

# PROJECT FACTSHEET

Municipal Environmental Governance (MEG) Project – Phase II

Bosnia and Herzegovina – February 2022



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Embassy of Switzerland in Bosnia and Herzegovina



## HOW TO IMPROVE ACCESS AND EFFICIENCY OF WATER SERVICES IN BIH?

MEG II Project (2021-2025) is an integral part of a more comprehensive set of reform and investment interventions in Bosnia and Herzegovina guided by the Joint vision for advancing the water supply and wastewater management services reform in Bosnia and Herzegovina 2021-2028, supported and financed through several different projects by the Government of Switzerland, EU, World Bank, EIB, EBRD, and Government of Sweden.

Based on the good practices of the first MEG project phase (2016-2021), MEG II paves the way for attracting large-scale infrastructure investments at the local level based on the improved policy and regulatory frameworks and local government's capabilities to manage the investments sustainably and effectively.

The project will be implemented in 31 local self-government units: Bihać, Bosanska Krupa, Bosanski Petrovac, Busovača, Bužim, Čapljina, Čelinac, Čitluk, Doboj Istok, Gacko, Gračanica, Gradiška, Ilijaš, Istočno Novo Sarajevo, Laktaši, Ljubuški, Mostar, Mrkonjić Grad, Odžak, Orašje, Prijedor, Prnjavor, Sanski Most, Srbac, Šamac, Široki Brijeg, Teslić, Tešanj, Tomislavgrad, Trebinje and Žepče.

The project significantly contributes to Bosnia and Herzegovina to meet the requirements of the EU accession process in the field of environment and the United Nations Sustainable Development Goals (SDGs).

### PROJECT GOALS

The overall goal of the MEG II project is to contribute to the democratization of local governance in Bosnia and Herzegovina and more equitable, effective, and efficient public services for the citizens, particularly water supply and wastewater management services (water services).

**In other words, the project will contribute to more modern, economical, and citizen-oriented public services in local communities, especially water services, as critical factors in protecting human health and the environment.**

### EXPECTED RESULTS AND INDICATORS

The MEG II project aims to:

- State, entity, and cantonal governments set in place a more conducive policy and regulatory environment that affirms result-oriented local governance and improved water services.
- Local governments improve their performance, are more accountable, inclusive, and gender-responsive, and provide high-quality services, particularly in the water sector.
- Citizens, including the most vulnerable, benefit from improved water services provided more efficiently, accountable, and sustainably.

**Over a million BiH citizens are expected to benefit from improved public services within the project.**

## PROJECT IMPLEMENTATION

MEG II will support establishing a performance management system in partner local governments, thus promoting good local governance, effective, inclusive, and gender-responsive public service delivery.

The project includes 31 partner local governments in BiH (ca 21% of all local governments across the country), which will improve their development management skills, guided by the performance standards covered by the Good Local Governance Framework (GLG). Part of the project is performance-based financial incentives as a stimulus for improved performance and public service outcomes at the local level focusing on water services. An essential part of the project is modern technologies and digital solutions.

Local governments will also be supported in conducting annual citizen satisfaction with public services surveys to identify concrete weaknesses in public service that citizens believe need further improvements. At the same time, particular attention will be placed on facilitating engagement and capacity development of local government councils and leadership to consistently improve their work and the quality of public services, accountability, transparency, and effectiveness, with a focus on citizens of the local communities in which they live and work.

MEG II will also support the creation of a transparent tariff methodology and the introduction of fair subsidies for water services for users in need. Local governments will do it in cooperation with centers for social work. High-quality technical assistance will strengthen water companies' technical, financial, and institutional/organizational capacities and sustainable results.

## IMPORTANCE OF THE PROJECT AND PREVIOUS RESULTS

The MEG II project (2021-2025) seeks to expand the positive experiences and models in local government and water services, which were achieved during the implementation of the MEG project in the first phase (2016-2021).

The first phase of the MEG project was also funded by the Government of Switzerland (CHF 12 million) and implemented by the UNDP BiH, in cooperation with a wide range of participants, working directly with 18 local government units in BiH. MEG I has contributed to improving the work of local governments, strengthening governance processes, interaction among decision-makers and citizens, and supporting capital investment for development. The percentage of households with access to safe water supply and wastewater services increased to 77% and 39%, respectively (compared to 68% and 32% in 2016). The Public Service Agreements (PSA) for water services have been improved. A system of subsidizing socially vulnerable citizens has been established, and water tariffs have been enhanced, thus laying the foundations for the long-term sustainability of water services. Public-private dialogue has been improved, around CHF 1.9 million has been mobilized for private sector investments, and 309 new jobs have been created in partner local communities.

## PROJECT IN BRIEF

### NAME:

Municipal Environmental Governance (MEG) Project – Phase II

### DOMAIN:

Local governance and municipal services

### LAND/REGION:

Bosnia and Herzegovina

### PARTNERS:

UNDP BiH – implementing partner, Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Ministry of Justice of the Federation of Bosnia and Herzegovina, Ministry of Administration and Local Self-Government of Republika Srpska, Ministry of Agriculture, Water Management and Forestry of the Federation of Bosnia and Herzegovina, Ministry of Agriculture, Forestry and Water Management of Republika Srpska, Associations of Municipalities and Cities, Associations and networks of professionals in the water sector, 31 local self-government units.

### STARTING POINT / BACKGROUND INFORMATION:

The project is a continuation of the successfully implemented first phase, which showed that further work and expansion of the number of local communities in which sustainable models of good governance will be introduced is necessary.

### PROJECT OBJECTIVE:

The project aims to contribute to the democratization of local government in Bosnia and Herzegovina and fairer, more effective, and more efficient public services for citizens, especially water services.

### TARGET GROUP:

31 local self-government units, 23 partner institutions, at least 750 officials and managers of municipalities and 150 managers and employees of water companies, at least 14,000 citizens.

### COSTS:

USD 13,699,636  
(of which Swiss contribution  
CHF 6,270,000 or USD 6,600,000)

### DURATION:

1 April 2021 – 31 March 2025 (4 years)

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