



MPG PROJECT  
IMPACT AND  
SERVICE DELIVERY  
ANALYSIS



# MPG Project Impact and Service Delivery Analysis

This report is prepared by RECURA Financials for the DEMOS project, implemented by HELVETAS Swiss Intercooperation.

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# I. Introduction

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The Municipal Performance Management System (MPMS) is a system implemented by the Ministry for Local Government Administration (MLGA) with the support of the DEMOS project, aimed at monitoring municipal performance across a range of indicators. The purpose of the MPMS is to improve the outcomes of the decentralization process as well as to improve governance in municipalities by ensuring a commitment to both internal administrative functionalization as well as addressing citizen needs. Overall, the aim of both the MPMS as well as DEMOS II is to successfully transition Kosovo into a decentralized state in which municipalities exercise inclusive governance and provide effective services responding to citizen's priorities and needs.

These goals are sought to be achieved by applying a consistent theory of change. This theory is based on the concept that the creation of real incentives, accompanied by technical assistance will improve governance processes in municipalities. These improvements, together with improved policy frameworks, will lead to the provision of better services to citizens. In turn, increased satisfaction will lead to more willingness by citizens to engage with their local institutions, strengthening the social contract and increasing willingness to pay taxes, contribute to the local communities and add to the legitimacy and effectiveness of local municipalities.

The incentive-based system, therefore, has a twofold mechanism in which it functions. The first mechanism is the establishment of a performance management system which helps in quantifying critical aspects of administrative functioning and service provision to citizens. This will, in turn, enable municipalities to self-diagnose issues and request and obtain support to fix the issues. The additional incentive is the establishment of a reward mechanism in the form of a Municipal Performance Grant (MPG).

The MPG is a grant co-sponsored by the MLGA and international donors through DEMOS, that rewards municipalities with high performance, seeking to create an additional incentive in improving municipal performance. The MPG has been operating for the fourth year in sequence and so far, there have been clear indicators that municipalities are actively engaging internally to improve performance targeting better MPMS rankings and MPG funds.

Municipal focus across the years has been on the improvement of internal management functions, from budget planning and execution to policy development and approval as well as project oversight. Additionally, municipalities have also targeted the development of more specific capital project plans to address citizen needs across a wide range of areas, from basic services

such as drinking water supply, wastewater treatment and solid waste management to improving public lighting and parks, sport arenas and other issues.

While these efforts have yielded results, a critical consistent way of measuring the development of public services has been lacking internally. Specifically, the improvement of the accessibility, affordability, quality, inclusiveness, efficiency, and other aspects of municipal service delivery and relation between better governance and MPG effect is understudied. Additionally, the impact of MPG performance on citizens has also been understudied. Understanding these relationships is critical to not only developing better frameworks for improving local governance but to also highlight the positive effects that these efforts have on citizens as a means to secure long term sustainability of the efforts of municipalities.

## II. Methodology

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The Decentralization of Municipal Support Project- Phase II (DEMOS II) seeks to support Kosovo in the transition toward a democratic decentralized state in which municipalities exercise socially inclusive governance and provide effective services responding to citizen's priorities and needs. The main components of the programme are:

- Municipalities exercise improved democratic governance for the benefit of the people through decision-making processes, which are transparent, participative and inclusive of marginalized groups and through sound human and financial management practices.
- The policy framework is more conducive for decentralized local governance and better implemented.

As part of its efforts to achieve these objectives, DEMOS II set up the Municipal Performance Grant, which aims to measure performance of municipalities across a range of indicators related to the aforementioned objectives and offer funds to performing municipalities to invest in capital investments.

**DEMOS is interested to learn about the improvements in municipal services and the impact of municipal capital projects financed through MPG – specifically if and how these projects improved the lives of citizens. Additionally, DEMOS is interested to see if MPG-stimulated good governance improved the lives of citizens and if so – how.**

The methodology described below aims to prepare an approach for the generation of data for the engagement as well as a framework for the analysis of the information. The methodology herein identifies the inherent intentions and limitations of the analysis, identifies the approach for obtaining the necessary data to execute the analysis, sample identification and finally the approach for analysis execution.

## Methodology – Intentions and Limitations

The methodology has been designed to obtain the necessary data to evaluate, broadly, the improvements of service delivery that results from improved governance at the local level due to Municipal Performance Grant improvements. The impact of the improvements covers two aspects: 1) better service delivery due to the improvements in governance stemming from municipal efforts to improve MPG ranking and 2) improved citizen satisfaction and perceived impact on their lives due to the capital project grants issued as part of the MPG framework.

