a proper tender development process.’<sup>17</sup>

A new Procurement Law is in place, and PARCO is receiving support from GIZ to research the provisions of the new law and to recommend the best mechanisms and approaches in which the Law can be applied to PARF-funded projects.

*v. Challenges to international bidders in participation in the local market on PARF projects.*

While the Procurement Law does not prevent international bidders from applying for tenders in BiH, it has certain provisions that create obstacles for international bidders to apply:

- The Law stipulates that all tender documentation must be prepared in the local languages of BiH, requiring international bidders to cover the translation costs of all documentation, even at the tender stage.

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<sup>16</sup> Field interview.

<sup>17</sup> Field interview.

- Within the available options of the Law, the JMB stipulates the least expensive offer option,
  - which creates difficulties for international bidders as by nature their offers are likely to be higher,
  - discounts the possibility of a higher priced bid offering the potential for a much higher level of outcome,
  - also poses difficulties for better quality offers from the local market,
  - impacts on the development of selection criteria against which applications are assessed on the quality of proposed methodology and expertise.

*vi. PARCO's role has an over-emphasis on coordination, not management.*

There is a certain lack of impetus, of pushing, of drive in the operations of the PARF. This lack of drive is noticeable in a number of areas discussed in this report, but mostly in the lengthy processes of design, approval and procurement of PARF-funded projects, and the slow expenditure of PARF funds. PARCO coordinates, it does not manage. PARCO does not have a management mandate wherein policy and related decisions of the JMB can be implemented, and the intent of the PAR Strategy, the Revised Action Plan and indeed government, the EU and donors to the PARF are being addressed.

The evaluation team heard consistently that the problem with the PARF was that 'no-one wants to make a decision'. The evolution of design and approval processes, at the government level and within the JMB, would support this view. These processes, as discussed above, have become more cumbersome and more lengthy while delivering fewer projects for implementation and less expenditure of PARF funds.

From the perspective of an external analysis, any project which fits within the PAR Strategy and the Revised Action Plan, and which addresses the needs of one or more beneficiary agencies should be facilitated through design and approval processes and then through procurement requirements in order to be implemented and contribute to public sector reform. This focus seems to have been lost in an existing emphasis on coordination of activities within the approval process as opposed to an emphasis on driving the reform process through the implementation of projects.

### **3.2.2 PARF Coordination Processes**

The discussion above on coordination versus management implies the existence of a high quality of coordination from PARCO, and this is correct. In a difficult governance environment, and a complex administrative framework across BiH and between levels of government, PARCO maintains a neutral role as a technical/resource body. PARCO works with PAR Coordinators and supervisory teams in

discussing project possibilities and project designs, facilitates the development of project fiche and Terms of Reference and assists all stakeholders in the communication, negotiation and decision-making processes associated with project approvals and project procurement. PARCO ensures that dialogue is facilitated and that all partners are involved at each step. In such a politically complex environment, this role is critical, and is handled well. As well as in the development of projects, PARCO is also visible in a positive role in project implementation, assisting implementation and monitoring teams in their work with implementing agencies/consultants, and is formally obliged for supervision of project implementation as Contracting authority.

The JMB, as the overall management and coordination body, demonstrates its knowledge of, commitment to and capacity for assisting public sector reform in BiH (see above). In representing all relevant stakeholders, the JMB has the capacity to provide the oversight and direction needed to ensure PARF success, providing PARCO with the direction and support needed for successful implementation of the PARF. The emphasis defined in the evaluation's Terms of Reference – to give specific attention to dialogue strategies and improvement in dialogue – were shown in field enquiry to be directed somewhat outside of the critical area, which is more related to the role the JMB needs to take in facilitating the taking of decisions, rather than to improvements in dialogue.

### 3.2.3 PARCO Resources – Human and Technical

The evaluation did not focus on PARCO, per se, but on Swedish contributions to the PARF and the workings and operations of the PARF. However, some mention of the operations of PARCO is warranted in the discussion of efficiency and the operation of the PARF. Within the current administrative and decision-making context, PARCO and governments do not have sufficient absorption capacity to fully implement PARF projects. This is primarily due to the complex decision-making structure and delays during the project preparation phase. Another issue is the level of competence for and the complexity of the procurement procedures, as PARCO is obliged by the MoU to apply the BiH Public Procurement Law.

While it is expected that changes in the Law will bring some speeding up of the procurement process, and that the GIZ-funded consultancy will assist PARCO's processes, there are a number of factors that impact on PARCO and its work in coordinating the PARF:

- Enablers
  - Human resources - PARCO staff and their openness, commitment and work to facilitate dialogue among partners. Staff demonstrate both a capacity for and willingness to facilitate the reform process.
  - Equipment – PARCO has sufficient technical resources to undertake its responsibilities.

- Donor flexibility – Donor agencies (and the EUD) maintain a strong and flexible commitment to the reform process, and to PARCO’s role in the process.
- Disablers
  - Human resources - There are some areas where specific skills are not sufficiently present or used. Chief among these is specific resources, with relevant experience and training, dedicated to ensuring tender documentation is prepared fully and completely, so that tender processes are progressed without undue delay.
  - Management – The lack of a management mandate described above constrains PARCO’s ability to implement the reform process.
  - Political factors – BiH’s political complexity and the inconsistent level of commitment to reform processes constrains effectiveness.
  - The quest to seek and find “one size fits all” projects that will respond to needs of all government levels.
  - Complex decision-making process – As detailed above, the complex decision-making process currently operating in the PARF has a significant impact on PARF effectiveness and the ability of PARCO to facilitate the reform process.

### 3.3 EFFECTIVENESS

As a result of a range of factors, the PARF does not demonstrate overall effectiveness in achieving the outputs and outcomes defined within the PAR Strategy and Action Plan. Each of these factors is discussed below, and at table (*Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects*) which assesses results in each Reform Area, based on each of the assessed projects, can be found at the end of this section.

#### 3.3.1 The Impact of (In)efficiency on Effectiveness

There are two areas where inefficiencies in PARF processes are impacting on PARF effectiveness. As each of these factors is addressed in more detail above, in the Efficiency section, they are summarised here only:

- The impact of PARF efficiency on PARF effectiveness: The critical impact is that the slow processes of design, approval and procurement inhibit the ability of the PARF to actually deliver projects. Too few projects are developed, funded and implemented. The PARF cannot support reform if it is not delivering projects. Donors are not contributing to public sector reform, in reality, if their contributions remain in the bank while design and implementation of projects is held up. Citizens are not benefitting, directly or indirectly, if reforms are not happening.
- The impact of fragmented governance (entity and Brčko District) on PARF effectiveness: The critical impact is the decision-making processes that

now require the JMB to refer decisions on project ideas, designs, Terms of Reference and tenders back to government for approval, increasing both the complexity and the timeframe for approvals.

### 3.3.2 Effectiveness of Project Delivery – Outputs and Outcomes

Once projects are approved, and procured, they generally proceed well according to implementation plans (for specific examples see the table *Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects* below). When funded and implemented, projects deliver intended outputs (BMIS, Rules in some places), but only to varying degrees. The selection of implementing partners has, largely, been effective.

However, where projects themselves demonstrate effectiveness in activities, they do not necessarily lead to outcomes at the PAR level as they are not supported by more actions, more synchronisation of action and more follow-up actions – even when delivered well. They do not contribute to the reform process, largely because they are not taken up by Government. (See the table *Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects* below for specific examples.)

There is an overemphasis in design and reporting on activities and a related underemphasis on results (both outputs and outcomes). Secondary sources (project reports and project monitoring/ evaluation reports in particular) contain little or no discussion on the results of a project and its *contribution to the reforms* anticipated in the Action Plan and PAR Strategy. Progress reports for the RAP 1 present an overview of projects' contribution to the reforms, but this is limited in the key discussion at the outcome level, and to the development of a clear understanding of the results of the reform process. In field interviews the evaluation team found it difficult to extract this type of assessment from interviewees. A key line of questioning was 'uptake and implementation of the changes; changes in processes and procedures; visible change; implementation and use; etc.' Some relevant feedback was obtained, but it is apparent that the focus of the projects, for implementers as well as for beneficiaries, was the inputs/ the activities, not the change/ the reform.

Finally, some discussion on the participation of beneficiaries/ project partners in the design and implementation of projects, and the subsequent uptake of indicated reforms is required. Supervisory teams across all levels of government are involved in discussions on project possibilities, and in development of the details of

project initiatives. While this involvement contributes to relevance of design, the flow-on to effectiveness of implementation is not as apparent (see the table *Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects* below). There is an expressed view across supervisory and implementation teams that PARF-funded projects are impositions that add to work requirements that are additional to an individual's terms of reference.<sup>18</sup> There is a sense that employees of beneficiary agencies see 'reform' as important, but see the 'reform process' as being outside of their responsibility. This is not to say that they therefore did not participate in projects, quite the opposite is true, but the consistency of this feedback raises questions related to the systems and structure within government agencies that need to be put in place to ensure the commitment of participants.

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<sup>18</sup> Field interviews.

3.3.3 Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects						
Reform Area	Institutional Communication	Human Resources Management	Administrative Procedures And Administrative Services	Strategic Planning, Coordination and Policy Making	E-Government	Public Finance
<p><b>What was assessed - the ‘overall level of achievement of goals and results’.</b></p>	<p>Network of Info Stands – Do info stands continue to contribute to <i>improvements in internal communication</i>?</p> <p>Strategic Communications – <i>Have any of the developed strategies or action plans been implemented?</i></p> <p>Training of PR Officers – <i>Did project inputs contribute to changes in PR practice and the use of communication tools.</i></p>	<p>Performance Management System - Assess the <i>on-going uptake of/ implementation/ use of the performance management system</i>. Is the system contributing to a modernisation of human resource policy, and policy capacity?</p> <p>Training of civil servants – <i>assess whether or not effective use is being made of the IT systems</i> within BiH Governments. <i>Does appropriate hardware exist? Is it used, regularly and effectively? How does this improve servicing?</i></p> <p>Widening of the Information System for Human Resources Management – <b>assess whether or not the project contributed to the management of human resources</b> in RS.</p>	<p>Draft of Administrative Decision Making in BiH Quality Improvement Programme - What is the extent, if any, of BiH government <i>uptake/ implemented of any of the proposed changes</i> in administrative decision-making as described in the project? <i>Do any specific plans exist for implementation</i> of these changes?</p>	<p>Improvement in rules – Assess <i>uptake of new rules and processes</i> for drafting legislation; ascertain details of <i>change in process and outputs</i>; assess how extensive the training inputs have been in <i>preparing public servants</i> in new processes.</p> <p>Blueprint of development – assess the <i>extent of implementation of the ‘common model’</i> for the development of central bodies across BiH governments; ascertain outputs, outcomes and potential impact of implementation of the project (and the common model)</p> <p>Transposing EU legislation –the project was knowledge-sharing only, and from many years ago.</p>	<p>Design and Establishment of Interoperability Framework - Assess details of the five components of the project – contribution to ‘government accountability, transparency, effectiveness’. Examples will be sought of <i>any specific, visible change in relation to ‘policy; organisation and human resources; IT infrastructure; automation of public administration, business processes</i> (including fundamental registries); and e-services’ as a result of the project.</p>	<p>Budget Management Information System - Assess details related to the four objectives of the project. <i>Ascertain details of implementation and use of the BMIS across BiH. Attempt to assess change in budgetary management, efficiency and effectiveness</i> as a result of the project.</p>
<p><b>What the</b></p>	<p>The strategies and plans from the initial strategic</p>	<p>The Project resulted in a number of mechanisms for ade-</p>	<p>The project resulted in a set of draft Decisions, for all gov-</p>	<p>The so-called Rules project drove development of</p>	<p>The Interoperability Framework project was</p>	<p>The BMIS is rated highly in relevance and</p>

