The war and immediate post-war period had a serious impact on the basic fiber of Bosnia and Herzegovina’s society – its local communities.

Aware that no reconstruction, reconciliation and development could be achieved without participation of local communities, the Bank paid special attention to strengthening these communities through initiatives such as the Community Development Project (CDP). CDP aimed at improving basic services and facilities for low-income and poor communities in under-served municipalities through investments in 400 non-revenue generating socially oriented projects and programs. It represents a new approach to infrastructure-reconstruction in Bosnia and Herzegovina by building local capacity and establishing partnership between local governments and communities, through trainings and facilitating city-hall meetings and general public discussions, which improved identification of investment priorities, decision making and eventually project implementation.

Local infrastructure and other priority projects selected by communities reached over one million beneficiaries (or 25 percent of the country’s population).

Highlights:
- A total of 400 sub-projects (250 in the Federation of Bosnia Herzegovina and 150 in Republika Srpska), which are being implemented in the 80 poorest municipalities in the country, have supported construction and/or repair of 76 water and sewage systems, 75 local roads, 18 schools, 9 ambulances, 57 sports or cultural centers, three bridges and rehabilitation of various other small infrastructure.
- A quantitative survey conducted on 671 direct beneficiaries across the country showed that 51.6 percent of respondents from the Republika Srpska and 61.8 percent of respondents from Federation of Bosnia Herzegovina felt their living conditions had improved.
- Introduced sound practices of participatory decision-making as well as participatory budgeting. Local mayors point to the transparency in financial decisions and citizen participation as the key value-added of the project. It also improved accountability of local policy-makers and most substantially improved the ownership of investments by local population.
Interviews and quantitative survey showed that 30-50 percent of the communities involved in this project improved their budgets and budget execution, thanks to the overall improved environment in the community.

- Improved community participation and ownership over local sub-projects: co-financing, initially expected to be US$2 million, has so far reached US$5 million.

IDA CONTRIBUTION

- Total project cost was US$22.6 million, with IDA financing of US$15 million, and the remainder from government contributions (US$2.6 million) and local communities (US$5 million).
- Introduced community-driven development to Bosnia and Herzegovina.
- Favored a variety of partnerships across sectors and themes in which IDA is also involved. The synergy between CDP and the Local Initiatives Projects helped rehabilitate and strengthen local communities – the first by building up infrastructure and capacity of local governments, and the second by supporting small businesses.
- While CDP supported priority investments and capacity building in the country’s poorest municipalities, another IDA project provided a framework for the development of local governments across Bosnia and Herzegovina by building the capacity of more advanced local governments to participate in the municipal credit market.

PARTNERS

In partnership with the Ministry of Culture and Sports, a number of sport and cultural heritage sites have been rehabilitated in the poorest areas of Bosnia and Herzegovina. Also, in cooperation with the World Vision International, and in line with IDA’s special focus on minorities in the country, the project supported a recycling plant which offers employment opportunities for Roma people.

NEXT STEPS

Additional financing (US$5 million), was approved in January 2007. While this additional financing will temporary fill a gap, IDA and its local counterparts are considering a new municipal development project, whose primary objective would be to introduce and institutionalize sustainable mechanisms to support investments in local infrastructure.

LEARN MORE

Community Development Project (2002-07)
Project documents