The methodology below has been designed to identify service delivery quality, inclusiveness and other improvements from a qualitative perspective of interviewees for the following municipal services:

- 1. Public Space maintenance**
- 2. Road Infrastructure**
  - a. Satisfaction with road paving
  - b. Satisfaction with road maintenance
  - c. Satisfaction with availability of sidewalks on public roads
  - d. Satisfaction with the lighting of public roads
  - e. Satisfaction with the marking of road infrastructure
- 3. Waste management**
  - a. Satisfaction with waste management frequency
  - b. Satisfaction with waste management service availability

The selection of these services as the indicators for municipal service delivery quality assessment is underpinned by three major reasons. Primarily, these services are the three most critical municipality-offered services that affect citizens in Kosovo and that are under the direct managerial jurisdiction of the municipalities. As a result, as a measurable indicator, these three services provide the most direct link between municipal performance improvement and municipal service delivery for analysis. Second, all three of the services have a strong indicator measurement history within the Performance management system – which enables comparative analysis between the improvements measured quantitatively by the PMS and the qualitative assessment through interviews for the purposes of this study. Finally, all three services have high visibility for citizens and are easily distinguishable, which helps in the identification of citizen and NGO-based interviewees (see limitations below for a more detailed analysis).

This methodology also is subject to several external limitations. The key primary limitation is scope – the current engagement cannot capture comprehensively all municipalities in Kosovo and as such a sample of representative municipalities must be selected. Specific ways to address the accurate sampling for the purposes of this study will be elaborated in the sampling section of this methodology.

The second limitation is knowledgeability of the NGO and citizens interviewees– their level of information and knowledge regarding their municipalities is critical to the success of the study. As

such, the results of the study are highly dependent on ensuring qualitative input and therefore selection of interview targets is critical. The analysis of the data is also limited by the ability to establish a causal link between specific improvements in governance and perceived improvements in service delivery by the citizens and NGOs.

## Selection of municipalities

Municipalities will be selected based on a certain number of criteria, which aim to identify municipalities that would most accurately represent the overall picture of municipal performance in Kosovo. The criteria are as follows:

- 1.** The performance of the municipality in the last available year (2019) for the Municipal Performance Grant (high performance, top 20 percentile).
- 2.** High performance compared to previous year (2018 vs 2019) to account for change in municipal score in MPG and citizen and NGO perception in the analysis – This indicator will be a subset of indicator 1 above).
- 3.** Each of the selected municipalities must have benefited from an MPG grant in the past two years (2019 and / or 2018) to evaluate the effect of said MPG-related capital investments.
- 4.** The final sample must be geographically representational for Kosovo – multiple municipalities from a single region will not be selected.
- 5.** The final sample must be representative of municipality size for Kosovo, excluding the two largest municipalities (Prishtina and Prizren) due to their specific issues that are not necessarily representative of other municipalities overall.
- 6.** At least two of the final municipalities selected must have sizable minority communities in their localities.
- 7.** All selected municipalities must have a relatively equal distribution of population between urban and rural areas.

Based on the criteria above, the top fifteen performing municipalities based on 2019 rankings (2020 rankings currently unavailable were selected). All municipalities in the group of fifteen had a positive score difference (better performance in 2019 vs 2018) of 20 points or more – which satisfies the first two criteria. However, of the top 15 municipalities on the list, only 5 had benefited from a municipal grant in the 2020 year (based on 2019 scoring) and only 2 had benefited from a municipal grant in the 2019 year (based on 2018 scoring). The table below includes a list of all top 15 performers in 2019 and the comparative difference between their scores in 2018 as well as information about MPG grant implementation and other statistics.

Table 1: Top 15 performing municipalities in 2019 and relevant statistics (Source: DEMOS, KAS data)

Municipality	2019 score	2018 score	Difference	MPG Grant Recipient (2019)	MPG Grant Recipient (2018)	Urban / Rural (2011 census)	Minority / Albanian Ethnicity
Gllgovc/Glogovac	72	36	36	Yes	Yes	0.12	0%
Rahovec/Orahovac	68	33	35	No	No	0.25	5%
Lipjan/Lipljan	65	37	28	Yes	No	0.14	5%
Obiliq/Obilić	65	37	28	No	No	0.47	8%
Gjilan/Gnjilane	64	35	29	No	No	1.45	3%
Junik/Junik	63	38	25	No	No	0	0
Pejë/Peć	61	41	20	Yes	No	1.03	9%
Kaçanik/Kaçanik	59	36	23	No	No	0.45	0%
Klinë/Klina	58	33	25	No	No	0.17	3%
Mitrovicë e jugut/ Južna Mitrovica	57	35	22	Yes	Yes	1.79	3%
Skenderaj/Srbica	57	29	28	No	No	0.15	0%
Vushtrri/Vučitrn	57	35	22	No	No	0.63	1%
Ferizaj/Uroševac	55	21	34	No	No	0.65	4%
Kamenicë/ Kamenica	55	25	30	No	No	0.25	5%
Hani i Elezit/ Elez Han	53	33	20	Yes	No	0	0%

Based on the table above, the municipalities below were selected as the sample municipalities to include in the analysis.