<b>3.3.3 Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects</b>						
<b>Reform Area</b>	<b>Institutional Communication</b>	<b>Human Resources Management</b>	<b>Administrative Procedures And Administrative Services</b>	<b>Strategic Planning, Coordination and Policy Making</b>	<b>E-Government</b>	<b>Public Finance</b>
<b>evaluation assessment showed.</b>	<p>communications project have been implemented, and communication strategies are visible at all four levels of government. It also appears that there is a trend for institutions to develop communication plans related to implementation strategies.</p> <p>A follow-up to the training programme has been developed, focused on soft skills in management – being a communications manager.</p>	<p>quate performance management system, including rulebooks on appraisal and promotion. Software for efficient monitoring of the work of civil servants has been developed at the State level, FBiH and RS. However, implementation of the rulebooks and other procedures is affected by the unwillingness of managers to conduct performance appraisals and an overall lack of government commitment to implement the reforms.</p> <p>The evaluation could not establish evidence that the initiatives have contributed to the overall human resource management enhancement to any significant level.</p>	<p>ernance levels, to be adopted. The decisions pointed towards improvements in administrative procedures and services. It remains unclear as to whether and how decisions will be adopted and implemented in the future.</p>	<p>Proposals for new rules for drafting laws and other legal regulations. These new rules have been adopted in BD. In RS and in the FBiH the rules are pending adoption by respective parliaments. At the state level, the proposal is awaiting referral to a parliamentary procedure. There is a general agreement that the Blueprint Project was relevant and effective, and has contributed to strategic planning and coordination. The project resulted in amendments to existing and development of new regulations necessary for implementation of the Common Model for development of central bodies of government in BiH. The common model has been adopted by all governments, contrib-</p>	<p>viewed positively by all stakeholders, both in relevance and results, although it has not yet been adopted by all governments. The project resulted in development and adoption of guidelines in interoperability in the electronic environment of government. The level of development in e-governance varies significantly across governments, and is recognised uniformly as a critical reform area, on which many other reforms depend. However, there is no evidence that this particular project contributed significantly to the IT infrastructure and automation of public administration and related business processes.</p>	<p>response to the needs of budget institutions – in preparation and oversight. The transfer of manual data and excel sheets into a fully centralised, on-line system for each government has been critical to budget management. The system is a centralised database, with nearly 300 institutions connected, providing on-line access, quality monitoring and management of all steps in the budget process.</p> <p>Evidence from the evaluation points to the positive impacts of the project in efficiency of the budget process, increased transparency, oversight and communication between budg-</p>

<b>3.3.3 Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects</b>						
<b>Reform Area</b>	<b>Institutional Communication</b>	<b>Human Resources Management</b>	<b>Administrative Procedures And Administrative Services</b>	<b>Strategic Planning, Coordination and Policy Making</b>	<b>E-Government</b>	<b>Public Finance</b>
				uting to implementation of the PAR Strategy.		et users and MoFT – all important reforms.
<b>Overall assessment of the effectiveness of PARF in the reform area based on the EU Progress</b>	There is no specific comment in the Progress Report on this reform area.	Overall, the effects of the projects in the HRM did not bring many significant changes to ways and approaches to HRM in PA. The Sigma Report 2013 states that: “The lack of practice of formal, routine implementation [of performance appraisal] has put the credibility of performance appraisal as a proper tool of HRM under question” <sup>19</sup> . The EU Progress report 2014 recognised some progress at Brčko District level in terms	The lack of uptake of the project outputs but in overall lack of focus on improvement of administrative procedures and services brings the lack of a harmonised and modernised legal administrative framework, which negatively affects the quality of public services delivery at all administrative levels <sup>22</sup> . The EU Progress report recognises the need for addressing the “development and implementation of coherent standards and common	Assessment of projects within this reform area shows many quality outputs that have been developed. Some of them have recorded uptake by the government, albeit to different extents and levels, as discussed in the sections above. However, the EU Progress reports 2014 states that no progress is made with regard to “policy development and coordination” <sup>24</sup> . The Report	There is no specific comment in the Progress Report on this reform area.	There has been improvement in the area of management of public finances thanks, to inter alia, projects funded through PARF, as confirmed in the EU Progress report 2014, which states: “The management of public finances appears to have strengthened in 2013-2014 with the adoption in due time of the State and Entity

<sup>19</sup> OECD (2013), “Bosnia and Herzegovina Assessment Report 2013”, SIGMA Country Assessment Reports, 2013/12, OECD Publishing. <http://dx.doi.org/10.1787/5jz2rqk3cts7-en>, p. 8

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<b>Report.</b>		of improving its civil service legislation, while fragmentation of the legislation regulating the civil service at Federation and Cantonal level continues to have a negative effect on the functionality of the civil service system <sup>20</sup> . However, the Progress report recognises that, at other levels, “there has been no improvement in recruitment procedures that would ensure the application of objective and merit-based criteria, transpar-	administrative practices across the entire public administration body <sup>22,23</sup> .	further recognises the need for adequate planning of actual costs and sources of financing for implementation of the current public administration reform strategy.		budgets, although the Global Frameworks for Fiscal Policies 2014-2016 and 2015-2017 were adopted with some delay <sup>25</sup> . Also, the SIGMA report recognises the new value brought about with BMIS, as an important step towards improved FMC practices, even though it emphasises that it is in an early phase <sup>26</sup> . Still,

<sup>22</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels

<sup>24</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 9

<sup>20</sup> Ibid, p. 10

<b>3.3.3 Strategic Framework for Assessment of Overall Achievement of PARF Funded Projects</b>						
<b>Reform Area</b>	<b>Institutional Communication</b>	<b>Human Resources Management</b>	<b>Administrative Procedures And Administrative Services</b>	<b>Strategic Planning, Coordination and Policy Making</b>	<b>E-Government</b>	<b>Public Finance</b>
		ency and prompt appointments to vacant positions <sup>23</sup> .				the SIGMA recommends further detailed information from budget users and to include performance target data that can be linked to budget allocations <sup>27</sup> .

<sup>23</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 11

<sup>25</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 28

<sup>26</sup> OECD (2013), "Bosnia and Herzegovina Assessment Report 2013", SIGMA Country Assessment Reports, 2013/12, OECD Publishing. <http://dx.doi.org/10.1787/5jz2rqk3cts7-en>, p. 17

<sup>21</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 10

<sup>27</sup> OECD (2013), "Bosnia and Herzegovina Assessment Report 2013", SIGMA Country Assessment Reports, 2013/12, OECD Publishing. <http://dx.doi.org/10.1787/5jz2rqk3cts7-en>, p. 15

### 3.4 SUSTAINABILITY

Given the relatively small number of completed reforms, it is difficult to comment extensively on sustainability. Beneficiary agencies, their designated staff and project partners have a stated commitment to the reforms in their respective agencies, and an ownership of this process. This commitment was visible in supervisory and implementation teams, as well as with PAR Coordinators, although as has also been noted, there is a different quality of commitment to the ‘reforms’ than there is to the ‘reform process’, and the specific involvement of beneficiary personnel in this process. Employees of beneficiary agencies see ‘reform’ as important, but see the ‘reform process’ as being (somewhat) outside of their responsibility.<sup>28</sup>

Representatives of beneficiary agencies want the reforms, and are themselves committed to the reforms, with particular reference made to the perceived impact of and related commitment to the reforms visible in the BMIS, Rules and Interoperability Framework projects. Interviewees from implementation and supervisory teams are unified in their views that these projects will improve their own work patterns, and the quality and effectiveness of their outputs, and will have specific, positive impact on citizens, and citizens’ experience of public service.

However, as discussed above, there is no uniformity across government in the uptake of these reforms – the actual confirmation and application of changes in procedures and processes indicated through the projects. There is an insufficient level of integration of the funded/ proposed reforms into formal public administration institutional norms and procedures. Public servants welcome the intent of the reform projects, but are not benefitting from their actual implementation in procedures. There are exceptions, including the BMIS project, and other projects in specific jurisdictions, but a sufficient level of consistency of implementation, at the procedural level, is lacking. The discrepancy between declarative and actual commitment is reflected in the fact that many of the deliverables of the PARF projects (draft frameworks, decisions, systems) have not been integrated or adopted by governments, and while the projects themselves in many areas have brought positive outputs, their sustainability prospects remain weak.

The quality and professionalism of PARCO staff is a positive indicator of potential sustainability. However, given PARCO’s relatively unclear role and position within governmental structures, it is possible that the value of PARCO will not be realised at the level necessary to ensure sustainable and long-term change.

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<sup>28</sup> Field interviews.

### 3.5 (ROAD TO) IMPACT

As with the discussions on effectiveness and sustainability, there are positive indications related to impact, but these indications are, at this point, relatively few and relatively inconsistent, and therefore do not provide a strong sense that the PARF is impacting positively on public sector reform in BiH. Potential exceptions to this have been noted, and it is worthwhile mentioning again the potential impact on transparency in budgeting and expenditure indicated through the BMIS, as well as the indicated and real changes in administrative procedures and processes being brought about with the easier access to personal documents that have a very real impact on the ease with which citizens can access documents such as driving licences and birth certificates. However, this example is limited to one entity, and indicates the difficulty citizens have in accessing services in unified manner. This is confirmed by the EU Progress Report, which concludes that ‘very limited progress has been made in reforming public administration and improving its capacity to fulfil the requirements of EU integration. The dysfunctionalities of public administration at and between, its different levels remain an issue of serious concern’<sup>29</sup>. Real contributions are being made to fulfilment of the PAR Strategy, but to date these contributions are too limited in scope and time to be considered impact.

### 3.6 GENDER MAINSTREAMING AND ANTI-CORRUPTION

Detailed evaluation enquiry confirmed the initial analysis of whether or not funded projects (and PARF policies and procedures) specifically addressed certain cross-cutting issues. As per the Terms of Reference, the issues assessed were gender inclusion/ equality and corruption. In the Inception Report the document review indicated ‘that the 12 projects being assessed within this evaluation have no explicit focus on gender or corruption as cross-cutting (or indeed priority) issues’<sup>30</sup>. This is not correct, as the Embassy successfully lobbied for inclusion of a gender responsive budgeting component in the BMIS project. As well, a specific project focused on anti-corruption was championed by the Embassy, and while it was supported and went to tender, it was never implemented due to tendering issues.

Beyond this, however, projects and PARF policies and procedures, have no structural, policy or procedural commitments or frameworks related to gender equality and anti-corruption. These issues were raised and discussed with PARCO during

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<sup>29</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 11

<sup>30</sup> Evaluation Inception Report.

the evaluation field work. These discussions confirmed the PARCO commitment to addressing these areas, although they lack knowledge about Sida (or other) guidelines and have no specific knowledge or skills in how to approach the formulation of policies or approaches that would have a substantive impact in these areas.

## 4 Conclusions

Continued financial and technical support to the JMB, PAR Coordinators and PARCO can potentially contribute to reform, but only if it is subject to certain changes/ developments within government, the JMB and PARCO that would improve the efficiency (and ultimately the effectiveness).

Employees of beneficiary agencies see ‘reform’ as important, but see the ‘reform process’ as being outside of their responsibility. This is not to say that they therefore did not participate in projects. Quite the opposite is true, but the consistency of this feedback raises questions related to the systems and structure within government agencies that need to be put in place to ensure the commitment of participants.

The focus of continued support is appropriate within the six currently designated reform areas, and within the existing PAR Strategy and Revised Action Plan. Each of these frameworks remains appropriate to BiH’s reform processes, and appropriate priorities for Swedish funding. Each needs to be reaffirmed by governments across BiH, a decision-making process which should be seen as a priority at state, entity and district level.

The decision-making processes for approval of project ideas and Terms of Reference requires streamlining. This streamlining does not imply any lessening of the detail of assessment, and would be delivered specifically within the framework of the MoU, but will involve removing of layers of approval in order that initiatives that are clearly defined and designed within the PAR Strategy and Action Plan are moved quickly to approval and into a procurement process.

Changes in decision-making processes should involve strengthening the role of the JMB, PAR Coordinators and PARCO, with the specific intention of seeing decisions made within these groups, rather than being referred back *at each stage* to ‘government’.

- Government approval would best be provided at one of two points in the process –
  - Prior to submission of the project concept to the JMB, so the project can move forward with this prior approval
  - Upon final approval of the project’s terms of reference *or* tender documentation.

- The PAR Strategy, Revised Action Plan and MoU provide ample political and strategic frameworks for decisions to be taken on approval and funding of projects (subject to designs, Terms of Reference and tender documentation fulfilling administrative requirements, as assessment of which is also possible within the JMB).

While individual projects are not specifically blocked, emphasis is much stronger on joint projects. Notwithstanding the complex nature of BiH governance and administration, there is a stated wish across all levels of government to maintain a strong, joint approach. This is understandable, from the point of view of a harmonised approach to reform, and it is in line with the PAR Strategy and the RAP. Joint projects support this wish. However, the emphasis is too strong, particularly where there are no devised measures to *also support* individual initiatives that have a good justification in terms of PAR. An easing of existing constraints on development and implementation of individual projects, specifically where they contribute to overall reform goals, is indicated. This is particularly true where individual projects can add value to joint projects and contribute to the general efforts of the PARF. Without losing the necessary imperative of a unified approach to public sector reform across BiH, nor the need for joint projects, it is critical to place a greater emphasis on the actual implementation of reforms and to encourage these reforms irrespective of whether or not they can happen in a joint or an individual context.

The JMB is envisaged as a governing body of the PARF and is composed of PAR Coordinators, MoFT, donors (including the EUD) and representatives of PARCO's core management team. In accordance with the MoU (paragraph 2, article 13), governments at state, entity and district level are represented in the JMB to 'exercise oversight over the use of the funds for the PARF, as well as other tasks specified in paragraphs 28 and 29'. As is visible in its composition, the JMB is a political/ strategic body. Its members may have technical expertise in designated reform areas, but not necessarily so. While this is a standard approach to an oversight function, challenges emerge in cases where very technical projects are being reviewed. As the JMB does not have technical experts for reform areas in its membership, there is potential for misunderstanding of the needs to which a project is responding and the (added) value of a project in technical terms. There is potential for projects to be dropped which have significant possibilities for improving technical capacities within a reform area.

## 5 Lessons learned

As counter-intuitive as it may seem, there is too much focus currently on coordination and communication. The work of PARCO staff with PAR Coordinators and supervisory teams, and the regular meetings of the JMB, provide ample opportunity for coordination and communication. Greater focus needs to be placed on the fundamental goal of the PAR Strategy and Action Plan, which is to implement reform initiatives. The necessary strategic and procedural documentation exists to allow decisions to be taken at the JMB to implement projects. This is the priority: assessing and approving potential projects and moving them to implementation.

It is from within the JMB, and the Council of Ministers of BiH, that the critical changes needed in the PARF will need to emanate for changing the critical role of PARCO. The key to ‘a more timely implementation of funded projects’, in terms of the JMB, is not in improvements in dialogue but in the role the JMB needs to play in facilitating the *taking of decisions*, within the JMB, within governments and within PARCO.

A primary example of this is the lack of drive in the operations of the PARF, most noticeable in the lengthy processes of design, approval and procurement of projects and the slow expenditure of PARF funds. The PARF needs more than a high level of coordination to be effective – it needs a driver. The PARF would benefit from a change in PARCO mandate, wherein it becomes responsible for implementation of the policy and related decisions of the JMB.

PARCO has the capacity to ‘handle and eventually lead donor coordination in the field of PAR processes in BiH’<sup>31</sup>, although as is discussed above, the more relevant issue is mandate, particularly in relation to ‘leading’ PAR processes. PARCO should be empowered to lead project preparation processes, up to and including the required involvement of the JMB at the critical stages of approval. Further, and related in the overall preparation, approval and implementation processes, PARCO lacks the specific human resources knowledgeable in, and dedicated to, preparation of tender documentation according to the BiH Procurement Law.

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<sup>31</sup> Evaluation Terms of Reference.

# 6 Recommendations

The evaluation's Terms of Reference anticipate that the evaluation will make 'recommendations for further planning and programming'. The recommendations below – structured as recommendations for Government, PARCO and Sida/ the Embassy, are built on the findings of the evaluation and the lessons learned in the implementation of projects by the PARF, and intend to directly address the question of further planning and programming of and within the PARF. Recommendations comply with and further refine relevant recommendations from the EU Progress Report, and particularly: 'A new public administration reform strategy after 2014 needs to be developed. The reforms necessary in public financial management need to be addressed in a more comprehensive manner'<sup>32</sup>.

## 6.1 RECOMMENDATIONS FOR GOVERNMENT

### 6.1.1 The PAR Strategy

It is recommended that all levels of government in BiH formally reconfirm the relevance of the existing PAR Strategy, and that each government affirms its commitment to the PAR Strategy's intent and priorities for 'the foreseeable future'.

### 6.1.2 The Action Plan

It is recommended that all levels of government in BiH formally agree that the content of the Revised Action Plan 1 remains relevant, and appropriate as an action plan for implementation of the PAR Strategy, and that each government affirms its commitment to the Revised Action Plan 1. It is further recommended that each government in BiH confirms a new ending date of the Revised Action Plan 1 for 31 December 2019.

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<sup>32</sup> European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels, p. 11

### 6.1.3 The Role of PAR Coordinators

It is recommended that a clear definition be made in the PAR Coordinator Terms of Reference - that the position is strengthened, with the mandate and capacity to make decisions on project ideas/ implementation and has a clear authorisation to make those decisions, *where those decisions conform with the government's previously-stated commitment to the intent of the PAR Strategy and the implementation of the Revised Action Plan.*

It may be that an individual government will insist that each nomination of a project idea be internally approved prior to submission for consideration for funding. Where this is the case, the critical aspect in relation to the operations and efficiencies of the PARF is that the PAR Coordinator coordinates authorisation of a project idea prior to bringing it to the JMB so *only* project ideas are discussed. When approved by the JMB, it can proceed immediately to the next stage – i.e., that JMB approval will not require further discussion at government level.

### 6.1.4 The Role of the Joint Management Board of PARF

(This recommendation is also visible in the recommendations to Sida/ the Embassy, and will need to be approached jointly.)

It is noted that the MoU stipulates (Articles 28, 29 and 30) that the JMB itself will adopt its rules of procedure and that these rules will include decision-making mechanisms and disbursement procedures, and defines key aspects of the work of the JMB. It is recommended that the JMB clearly define these mechanisms and procedures in such a way as to facilitate the implementation of PARF-funded projects. Key to this facilitation is to affirm and apply the procedures defined at 6.2.1 and 6.2.2 below, or other related procedures designed to facilitate moving the projects from concept to approval to implementation.

### 6.1.5 The Role of PARCO

PARCO is the only government agency in a position to move PARF-funded projects more quickly to an implementation setting, and through implementation, but does not have to mandate to do so, and as such, the PARF lacks the organisational and individual leadership/ management required to move the process forward. It is recommended that the defined/ mandated role of PARCO be upgraded to include the requirement that PARCO (and its systems) provide all necessary impetus to other agencies and government systems necessary to improve the design, approval and implementation of PARF funded projects. Critical aspects of this include upgrading and clearly defining:

- PARCO's role in facilitating project design processes with supervisory teams.
- PARCO's role in assessing designs (Concept Notes) and providing formal recommendations to the JMB.

- PARCO's role in and responsibilities for preparation of tender documentation.

## 6.2 RECOMMENDATIONS FOR PARCO

### 6.2.1 Refinements to the Existing Design and Approval Process

#### *Project Idea, Concept Note, Terms of Reference*

It is recommended that the process of Project Idea/ Approval/ Project Fiche/ Approval/ Project Terms of Reference/ Approval be reduced to a single design/ approval process, leading to the preparation of a detailed Concept Note. Concept Notes will be prepared within a template, and will be assessed by PARCO against criteria based on the PAR Strategy and Revised Action Plan. Subject to this assessment, Concept Notes will be presented by PARCO to the JMB.

#### *Design Approval*

The JMB considers the projects which have prepared Concept Notes, based on the assessment of PARCO. The JMB affirms that each project recommended for funding conforms directly to the priorities defined in the PAR Strategy and Revised Action Plan, and where this is the case formally approves the project for funding.

Based on JMB approval, an approved project is sent for preparation of its Terms of Reference and tender documentation.

#### *Procurement Preparation*

Once approved, each project's Concept Note is returned to the potential beneficiary institution, Supervisory Team, PAR Coordinator or government representative for further development.

The project's Terms of Reference are developed by the potential beneficiary institution, Supervisory Team, PAR Coordinator or government representative, according to a template and instructions provided by PARCO. The Terms of Reference include all project detail, including a detailed project budget and time frame.

Once completed, these DRAFT Terms of Reference are submitted to PARCO for comment. PARCO comments in detail, and returns the Terms of Reference to the potential beneficiary institution, Supervisory Team, PAR Coordinator or government representative.

The potential beneficiary institution, Supervisory Team, PAR Coordinator or government representative finalised the project's Terms of Reference based on PARCO's feedback and then submits the final Terms of Reference to PARCO for initiation of the procurement process.

PARCO's procurement expert prepares all tender documentation, based on and including the final project Terms of Reference. The procurement expert prepares an approval sheet for each project, confirming that project design and documentation meets all procurement criteria and that the Terms of Reference have been prepared in line with the original project Concept Note.

#### *Procurement Approval*

The JMB approves each project's tender documentation according to the recommendations of the procurement expert. The JMB sends each approved project to PARCO for tendering.

### **6.2.2 Framework Contracts**

It is recommended the JMB consider tendering for framework contracts with companies for provision of services in each of the six reform areas. Framework contracts can be a good tool for ensuring that quality of expertise is available and provided to PARF-funded projects in an efficient and timely manner, and is readily available when required. Challenges are faced by the PARF in procuring good quality expertise through individual tenders for each project, challenges related to the complexity of the processes of the procurement law and the requirement to accept the lowest offer, irrespective of variations in the methodologies of bidders. A framework contract would provide an avenue for ensuring best practice in personnel and methodology, and in a cost-efficient way.

Procedures for procurement would need to be developed and refined based on the lessons learned and approaches of donors such as Sida and the EU, and would need to meet standard tendering procedures, in line with BiH's Public Procurement Law, as well as Sida procurement guidelines. The best offer in each reform area would be selected. It would be possible for the JMB to decide on a single framework contract for the whole of the PARF, but given the range of requirements across reform areas, it is suggested that six separate contracts be awarded. There should be no restraint on a company or consortium tendering in more than one reform area.

As well as enabling the implementation process for PARF-funded projects, as they are developed, it would also be possible to fund short-term initiatives through the PARF that would complement and assist project initiatives.

### **6.2.3 Individual versus Joint Projects**

It is recommended that the strong focus on development and implementation of 'joint projects', in favour of 'individual projects' be changed.

The emphasis should not be on individual over joint projects, but the existing constraints on development and implementation of individual projects should be eased. More individual initiatives should be allowed and encouraged, specifically where they contribute to overall reform goals and add value to joint projects and the general efforts of the PARF.

#### 6.2.4 Structure and Implementation of Procurement For PARF-funded Projects

Given the imminent delivery of the GIZ-funded consultancy report on BiH procurement law and the PARF, no specific comments nor recommendations are made here. It is the view of the evaluation that the more detailed assessment and recommendations of that report – specifically directed at procurement and the PARF – be a focus of the JMB, PARCO and donors moving forward.

It is, however, recommended that PARCO engage a specific human resource, either on a consultancy basis or as part of staff, to be responsible for all aspects of procurement, and all aspects of ensuring that tender documentation is prepared in line with BiH legislative requirements, and fulfils these requirements when a tender is issued. The engaged resource must demonstrate a high level of training, expertise and experience in these areas.

#### 6.2.5 Improvements to Project Result Frameworks (and Reporting)

It is recommended that PARCO access, with support and assistance from the JMB, the necessary technical and training resources to develop PARCO's in-house capacities and skills in the development of result frameworks for funded projects, and in the use of these frameworks in project reporting and evaluation.

The current structure and content of project designs and reporting, as well as the current analysis found in evaluation documentation, is directed at the activities of projects, with some relatively minor focus on outputs. Documentation does not address the more important aspects of project outcomes, and specifically the contributions made by the project to actual public administration reform.

#### 6.2.6 Integration of Gender Equality as a Cross-Cutting Theme

Gender equality is a human right and a prerequisite for poverty reduction and sustainable development. Gender equality is achieved when women and men, girls and boys, have equal rights, conditions, opportunities and power to shape their own lives and affect society. In this context, gender equality is one of three thematic priorities for Swedish development assistance, and it is intended that a gender perspective be found within all work supported by Sida. It is the view of Sida that the engagement of men is important in work addressing gender equality, and supports efforts where the approach uses men as key agents of change.

Sida's support to targeted interventions on women's rights and gender equality focus mainly on five aspects of the gender equality agenda:

- Women's Political Participation and Influence.
- Women's Economic Empowerment and Working Conditions.
- Sexual and Reproductive Health and Rights.
- Girl's and Women's Education.
- Women's Security, including Combating All Forms of Gender-Based Violence and Human Trafficking.

This context provides a useful framework for the PARF and PARCO in developing and implementing the focus on gender equality that is to date not apparent in projects, project designs and in the assessment frameworks used in determining which projects will receive funding. The first two aspects of the gender equality agenda defined above fit well within the focus and activities of the PARF, and are the focus of recommendations.

It is recommended that PARCO improve the integration of gender equality as a cross-cutting theme through implementation of a strategy involving two separate, but mutually-supportive approaches.

Approach 1 – Within the intent of the PAR Strategy and the defined focus areas the Revised Action Plan, project ideas/ concepts with a *specific focus* on women’s political participation and influence and on women’s economic empowerment and working conditions should be encouraged. Specifically, across all Reform Areas, supervisory teams and PAR Coordinators should be encouraged to consider initiatives that address the focus of the Reform Area while concurrently addressing these focus areas. For example:

- For initiatives in human resource management, a policy and procedural focus on career paths, development of management capabilities and experience.
- Gender-responsive budgeting policies and practice.
- Gender-focused policies in administrative procedures – this could include a gender specific aspect to the development of all policy discussions/ policy development related to working conditions within the public service.
- Gender-specific requirements in strategic planning processes.

Approach 2 – Ensure that gender equality is on the agenda of beneficiary agencies, supervisory teams and PAR Coordinators in discussions about project ideas and implementation. It is important that being ‘on the agenda’ does not mean that a box is ticked at the design stage as a result of the words ‘gender equality’ being part of the discussion. Of greater importance than seeing the words is for there to be an actual consideration of possible gender-focused aspects of a project and the potential beneficial outputs/ outcomes. In other words, unlike Approach 1 which is focused on specific actions, this approach is designed to bring a serious consideration of gender equality into discussions within PARCO and the PARF, and with beneficiary agencies.

### 6.2.7 Integration of an Anti-Corruption Focus as a Cross-Cutting Theme

Sida defines corruption as an ‘Abuse of trust, power or position for improper gain. Corruption includes, among other things, the offering and receiving of bribes – including the bribery of foreign officials – extortion, conflicts of interest and nepotism.’ Sida conducts its anti-corruption work at four different levels, two of which are specifically relevant to the PARF:

- Promote ethics and integrity within its own organisation (Sida).

- Counteract corruption in Swedish-funded projects and programs. *At this level, and related to the PARF, an increased focus on control and risk management is necessary.*
- Support partner country efforts to combat corruption through strategic interventions. *At this level, and related to the PARF, it is important to strengthen the sense of citizenship and to promote a rights perspective. Sida supports efforts aimed at increasing democratic participation, transparency and accountability, essential to change corrupt prone environments. Civil society has a crucial role to play.*
- Participate in international anti-corruption work.

BiH has an Strategy on Anti-corruption. It is also appropriate within the structures and priorities of PARCO and the PARF that this strategy be taken into consideration with the same intent and focus as Sida's priorities.

It is recommended that PARCO improve the integration of anti-corruption as a cross-cutting theme through implementation of a strategy involving two separate, but mutually-supportive approaches.

Approach 1 – It is critical that a focus on anti-corruption, as a priority of PARF-funded projects, and as a specific set of actions, is visible in project ideas, Terms of Reference and tender documentation, as well as in PARF and PARF-funded project monitoring and reporting. This visibility is an important first step. More important than simply being visible in documents, it is important that an actual discussion about corruption, and anti-corruption measures has taken place during design and implementation. There is no value for citizens, government, donors or PARCO in inclusions of rote discussions on anti-corruption in project documentation – the real value will come from serious discussions about control and risk management, and seeing well-considered, even if small, activities in project design that address these aspects of an anti-corruption focus.

Approach 2 – Bring citizens (directly and/ or through civil society organisations) into project design discussions with the specific intent of influencing design in relation to an anti-corruption focus. This approach need not require significant time, and can add real value in conceiving appropriate approaches to addressing corruption. It is important to understand that a different set of mechanisms and types of discussions are required when designing an anti-corruption project compared with any given project's cross-cutting approach to anti-corruption. Two things are important: 1) the perspective and involvement of civil society as a way of informing design and 2) the intention to work with civil society, over time, in developing and improving anti-corruption approaches in public sector reform activities.

## 6.3 RECOMMENDATIONS FOR SIDA/ THE EMBASSY

The key role for Sida/ the Embassy in the changes required within the PAR Fund and PARCO is in the role of support to PARCO and the JMB in discussions with government and in enabling the changes through their own discussions at a government level. The following recommendations are provided in this context.

### 6.3.1 Continued Advocacy Related to Government Decision-making

The Swedish Embassy acts on behalf of Norway and Denmark in Bosnia and Herzegovina. This unified voice should be used for on-going advocacy with BiH governments at all levels for an adequate response to public administration reform and the related (low) utilisation of funds from the PARF. It is the view of the evaluation that Embassy officials should invest efforts on behalf of these governments, together with the EUD and other donors, in advocating with the new government to act as per their declaration of support to the EU integration processes, reflected in modernising and reforming the public administration to meet the needs of citizens and requirements of EU accession.

### 6.3.2 The Role of the Joint Management Board of PARF

(This recommendation is also visible in the recommendations to government, and will need to be approached jointly.)

It is noted that the MoU stipulates (Articles 28, 29 and 30) that the JMB itself will adopt its rules of procedure and that these rules will include decision-making mechanisms and disbursement procedures, and defines key aspects of the work of the JMB. It is recommended that the JMB clearly define these mechanisms and procedures in such a way as to facilitate the implementation of PARF-funded projects. Key to this facilitation is to affirm and apply the procedures defined at 6.2.1 and 6.2.2 above, or other related procedures designed to facilitate the moving project from concept to approval to implementation.

# Annex 1 – Terms of reference

Terms of Reference for the evaluation of Public Administration Reform Fund in Bosnia and Herzegovina phase 2, 2012-2016

Date: 3 November 2014

Case number: UF 2012/12316

## 1. Background

The Public Administration Reform (PAR) in Bosnia and Herzegovina (BiH) has been recognized as a key priority not only for the development of the country, but also for the European partnership. Despite the progress made on the level of strategy formulation (elaboration of Public Administration Reform Strategy and its accompanying Action Plan1- AP1 and Revised Action Plan1- RAP1) and on the level of institution building of coordination and implementation systems (establishment of the Public Administration Reform Co-ordination Office- PARCO) the administrative structures remain cumbersome and in some cases fragmented, therefore prone to duplication and unclear division of powers. In addition to the above, the EU Delegation in BiH points out that the public administration in Bosnia and Herzegovina is known to be large, complex and with often overlapping competences and duplications of functions and an unclear division of responsibilities across the various levels of governments. The country's administrative structures need to be strengthened substantially in order to be able to respond effectively to the requirements of the EU integration process and to deliver services to its people. The process of reforming the public administration lacks the necessary political support needed to modernize the administrations not only for EU integration purposes but primarily in order to meet the expectations of its citizens and businesses.

Sida has supported the public administration through the PAR Fund for seven years, so it is deemed that an independent evaluation should be carried out to consider the results of the support and to advice on the direction of any further support.

## 2. Project background

Government of Sweden has recently adopted the new **Results Strategy for Reform cooperation with East Europe, Western Balkans and Turkey 2014-2020**. The results strategy aims to assist the countries in the Eastern Partnership, the Western Balkans and Turkey to reform and develop their public administrations and forge closer links with the EU. The objectives of the Swedish bilateral cooperation with Bosnia and Herzegovina which refers to the PAR process are defined in the Strategy

within the **Result Area 2 A** - *Strengthened democracy, greater respect for human rights and more developed rule of law, with a focus on strengthened public administration*

### **PAR Fund 1<sup>st</sup> phase**

For the management of the reform process, **the** PAR Strategy entails creation of the **PAR Fund (PARF)** through the joint cooperation of several donors (Sweden, UK, the Netherlands and the Delegation of the European Union in BiH).

PARF was designed and established as a source of funding for technical and expert assistance in the implementation of projects defined on the basis of activities envisaged in Action Plan1, after approval by the PARF Joint Management Board (PARF JMB). Assets of this fund were supposed to serve as a supplement to the available budgetary funds used to fund the reform of public administration. For the purpose of functioning of the PARF the Memorandum of Understanding for the establishment of the Public Administration Fund was signed by participating authorities and donors on 12 July, 2007.

The overarching objective of PARF is to ensure a harmonized approach to efforts to support the implementation of projects - in the whole of BiH - that fall within the framework defined by the PAR Strategy. The PARF operates in the six areas defined in the PAR Strategy:

- policy-making and coordination capacities
- public finance
- human resources management
- administrative procedure
- information technologies
- institutional communication

In the first phase of support, 14 projects were implemented. No independent evaluation of the projects has been made.

The total amount of 4.5 million EUR has been provided by the three donors Sweden, UK and the Netherlands (1, 5 MEUR each). The BiH did not contribute to the PAR Fund in the first phase, but the whole cost for running PARCO's office is covered by the BiH governments. The EU Delegation provided technical assistance to PARCO.

### **PARFund 2<sup>nd</sup> phase**

The second phase of the PAR Fund is a continuation of the first phase, working in just slightly changed six areas of public administration with the same aim as the first phase.

To date 26 projects have been decided to be implemented, of which 12 are completed, 5 are on-going and 9 are in the procurement stage. PARF uses the BiH public procurement law when tendering internationally for consul-

tancy support to implement the projects. This is a sometimes long process, decreasing the efficiency of the operations.

In January 2012 Sweden signed the agreement with BiH on implementation of the second phase of financial assistance to the PARF. Total Swedish contribution to the PAR Fund 2<sup>nd</sup> phase amounts 28 MSEK (approx. 3 MEURO). New donors, Norway and Denmark contributes with equivalent amounts, while the BiH governments contributes approximately 350 000 € from their respective budgets. Continued technical assistance is provided by the EU Delegation and GIZ.

In 2013 Sweden has decided to carry out the project Public Administration Reform Monitoring (PARM) implemented by two non-governmental organizations (Transparency International BiH and Center for Investigative Journalism) with the aim to put more pressure on the implementation of reforms in the public sector through information and lobbying activities. Denmark has joined Sweden in these efforts and decided to co-finance the project.

### **3. Evaluation Purpose and Objective**

Sweden, as one of the financiers of the project, has undertaken to perform the evaluation of the PAR Fund in order to assess the overall level of achievement of the goals and results, effectiveness and impact of projects finalized through the project, effectiveness of risk management, the quality of coordination and communication between the project stakeholders, and interaction of non-governmental organizations and media with the project partners. The evaluation should provide recommendation whether continued Swedish support to the PARF is considered feasible and if so, under which conditions.

The evaluation should also advice the Governments of BiH regarding the operation of the PAR Fund, its strength and weaknesses, possible improvements and in relation to other forms of international support to implementing a public administration reform strategy, etc.

It is expected that the evaluation will:

- Evaluate quality of the project design
- Evaluate the project progress against the planned activities
- Evaluate the project progress against overall sector development to assess the relevance of the activities
- Evaluate how the cross-cutting issues of gender equality and anti-corruption efforts have been included and which results they have given
- Make recommendations and share lessons learnt that will be useful for further planning and programming

#### 4. Organisation, Management and Stakeholders

Main stakeholders in the project are PARCO and respective entity PAR Coordinators. PARCO is responsible for overall coordination of AP1 while entity PAR Coordinators are responsible for coordination within each specific administrative level, together with PARCO. The PAR Coordinator's Office has a system for Monitoring and Evaluation to track the progress toward achievement of the Strategy objectives.

Functioning of the PARF is ensured through the Joint Management Board (PARF JMB), whose members represent donors, PARCO, the entity governments and the District of Brčko (PAR coordinators) and representatives of the Ministry of Finance and Treasury (MoFT).

#### 5. Evaluation Questions and Criteria

The following evaluation criteria should be considered

- **Effectiveness:** Has the project achieved its objectives and its planned results and to what extent? Which are the main reasons identified to have affected the success and the deviations from the project plan? How well has the project implementation been following the agreed plans for activities, reporting and dialogue? What has been the level of preparedness and response from project partners to fulfil their expected roles in the implementation? How has the coordination worked from the project partner side? Has the communication flow in the project been sufficient to support a smooth implementation? What could have been improved in order to strengthen the dialogue between the project partners and expedite the necessary measures to avoid delays? Has the PARF JMB worked effectively as a coordinating and strategic dialogue mechanism? Has the donor coordination been carried out according to plans?
- **Relevance:** To what extent was the intervention relevant to the BiH's process of EU integration? How much is Bosnia and Herzegovina involved in the planning and execution of the intervention?
- **Sustainability:** Are beneficiaries in a good track to demonstrate ownership of reforms? Have the results from the projects in phase 1 been sustained?
- **Impact:** What are the overall effects of the intervention, intended and unintended, long term and short term, positive and negative? To what extent has the project contributed to the strengthening and modernization of the BiH administration in general and improved services to the taxpayers? How the Swedish support is placed and perceived by the beneficiary in the framework of other international assistance programs and what are the comparative advantages and disadvantages of the Swedish support? Is there a specific approach identified for the Swedish program that can be followed also in the future?
- **Continuation of support:** How relevant would a new phase be? Is there a need for continued Swedish support? In case of continued

cooperation what should be included in it, considering the absorption capacity of PARCO and other ongoing or planned international assistance? How well is PARCO prepared to handle and eventually lead donor coordination in the field of PAR process in BiH? What is the capacity of PARCO to articulate their needs? How can the lessons learned from the earlier project phases be incorporated in the new possible phase in order to improve both its design and implementation? What are the recommendations for further PAR interventions? What are the recommendations for Sweden in supporting PARF?

## **6. Conclusions, Recommendation and Lessons Learned**

The evaluation team is expected to provide PARCO and Sida with its conclusions, recommendations and lessons learned regarding the implementation of the PAR Strategy, the PAR Fund and the development cooperation in this regard between Sweden and other international development partners and PARCO, and to give suggestions for improved management of the same in the future.

## **7. Approach and Methodology**

### **Evaluation tasks**

The evaluation team leader will be responsible for conducting the evaluation and will be the principal contact with the Embassy of Sweden in Sarajevo. He/she will also be responsible for the writing of the final assessment report with an executive summary, major findings and conclusions, a description of the evaluation methodology and specific program recommendations.

#### **Task 1: Desk Review**

This review shall include reading all relevant background materials (the evaluators should read the background documentation before starting the field work in BiH).

#### **Task 2: Develop a Written Fieldwork Plan**

Using the information gained from the desk review together with information provided in this ToR, the evaluator will develop a plan for conducting the fieldwork. The plan will be presented, discussed and agreed with the Embassy of Sweden in Sarajevo.

Task 1 and 2 will be carried out in December 2014.

#### **Task 3: Conduct a Field Evaluation**

The evaluators will meet with the Embassy of Sweden in Sarajevo in the beginning of the field work as well as during the field work at least once to report about how work is developing.

The evaluators will trace the results of ten of the concluded projects from the first phase of PARF, and describe the results and conclusions in an annex to the evaluation report. The team will also evaluate two of the projects in phase two of PARF, and describe its findings in an annex to the evaluation report. The projects will be chosen by the evaluation team, in consultation with PARCO and the Embassy of Sweden in Sarajevo. A geographical distribution in the country is essential.

Besides the project evaluations, the team will carry out interviews with different stakeholders in BiH in order to get thorough information about the PAR Fund and its operations.

The field work will be carried out in January/February 2015.

#### **Task 4: Debriefings and workshops**

At the end of the field work, a debriefing meeting will be held with the Embassy of Sweden and PARCO in order for the evaluation team to present its preliminary findings and recommendations.

### **8. Work plan and schedule**

Tasks to be performed	xxx Senior experts and xxx local experts divided in two teams
<i>Desk review and planning</i>	X days
<i>Evaluation incl. field trips</i>	X days
<i>Draft evaluation report</i>	X days
<i>Workshop with stakeholders</i>	X days
Finalization of the report	X days
<b>TOTAL</b>	<b>X days</b>

### **9. Reporting and Communication**

#### Deliverables

- A. Written Fieldwork Plan** as described in Task 2 due before fieldwork commences.
- B. Draft Evaluation Report** due within 14 calendar days following completion of fieldwork. Draft evaluation report shall be presented to Swe-

den and PARCO for their comments. After receiving the comments a draft final evaluation report will be presented and used for the Workshop with stakeholders.

### **C. Workshop with stakeholders**

After the draft final written report has been presented, a one-day workshop should be held in Sarajevo to present the conclusions, recommendations and lessons learned to all interested stakeholders and allow for in-depth discussions and comments from all involved relevant comments and suggestions shall be incorporated in the Final Evaluation Report.

**D. Final Evaluation Report** due not more than 7 calendar days after the Workshop with stakeholders. The final evaluation report will include, at minimum, an executive summary; major findings and conclusions; a description of the evaluation methodology; and the overall impact of the project efforts; and specific program recommendations. The final evaluation report will be submitted to Mario Vignjevic, Programme Officer responsible for Public Administration Reform and Local Governance Reform in the Embassy of Sweden in Sarajevo in electronic format within 5 business days after receiving Sweden's final written comments and/or question

All deliverables must be in English.

### **Budget ceiling for the assignment is 500,000 SEK.**

Payment will be due after Sweden have approved the Final report and received an invoice from the Evaluator. The evaluation shall be paid from the overall project budget.

## **9. Evaluation Team Qualification**

Senior Experts (international) and national experts

The international experts should have:

- at least 10 years of professional work experience including evaluation processes
- possess core evaluation competencies
- relevant educational background, qualification and training in evaluation
- technical knowledge and thorough work experience related to the public administration field
- excellent analytical skills
- at least one should be familiar with the Balkans region (preferably BiH)
- be sensitive to customs and act with integrity and respect in relationships with stakeholders

The national experts should have

- Academic degree (minimum BA) in an area relevant to the person's role within the Services.
- At least 5 years of professional experience in the area relevant to Public administration reform processes
- Excellent communication and writing skills in English language as well as in the local language

## 11. References

- Sida's Template for Evaluation Reports (found at Inside under Support).
- Sida's Template for Management Response for Evaluation (found at Inside under Support).
- The BiH PAR Strategy
- The PAR Action Plan 1 and Revised Action Plan 1,
- Specific Agreement between Sweden and Bosnia and Herzegovina represented by the CoM for PARF 1 and 2
- Programme documents for PARF phase 1 and 2 and from the PAR Monitoring Project
- Progress and Financial Programme reports on PARF phase 1 and 2
- Final Project reports from PARF phase 1 and 2

# Annex 2 – Inception Report & Evaluation matrix

## 1 Assessment Of Scope Of The Evaluation

### 1.1 THE ASSIGNMENT

The Government of Sweden provides development assistance to Bosnia and Herzegovina through the strategic structure of the Results Strategy For Reform Cooperation With Eastern Europe, Western Balkans and Turkey 2014-2020. The intent of this strategy is to assist countries to reform and develop their public administrations and to build closer links with the EU. In terms of the Strategy's objectives in Bosnia and Herzegovina, the focus is on *Result Area 2A - Strengthened democracy, greater respect for human rights and more developed rule of law, with a focus on strengthened public administration.*<sup>33</sup>

#### 1.1.1 Public Administration Reform In Bosnia And Herzegovina

According to the Terms of Reference for this evaluation, Public Administration Reform (PAR) in Bosnia and Herzegovina (BiH) has been recognized as a key priority, not only for the development of the country, but also for the country's European partnership (Sida has supported this reform for seven years). Progress has been made in strategy formulation, including the development of the *Public Administration Reform Strategy*<sup>34</sup> (hereinafter referred to as the PAR Strategy). The Strategy is expiring at the end of 2014. According to the PAR Strategy document:

*This Strategy for Public Administration Reform aims at reforming the Public Administration of BiH, to substantially improve BiH's administration over the next decade. The reform is a precondition for the integration of BiH into the European Union, which considers sufficient administrative capacity, and the ability to adopt and implement the core of EU law (the *acquis communautaire*), a key requirement for EU membership. This Strategy aligns with key strategic documents and commitments of BiH, such as the European Partnership, the BiH Strategy for European Integration, and the Mid-Term Development Strategy.*

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<sup>33</sup> Evaluation Terms of Reference.

<sup>34</sup> *Public Administration Reform Strategy*. The Joint Strategy was agreed by the Heads of Government in the summer of 2006. AP 1 covers the overall development of horizontal administrative capacities such as legislative drafting, administrative procedure, human resource management, public finance, policy-making and legislative drafting, institutional communication, and information technologies. AP 2 focuses on the organisation and strengthening of public sectors - amongst others- to enable the public administration in BiH on all levels to adopt and implement the *acquis*.

An *Action Plan 1* and a *Revised Action Plan 1* have been prepared in support of PAR Strategy implementation. The Revised Action Plan 1 expires at the end of 2014. Progress in PAR Strategy implementation is visible as well in the creation of the Public Administration Reform Coordination Office (PARCO) as the key implementation agency.

However, the Terms of Reference also point out the inherent difficulties in PAR in BiH, with the fragmented, cumbersome, unclear and redundant administrative structures, which it is understood to require substantial strengthening “in order to be able to respond effectively to the requirements of the EU integration process and to deliver services to its people.”<sup>35</sup>

### **1.1.2 The PAR Fund**

The PAR Strategy incorporates the PAR Fund (PARF) as a fundamental component to assist in the reform process. The PARF was designed and established as a source of funding for technical and expert assistance in the implementation of the projects defined in the PAR Strategy’s Action Plans. The PARF is funded by Sweden, the UK, the Netherlands and the Delegation of the European Union in BiH (EUD) and is overseen by a Joint Management Board (the PARF JMB). Contributing donors and relevant Authorities in BiH signed a Memorandum of Understanding for the establishment of the PARF in July 2007.

The objective of the PARF is to ensure a harmonised approach to the support of project implementation, across the whole of BiH, within the framework of six key areas defined in the PAR Strategy<sup>36</sup>:

- Institutional Communication
- Human Resources Management
- Administrative Procedures And Administrative Services
- Strategic Planning, Coordination and Policy Making
- E-Government
- Public Finance

The main stakeholders of the PARF are PARCO and the PAR Coordinators in each entity. PARCO is responsible for overall coordination of Action Plan 1, including coordination with PAR donors, operational management of the PARF and

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<sup>35</sup> Evaluation Terms of Reference.

<sup>36</sup> While there has been some slight reworking of details and names of these six key areas, they remain fundamentally the same. The names used throughout the evaluation reflect current usage.

coordination with administrative bodies responsible for PAR processes. PAR Coordinators in each entity are responsible for coordination within each specific administrative level, as well as with PARCO.

The PARF is overseen by the Joint Management Board (PARF JMB), which represents donors, PARCO, entity governments, the District of Brčko and the Ministry of Finance and Treasury of BiH (MOFT).

A total of 5,5 million Euros was contributed to the PARF for Phase 1, comprising 1.5 million Euros each from Sweden and the Netherlands, and 2,5 million Euros from the UK (DfID). The EUD provided funding for technical assistance to PARCO. BiH contributed to the PAR by funding the running costs of the PARCO offices.

In the first phase of the PARF, 15 projects were supported. Of these 14, 11 are completed, and are the subject of this evaluation.

<b>Overview Of Projects Funded by the PARF In Phase I<sup>37</sup></b>				
<b>Project Number Per The PARCO Website<sup>38</sup></b>	<b>Title Of The Project</b>	<b>Reform Area</b>	<b>Contracted Budget in BAM<sup>39</sup></b>	<b>Total disbursed in BAM with VAT</b>
1	Establishment of Network of Info Stands	Institutional Communication	155,610	148.395
2	Strategic Communications	Institutional Communication	149,526	145.579
3	Training of Public Relations Officers	Institutional Communication	128,285	128.198
4	Development of Performance Management System in the Structures of Civil Service in BiH	Human Resources Management	760,383	744.151
5	Draft of Administrative Decision Making in BiH Quality Improvement Programme	Administrative Procedures And Administrative Services	444,600	404.581
6	Improvement of Rules and Procedures for Legal, Other Regulations and General Acts Drafting in BiH	Strategic Planning, Coordination and Policy Making	786,041	674.980
7	Blueprint of Development of Central Bod-	Strategic Plan-	1,802.930	1,731.879

<sup>37</sup> This evaluation shall focus on these Phase I projects which are completed.

<sup>38</sup> The Project Number per the PARCO website will be used as the reference project number throughout the evaluation.

<sup>39</sup> BAM (Bosnian Convertible Marks) – the exchange rate in December 2014 is 1.96 BAM to the Euro.

	ies of Governments in BiH - Implementation of the phase I (Procurement of consultancy services and Procurement of equipment)	ning, Coordination and Policy Making		
8	Transposing EU Legislation in the Legal System of BiH	Strategic Planning, Coordination and Policy Making	395,752	394.201
9	Training of Civil Servants for Application of Information Technologies and Work on Computers	Human Resources Management	1.213.425	1,207.751
10	Design and Establishment of Interoperability Framework and Standards for Data Exchange	E-Government	191,571	177.379
11	Budget Management Information System (Procurement of consultancy services and Procurement of equipment)	Public Finance	1,256.078	1,217.122

The other three supported projects in Phase 1 are summarised below. They are as yet not completed, and are not the subject of this evaluation.

	Establishment of modern departments for HRM in bodies of administration in BiH	1.594.711	
	Training of Public Relations Officers – Phase II	120.000	
	Building of Capacities for Combat against Corruption in the Structures of Civil Service in BiH	500.000	
	Treasury Information System of the Brčko District	648.000	

In January 2012 Sweden signed the agreement with BiH on implementation of the second phase of financial assistance to the PARF. The Swedish contribution to Phase II of the PARF is 28 MSEK (approximately 3 million Euros). Norway contribution is 24 MNOK (approximately 3 million Euros) and Denmark will contribute with 28,25 MDKK (approximately 3.76 million Euros), while the BiH governments contributed so far with approximately 473.000 Euros (BAM 925.000) from their respective budgets. Continued technical assistance is being provided by the EU Delegation and GIZ.

One project from Phase II of the PARF has been completed (with funding from Phase I), and is also the subject of this evaluation.

12	Widening of the Information System for Human Resources Management by Software Modules for Personnel Planning and Maintenance of the Internal Labour Market in the Republic Bodies of the Republic of Srpska	Human Resources Management	57.587	57.587
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The Terms of Reference indicate that no independent evaluations have been made of the 12 nominated projects, but in fact 6 have been evaluated (these evaluations are judged by the current evaluation team as being of varying quality). These evaluations have been assessed and provide part of the framework for the methodology described below.

### **1.1.3 Public Administration Reform Monitoring**

Since 2013 Sweden and Denmark have been supporting the monitoring of Public Administration Reform in BiH through the Public Administration Reform Monitoring Project (PARM), which is being implemented by Transparency International BiH and the Centre for Investigative Journalism, two non-governmental organisations. The intent of the Project is to maintain pressure on governments in BiH to continue with public sector reforms. This pressure is intended to be delivered through information-sharing with the public and with lobbying activities.

### **1.1.4 The Evaluation – Purpose And Objectives**

The evaluation will consider the results of the PARF, and funded projects, and to advise on the direction of any further support.

The evaluation will also inform donors and the Governments of BiH regarding the operation of the PARF, including its strengths and weaknesses, and will, where possible, suggest improvements in operations and other forms of international support for the purpose of implementation of BiH’s public administration reform strategy.

The evaluation will:

- Evaluate the implementation of funded projects against overall sector developments, to assess the relevance of funded activities.
- Evaluate the implementation of funded projects against plans, subject to the available documentation and the time limitations of the evaluation.
- Evaluate if and how the cross-cutting issues of gender equality and anti-corruption have been included in the design of funded projects, and what results are visible as a result of this inclusion.
- Share lessons learned that will be of value for further planning and programming.
- Make recommendations for further planning and programming.

## **2 Relevance And Evaluability Of Evaluation Questions**

### **2.1 EVALUATION QUESTIONS**

The following are the evaluation team’s proposal for adapting and adjusting the questions in the Terms of Reference. They have been modestly adjusted to provide for better evaluability, to better highlight key issues and to provide a clear and more streamlined structure for the main evaluation report. Some questions have been shifted to different criteria to provide a basis for more structured analysis.

#### **2.1.1 Relevance**

To what extent were governance structures and/ or administrative bodies involved in determining the content and focus of funded projects?

Do the funded projects demonstrate clear importance to BiH’s EU integration processes?

To what extent are reforms viewed as viable by beneficiaries/ project partners in the BiH administrations, and thereby contribute to ownership of PARF initiatives?

Are the six, currently nominated reform areas still relevant as the key reform areas for PAR in BiH? Are there any indicated changes in these priorities that would be relevant to donors, PARCO or BiH governments?

How is Swedish support perceived by the beneficiary institutions in the framework of other international assistance programmes? What are the comparative advantages and disadvantages of Swedish support?

### **2.1.2 Effectiveness**

To what extent has the implementation of funded projects followed agreed activity planning and reporting?

Does PARCO have sufficient absorption capacity, given potential support from Sida and other potential support from international donor agencies?

To what extent have funded projects achieved their objectives and planned results?

What are these results – what examples/ indicators are there of a successful reform process being undertaken?

What have been the key factors which have affected the success (or failure) of the funding support to projects?

How willing and prepared have beneficiaries/ project partners been to fulfil their expected roles in the implementation of funded projects?

### **2.1.3 Efficiency**

How effective has coordination of the overall programme been? (The evaluation will address this question in relation to PARCO as well as for the PAR Coordinators. )

- Specific attention will be addressed to communication flows, and their support to a smooth implementation of funded projects.
- Specific attention will be addressed to dialogue strategies, including between beneficiaries/ project partners, governments, donors, PARCO and PAR Coordinators, and the impact these strategies have had on implementation. Specific emphasis will be placed on improvements in dialogue (and other coordination processes) that can enable a more timely implementation of funded projects.
- Specific attention will be addressed to the role and function of the PARF JMB in coordination/ dialogue processes.

#### **2.1.4 Sustainability**

Are beneficiaries/ project partners demonstrating ownership of the reforms that have been proposed, modelled, or implemented with the funded projects?

To what extent are beneficiaries/ project partners integrating the roles/ activities expected of them in their regular work routines following funded project interventions?

Are there indications that results of funded reforms being integrated into formal public administration institutional norms and procedures?

#### **2.1.5 (Road To) Impact**

Are there indications of longer-term effects of the funded projects (and the PARF more generally), whether positive or negative?

Are there indications that funded projects are (or have) contributed to strengthening and modernizing the public administration in BiH?

How do these results achieved contribute to fulfilment of the PAR Strategy?

#### **2.1.6 Cross-cutting Issues (Gender And Anti-Corruption)**

The evaluation will undertake an assessment of whether and how funded projects (and PARF policies and procedures) specifically address certain cross-cutting issues. As per the Terms of Reference, the issues to be assessed are gender inclusion/ equality and corruption.

Document assessment during the inception phase indicates that the 12 projects being assessed within this evaluation have no explicit focus on gender or corruption as cross-cutting (or indeed priority) issues. The evaluation will therefore explore whether the projects are being implemented within any structural, policy or procedural commitments and frameworks related to gender equality and anti-corruption, and will raise these issues with PARCO and other relevant stakeholders to ascertain current policies and strategies in these areas. In addition, the evaluation will look at the extent to which the PARF JMG sees gender and anti-corruption as substantive issues within the context of public sector reform. If actions are being taken in these areas, the evaluation will also assess the extent to which beneficiaries/ project partners have embraced and utilised the support received in relation to gender equality and anti-corruption in their regular work.

With regards anti-corruption efforts, specific enquiry will be made as to whether corrupt practices are being encouraged/ discouraged, either directly or indirectly as a result of the implementation of the different projects.

## 2.2 CONCLUSIONS, RECOMMENDATION AND LESSONS LEARNED

The evaluation will advise the Governments of BiH, and Sida, regarding the operation of the PARF, including its strengths and weaknesses, and will address as appropriate any possible improvements in the management of the PARF and, more generally, in public sector reform in BiH.

The evaluation report will provide PARCO and donors with an analysis of the lessons that have been learned in the PARF process to date. On the basis of the detailed analysis of the PARF, recommendations will be provided to PARCO and Sida with regards the PAR Strategy and next steps for the PARF. The evaluation report will, as appropriate, address specific recommendations on other future PAR interventions, and on the appropriateness, and relevant focus, of Sida support to the PARF. Where possible the evaluation will propose specific indicators for the Swedish support to PAR in the future.

In the conclusions and recommendations the evaluation will address, and provide analysis of, the following questions related to further Swedish support to the PARF:

- Is there a need for continued Swedish support?
- What should be the focus of continued support to ensure its on-going relevance to BiH PAR processes?
- Is PARCO prepared to lead PAR processes in BiH? Specifically, does PARCO have the skills and experience to lead donor and entity coordination of PAR initiatives? If not, what specific capacity development is required?
- What lessons have been learned to date that are critical to future and on-going PAR processes across BiH?

## 2.3 LIMITATIONS TO THE EVALUATION

2.4 Six important factors will impact on the ability of the evaluation team to provide the necessary analysis in order to assess results against plans and to provide appropriate lessons learned and recommendations:

- Due to the political complexities in BiH, it is necessary to draw on an extensive range of views/ information/ data to ensure the varying political perspectives and constraints are understood.
- The analysis of 12 separate, complex projects, delivered by different agents with different methodologies, across the two entities and Brčko, will be limited due to time available for both field work and subsequent analysis.
- Additionally, the content of the 12 projects is quite diverse and direct comparisons may be difficult, so generalisations across the sample will need to be treated carefully.

- Outcome level assessments will be limited by the scope of each project’s activities and outputs, including whether or not there was any design focus at the outcome level. Initial review of the documentation suggests that most of the objectives are at activity and output level, which will constrain analysis at outcome level.
- Assessment of impact will be constrained by the timeframes, as it too early to assess long-term effects and in many cases, as noted above, the outcome level intentions of the interventions is not always clear. However, effort will be made to understand if, and where, outputs of interventions have been integrated into the administrative and or governance systems.
- PAR in BiH is heavily constrained by political factors. The evaluation team recognises that these will strongly influence the extent to which achievement (and non-achievement) of results can be attributed to the PARF. The evaluation will comment on these factors but will not be able to undertake a thorough analysis of the political economy of PAR in BiH.

### 3 Proposed Approach And Methodology

#### 3.1 APPROACH

As is detailed above, the key to the field work and methodological approach, as well as a limitation to evaluation outcomes, is the ability of the evaluation team to best extract information from the range of funded projects, across the entities and Brčko. Given the time limitations, within the context of the diverse institutions, local realities and complex political situation, extracting and then analysing appropriate detailed information will be a complex process.

It is the understanding of the evaluation team that the PARF provides funding for a technical assistance programme with closely defined packages of support to a range of stakeholders, and that the evaluation will need to look at the extent to which these defined packages have responded to the perceived needs of beneficiaries/ project partners (i.e. interviewees) in relation to both the effectiveness of their work in public administration and in terms of their ability to adapt their work to EU norms. The purpose of the evaluation field work, coupled with the already completed document review, as defined in the evaluation Terms of Reference, is to “assess the overall level of achievement of the goals and results, effectiveness and impact of projects finalized through the project”<sup>40</sup>. The review of the individual projects will be modest in scope and based heavily on the varied quality of

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<sup>40</sup> Evaluation Terms Of Reference

existing documentation. The approach and methodology are defined within this context.

### 3.2 METHODOLOGY

In order to assess overall achievement, a criteria for assessment is required, against which field enquiry and analysis will take place. While the questions on evaluation effectiveness are defined above, the effectiveness *criteria* is best defined within the context of the PAR Strategy, and the contribution of the 12 projects to realising the PAR Strategy. Key to this are the six reform areas noted above, together with the detail provided in the PAR Strategy document. During the inception phase the team developed an overview of the 12 projects from the available documentation. Assessment of the overall level of achievement of the 12 projects will be developed further based on interviews from both entities and Brčko (although it will not be necessary to gather data on all funded projects from across BiH). In assessing the overall level of achievement (as well as implementation processes and lessons learned), information and feedback will be gathered as much as possible from a range of sources and this will vary according to the nature of the different projects.

All 12 project have a heavy emphasis on activities (i.e. inputs), with some focus on outputs. The document review has found that there is almost no explicit consideration in design or implementation of the projects to ensure that results are able to effectively bridge the ‘gap’ between activities undertaken and outputs delivered and the ultimate goals of the PAR Strategy at the outcome level. As a result, and based on the evaluation team’s detailed assessment of project documentation, the evaluation will focus at the output level, while attempting to address existing or potential outcomes. The critical aspect of this can be seen in the matrix below, where a significant focus of the evaluation approach is on ‘uptake of project proposals’, ‘effective use of project-prepared systems’, ‘uptake of rules and procedures’, ‘extent of implementation’ of proposed changes, etc. The evaluation team will attempt to draw out what higher-level change these outputs have generated, subject to the extent of uptake and implementation. However, it cannot be assured that:

- The changes have been implemented at all, and there is no documentation available that discusses this.
- That interviewees (beneficiaries/ stakeholders) can make a clear contribution to analysis of potential or actual outcomes.

In summary, based on the detailed analysis found in the matrix below, the proposed field enquiry will address six of the 12 projects:

- Development of Performance Management System in the Structures of Civil Service in BiH.
- Training of Civil Servants for Application of Information Technologies and Work on Computers.

- Improvement of Rules and Procedures for Legal, Other Regulations and General Acts Drafting in BiH.
- Blueprint of Development of Central Bodies of Governments in BiH.
- Design and Establishment of Interoperability Framework and Standards for Data Exchange.
- Budget Management Information System.

Some field enquiry will also take place in relation to the Administrative Decision-making project. Field enquiry will depend heavily on input and perceptions from participants/ beneficiaries, although more recent documentation on application of project outputs will also be sought.

Desk-top assessment only will be undertaken for the following 5 projects:

- Establishment of Network of Info Stands.
- Strategic Communications.
- Training of Public Relations Officers.
- Widening of the Information System for Human Resources Management by Software Modules for Personnel Planning and Maintenance of the Internal Labour Market in the Republic Bodies of the Republic of Srpska.
- Transposing EU Legislation in the Legal System of BiH.

In the field work the members of the evaluation team will work individually. This will allow each of the two members of the team involved in the field work to focus on one entity each, while addressing each of the projects being assessed.

In order to address the specific questions in the Terms of Reference related to the role and function of PARCO, some specific enquiry will also be made at this level. It is understood that Sida does not fund PARCO, per se, and this enquiry is not the focus of the evaluation, but feedback will be sought directly from PARCO, as well as other stakeholders, as to the strategic, management and administrative capacities and directions of PARCO in order to inform Sida's thinking on future funding directions. The relevance and quality of the specific PARF investments are dependent on PARCO's work and particularly their dialogue with different stakeholders. The extent to which Swedish concerns about cross-cutting issues are reflected in the programming are also likely to be related to the extent to which these concerns are embraced within PARCO.

The field work will include individual and group interviews with relevant stakeholders from government at different levels, donors and CSO partners (where applicable), as well as the CSOs contracted to implement the Public Administration Reform Monitoring (PARM) project (Transparency International BiH and the Centre for Investigative Journalism). Also, focus group discussions with beneficiaries of trainings and other capacity development activities will be organised if and where applicable. Field observations will also be conducted. All individual and group interviews will follow interview protocols tailored to the respective stakeholder group and aligned with the overall evaluation framework.

In order to elicit ‘stories’ of how practices, norms and attitudes have changed as a result of the PARF initiatives, the evaluation team will apply a modified version of a “Most Significant Change” methodology. Interviewees will be asked to describe what they are doing differently now than what they were doing before the project, even if these changes do not directly reflect the intentions of the projects themselves. These stories will be specifically sought from those most involved in a project. The focus of this approach is to gain from participants their perspective on the most significant change that took place in their ways of working, and why they consider that change to be the most significant. The evaluation team will, during analysis of the field data, filter the stories systematically, focusing in this process on drawing out examples of higher level change - the data thus collected will provide the team with an understanding of the ways that these projects have contributed to bridging the aforementioned ‘gap’ between project outputs and the outcomes envisaged in the PAR Strategy. If the interviewees have difficulty identifying such changes, this will provide important data regarding the challenges they face in applying their new skills and procedures and in reforming the norms and practices within their own institutional structures.

To ensure validity of data, and as part of the process of synthesising information derived from different data sources and through different means of data collection, the evaluation team will use triangulation and complementarity.

- Triangulation (comparing data generated from different data sources to identify trends and/or variations). It is anticipated that discussions with donors and CSOs (particularly but not limited to Transparency International BiH and the Centre for Investigative Journalism) will assist in triangulation, as will comparison of data from the different entities.
- Complementarity (using data generated through one method of data collection to elaborate on information generated through another). Interviews and focus group discussions will be compared with findings from the desk review of project reports and evaluation reports. Responses to the specific enquiry on most significant change will be compared with documents/ reports where this is related to outcome level results

## EVALUATION MATRIX

Questions Raised In The Terms Of Reference	Indicators To Be Used In Evaluation	Methods	Sources	Availability And Reliability Of Data /Comments
<b>Relevance</b>				
To what extent were governance structures and/ or administrative bodies involved in determining the content and focus of funded projects?	Number and nature of statements from stakeholders at different levels regarding their involvement in decisions regarding content and focus Claims from PARCO regarding process for engagement	Interviews and collation of statements from documentation	All key stakeholders and internal evaluations of projects where available	Given the long timeframe of the programme it may be difficult to find actors with sufficient institutional memory to describe initial processes around design and focus.
Do the funded projects demonstrate clear importance to BiH's EU integration processes?	Delivery of support was in line with national and EU strategic objectives	Desk review of available national and EU documentation and reports  Interviews	EU Progress report Project reports, studies, evaluations Stakeholders from government, EU and other donors	Data is generally available
To what extent are reforms viewed as viable by beneficiaries/ project partners in the BiH administrations, and thereby contribute to ownership of PARF initiatives?	Examples of how stakeholders have been able to manage reforms within their existing structures and tasks Statements indicating levels of commitment to reforms	Interviews	Stakeholders	As some of the projects are recently completed the interviewees may only be able to describe plausible relevance for the future since reforms may not be fully in place.  At the same time, some projects were completed some time, even years, ago, and detailed understanding/ memory of inputs/ outputs and related change may not be immediately apparent to interviewees.
Are the six, currently nominated	Linkage of PARF support to program-	Interviews	Stakeholders from	As the current PAR Strategy is expir-

reform areas still relevant as the key reform areas for PAR in BiH? Are there any indicated changes in these priorities that would be relevant to donors, PARCO or BiH governments?	Existing documents and sectoral/ country/ EC programme strategies. Existence of needs assessment documents for new PAR Strategy	Desk review of available documentation	government, donors, including EUD EU Progress report Studies, reports and draft PAR follow up strategy (if available)	Existing and the new is not yet in place the answers to this question may inevitably be somewhat speculative.
How is Swedish support perceived by the beneficiary institutions in the framework of other international assistance programmes? What are the comparative advantages and disadvantages of Swedish support?	Reported positive aspects of Swedish support (disaggregated according to stakeholder groups) Reported negative aspects of Swedish support (disaggregated according to stakeholder groups)	Interviews	Stakeholders	It is unclear thus far to what extent the role of Swedish support in relation to other donors is recognised and understood by different stakeholders.
<b>Impact</b>				
Are there indications of longer-term effects of the funded projects (and the PARF more generally), whether positive or negative?	Examples (positive and negative) of the outcomes attributable to changes in public services	Document review Interviews	Existing internal evaluations Stakeholders	This data is likely to be anecdotal at best and may not be verifiable.
Are there indications that funded projects are (or have) contributed to strengthening and modernizing the public administration in BiH?	Performance of implementation structures Contribution of results to overall PAR objectives (at sector/country level). Prevailing observed changes in political/ administrative behaviour, procedures, structures	Document review Interviews focused on “most significant changes	Stakeholders and internal evaluations	
How do these results achieved contribute to fulfilment of the PAR Strategy?	Evidence of progress towards objectives stated in PAR Strategy			
<b>Effectiveness</b>				

To what extent has the implementation of funded projects followed agreed activity planning and reporting?	Reports of milestones and achievements	Document review	Existing evaluations and annual reporting	Will be reliant on the extent to which reporting is aligned with plans
Does PARCO have sufficient absorption capacity, given potential support from Sida and other potential support from international donor agencies?	Comparison of relation between expectations and performance as perceived by donors and PARCO staff	Interviews	PARCO and donors	If there is deemed to be potential for significant increases in donor support the views collected are likely to be somewhat speculative.
To what extent have funded projects achieved their objectives and planned results?	To be assessed against indicators for the objectives in individual project documents	Document review	Existing reporting	The extent to which the evaluation will be able to verify the reported achievements will be limited. Will be reliant on the extent to which project reporting follows plans.
What are these results – what examples/ indicators are there of a successful reform process being undertaken?	Overall reported reforms in the public administrations	Interviews focused on “most significant changes” and document review	Stakeholders and internal evaluations	The level of achievement of these reforms will be related to a wide range of political factors (positive and negative) and the extent to which PARF has contributed to these changes may therefore be difficult to verify.
What have been the key factors which have affected the success (or failure) of the funding support to projects?	Catalysing and hindering factors as perceived by key stakeholders	Interviews focused on “most significant changes”	Stakeholders	These reform factors will be related to a wide range of political factors (positive and negative) and the extent to which PARF has contributed to these changes may therefore be difficult to verify.
How willing and prepared have beneficiaries/ project partners been to fulfil their expected roles in the implementation of funded projects?	Examples from interviews of the extent to which staff of partners have been able/unable to apply the promoted reforms	Interviews	Stakeholders	

<b>Efficiency</b>				
How effective has coordination of the overall programme been?	Examples of communication flows/hinders between PARCO and partners Described quantity and quality of dialogue between partners and PARCO and the extent to which this has enabled efficient project implementation Level of engagement of PARF JMB and the extent to which this is perceived as supportive (without leading to micro-management)	Interviews and document review	Stakeholders and reporting	
<b>Sustainability</b>				
Are beneficiaries/ project partners demonstrating ownership of the reforms that have been proposed, modelled, or implemented with the funded projects?	Aspects of reforms that partners report as being relevant and viable for on-going and future work	Interviews focused on “most significant changes”	Partners	
To what extent are beneficiaries/ project partners integrating the roles/ activities expected of them in their regular work routines following funded project interventions?	Examples of changes in practices in partner systems, routines and tasks Examples of where partners have not found it possible to integrate promoted reforms in their systems, routines and tasks	Interviews focused on “most significant changes”	Partners	
Are there indications that results of funded reforms being integrated into formal public administration institutional norms and procedures?	Examples of changes in formal norms, guidelines and procedures	Document review	Annual reports and internal evaluations	
<b>Cross-cutting issues</b>				

Are the projects are being implemented within any structural, policy or procedural commitments and frameworks related to gender equality and anti-corruption?	Quality and quantity of policies, procedures and institutional structures which can be seen to contribute to promoting gender equity and controlling corruption Perceptions of partners regarding the extent to which they have been able to (and encouraged to) operationalize these policies and procedures in their work and establish relevant institutional structures	Document review and interviews	Programme documents, project documents and reporting Stakeholders	Given the lack of explicit attention to these issues in the PARF they may not have previously reflected on the potential linkages between these broader reform structures and PARF
Are corrupt practices being encouraged/ discouraged, either directly or indirectly as a result of the implementation of a project?	Partner descriptions of the extent to which measures promoted through the PARF encourage or discourage corrupt practices	Document review and interviews focused on “most significant changes”	PARF policy and procedural documents and stakeholders	
Does Is there evidence that the PARF JMG sees gender and anti-corruption of substantive issues within the context of public sector reform?	Extent to which reporting from the PARF JMG makes reference to anti-Actions cited by the PARF JMG members related to gender equality and anti-corruption	Document review and interviews	Minutes and other PARF JMG reporting and interviews	
Have beneficiaries/ project partners embraced and utilised the support received in relation to gender equality and anti-corruption in their regular work?	Examples from partners of actions they have taken to operationalise gender equality and anti-corruption efforts	Interviews focused on “most significant changes” and document review	Partners and internal evaluations	

# Annex 3 – List of interviewees

## **PAR Coordinators**

Stojanka Čulibrk, RS

Nenad Kojić, Brčko District

## **Government Representatives (Beneficiaries)**

Davorka Lasica, supervisory team for Strategic Planning, General Secretariat Council of Ministers, BiH

Zumra Mališević, supervisory team for Strategic Planning, General Secretariat Council of Ministers, BiH

Zoran Mikanović, implementing team E-Government, Republička uprava za inspekcijske poslove – Inspektorat, RS

Vlado Blagojević, Blueprint project, RS

Jelica Vidović, supervisory team for Strategic Planning; Rules project, Brčko

Ehlimana Begović, supervisory and implementation team for Strategic Planning Rules project, Brčko District

Vesna Nenadić, supervisory team for ASPs, RS

Ljiljana Todorović, supervisory team for ASPs, RS

Svetlana Radovanović, BMIS project, RS

Žana Vojvodić-Vencelj, BMIS project, RS

Abdulah Suljić, Finance Directorate, E-Government project, Brčko District

Majda Mustedanović, Finance Directorate, E-Government project, Brčko District

Zoran Simeunović, Finance Directorate, E-Government project, Brčko District

Mirza Smajlović, Finance Directorate, E-Government project, Brčko District

Adnan Pašalić, Blueprint project, Brčko District

Osman Osmanović, Finance Directorate, BMIS project, Brčko District

Nedžad Kurtović, Finance Directorate, BMIS project, Brčko District

Azra Omerhodžić, ASPs project, Brčko District

Valentina Vuković, ASPs project, Brčko District

Neven Akšamija, HRM monitoring team, FBiH

Sead Maslo, HRM monitoring team, FBiH

Nedžib Delić, Strategic Planning

Biljana Mladenović, HRM, Training Civil Servants Project, Brčko District

Sebastijan Lukić, HRM, Training Civil Servants Project, Brčko District

Minela Alibegović, Rules project, FBiH

Srđan Mikić, Rules project, FBiH

Milena Simović, Rules project, RS

Miroslava Vojvodić, Rules project, RS

Mikan Davidović, Deputy Minister, Ministry of Local Self-Administration and Administration, HRM monitoring team, RS

Aleksandar Radeta, Director, Civil Service Agency, HRM monitoring team, RS

Igor Jovanović, E-Government project, Brčko District  
 Enver Išerić, Federal Ministry of Justice, E-Government, FBiH  
 Kenan Osmanagić, Federal Ministry of Transport and Communications, E-Government, FBiH  
 Sanela Milavić Repak - Federal Ministry of Transport and Communications, E-Government, FBiH  
 Kemal Bajramović, BIH Agency for Civil Servants, E-Government, FBiH  
 Ranko Šakota, Member JMB, MoFT  
 Ljilja Haseljić, HRM projects, Brčko District  
 Krsto Grujić, Monitoring team for E-Government, RS  
 Srdjan Rajčević, Monitoring team for E-Government, RS  
 Adis Nurković, Interoperability Framework Project, FBiH  
 Mensura Hasifić, Interoperability Framework Project, FBiH  
 Halida Pašić, Ministry of Finance, BiH  
 Midhat Čolaković, Ministry of Finance, BiH  
 Fazila Musić, Ministry of Justice, BiH  
 Dijana Benbaka, Ministry of Justice, BiH  
 Adnan Husedžinović, Federal Ministry of Finance  
 Samir Bakić, Federal Ministry of Finance, Board Member  
 Alija Aljović, Federal Ministry of Finance, Board Member  
 Vedad Silajdžić, Rules Project Implementation Team  
 Fatima Mahmutčehajić, Rules Project Implementation Team  
 Ferid Kulovac, HRM projects, FBiH  
 Zinka Salihadžić, HRM projects, FBiH

### **Non-stakeholder Experts**

Adela Pozder-Čengiđ, Sector Leader, Regional and Rural Development, UNDP  
 Lejla Ibranović, Transparency International  
 Jasmina Popin, GIZ  
 Elvis Mujanović, GIZ  
 Leila Bičakčić, Executive Director, CIN  
 Mario Vignjević, Sida/ The Embassy  
 Sabina Đapo, British Embassy  
 Irena Šotra, Task Manager, EU Delegation

### **PARCO Staff**

Semiha Borovac, Executive Director  
 Aneta Raić, Head of Unit for Donor Coordination, Finance, Monitoring and Eval  
 Miroslav Zeković, Unit for Donor Coordination, Finance, Monitoring and Eval  
 Sabahudin Suljević, Reform Area Coordinator, E-Government  
 Slađana Škrba, Reform Area Coordinator, E-Government  
 Kenan Avdagić, Reform Area Coordinator, HRM  
 Dejan Buha, Reform Area Coordinator, Institutional Communication  
 Azra Branković, Reform Area Coordinator, Public Finance  
 Dejan Jovičić, Reform Area Coordinator, Public Finance  
 Aleksandar Karšik, Reform Area Coordinator, Administrative Procedures  
 Zvezdana Sučić, Reform Area Coordinator, Administrative Procedures

# Annex 4 – List of documents reviewed

## **Government Strategies And Plans**

Public Administration Reform Strategy, BiH

Revised Action Plan for the Public Administration Reform Strategy, BiH

## **Sida Documents**

Assessment Memo – Public Administration Reform Fund – PAR Fund second phase

## **MoU**

Memorandum of Understanding for the Establishment of the Public Administration Reform Fund (PARF)

## **PARCO Reports**

Annual Financial Report of the Public Administration Reform Fund (2013), PARCO

Annual Progress Report of the Public Administration Reform Coordinator's Office (2013), PARCO

Annual Report on Work of the Public Administration Reform Coordinator's Office (2013), PARCO

Quarterly Report of the Public Administration Reform Fund (1 April – 30 June 2014), PARCO

List of projects by the reform areas of the Revised AP1, PARCO

Report Of The Public Administration Reform Fund (2013), PARCO

Report On Financial Audit Of The Public Administration Reform Coordinator's Office Of Bosnia And Herzegovina For 2013, Audit Office of the Institutions of BiH

## **Other Relevant Reports**

SIGMA Country Assessment Reports 2013/ 12 Bosnia and Herzegovina Assessment Report 2013, OECD

Anela Duman. (DRAFT) Izvještaj o analizi postupaka javnih nabavki Ureda koordinatora za reformu javne uprave (GIZ Procurement Report for PARCO).

European Commission (2014); EU Progress Report: Bosnia and Herzegovina: 2014; Brussels European Commission; Multi-indicative Planning document for Bosnia and Herzegovina, 2011-2013

## **Project Documentation**

Establishment of Network of Info Stands

- Project Proposal
- Terms of Reference
- Inception Report

- Final Report
  - Final Financial Report
- Strategic Communication
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
- Training of Public Relations Officers
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
  - Evaluation Report
- Development of a Performance Management System
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
  - Evaluation Report
- Draft of Administrative Decision-making in BiH Quality Improvement Programme
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
  - Evaluation Report
- Improvement of Rules and Procedures
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
  - Evaluation Report
- Blueprint of Development of Central Bodies of Governments
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
- Transposing EU Legislation
- Project Proposal
  - Terms of Reference
  - Inception Report
  - Final Report
  - Evaluation Report
- Training of Civil Servants for Application of Information Technologies
- Project Proposal

- Terms of Reference
- Inception Report
- Final Report
- Evaluation Report

Design and Establishment of an Interoperability Framework

- Project Proposal
- Terms of Reference
- Inception Report
- Final Report

Budget Management Information System

- Project Proposal
- Terms of Reference
- Inception Report
- Final Report

Widening of the Information System for Human Resources Management.

- Project Proposal
- Terms of Reference
- Inception Report
- Final Report



## Evaluation of the Public Administration Reform Fund in Bosnia and Herzegovina

This evaluation report considers the results of the Public Administration Reform Fund, and a designated 12 funded projects of the Fund. The Swedish Government provides support to assist Bosnia and Herzegovina to reform and develop its public administration, and to build closer links with the EU. The 12 funded project contribute within the framework of Bosnia's Public Administration Reform Strategy, and its designated six reform areas. The Public Administration Reform Coordination Office provides good coordination processes to the Fund, but reform processes are hampered by a range of factor impeding the efficiency and effectiveness of the Fund. The report provides a range of recommendations to Government, the Coordination Office and the Embassy aimed to address these factors and improve outputs and outcomes.