1. Glogovc / Glogovac
2. Lipjan
3. Gjilan / Gnilanje
4. Pejë / Pec
5. Mitrovicë e jugut / Juzna Mitrovica
6. Ferizaj / Urosevac
7. Han I Elezit / Elez Han

The selection of this sample satisfies all the requirements of the analysis, including a well distributed regional representation, participation of minority communities in the municipality, inclusive size of municipalities (large, medium and small) and for five of the municipalities' experiences in the execution of the MPG Grant.

## Selection of the interview targets

There are three set of interview targets that will be the target of the analysis.

The first set of interview targets pertains to the municipal officials at each individual municipality. These interviews will serve to obtain the impression of municipal officials regarding the research issue as described above, including their perceptions and experiences about the way that changes in specific indicators have effectively impacted service delivery in the municipalities. Additionally, interviews with municipal officials will serve to understand the project selection process for the MPG grant, the presence of analysis and considerations for minority and/or marginalized groups in MPG-grant capital project preparation and other critical data (explained below in interview guide section). For the purposes of this analysis, the following officials will be targeted for interviews:

1. Director of the Budget and Finance Department
2. Director of the Public Services Department
3. Director of the Capital Projects department
4. Members of the Municipal Assembly from areas that have benefited from MPG capital project grant.

## Non-Governmental Organization Interviews

Non-governmental organizations will also be subject to interview for the purposes of this study. Non-governmental interviews will serve to substantiate the improvement in municipal processes collected by the MPG against the perceived improvements in delivery of services in more detail than would otherwise be obtained through citizen interviews.

## Questionnaire Approach

Three separate sets of questionnaires will be used to gather the data from the participants for the purposes of this study. Municipal officials, NGO representatives and the focus group participants will all have detailed questionnaires aimed to assess their responses.

The municipal official and NGO questionnaires will be semi-structured, and most questions will aim to be open ended. The purpose of the study will be to gather qualitative input from each of the participants regarding their perceptions of the quality, cost, inclusiveness, and efficiency of service delivery in the municipalities. Additionally, the questionnaires will aim to assess:

1. The connection of an improvement, stagnation, or deterioration of service delivery to a specific administrative efficiency area, and
2. The ability of the interviewees to identify the connections between policy and / or administrative function areas to service delivery.

Additionally, the semi structured interviews will seek to evaluate the process of deciding on the specific projects to finance through the MPG grant mechanism for those municipalities that have received grant funding, along with the process of evaluating the community needs.

DEMOS Theory of Change assumes that an improvement in certain indicators measured by the MPG will lead to an improvement in service delivery and project planning. As a result, the most pertinent MPG evaluation criteria will form the basis of information gathering from Municipal Official and NGO interviews to establish, if present and available, the link between an improvement in the indicator and potential resulting improvements in service delivery and capital project planning. This forms the basis of the qualitative analysis and is a critical component in the evaluation process.

The MPG indicators below have been pre-selected based on the expected connection to improved service delivery. The study has chosen to focus on a particular set of indicators to avoid confusion for the interviewees and to maintain a more simplified cause-effect relationship between improvement in the indicators and improvements in service delivery/project planning for the interviewees. Additionally, any substantive improvements in this framework of the analysis will be captured through framing the interview data gathering through these indicators (assuming municipal officials and NGOs are knowledgeable). The pre-selected indicators are as follows:

1. Municipal Governance – Assembly Role, Citizen participation and inclusion, transparency, and accountability.
  - 1.1. Municipal Assembly role as an oversight body
    - 1.1.1. Discussions regarding the municipal performance report by the Assembly for the previous year.
  - 1.2. Participation, consultation, and inclusion of citizens
    - 1.2.1. Participation of citizens in public consultations, according to gender
    - 1.2.2. Municipal acts and policy documents consulted with the public.
    - 1.2.3. Public hearings regarding the MTEF and municipal Budget
  - 1.3. Transparency, access to information and integrity
    - 1.3.1. Regular update of the municipal webpage according to legal requirements
    - 1.3.2. Publication of documents and contracts for public procurement.
    - 1.3.3. Publication of transcripts for the public consultation processes.
  - 1.4. Contract Management
    - 1.4.1. The execution of the procurement plan.
2. Service delivery – access and quality of service delivery according to sector
  - 2.1. Administrative Services
    - 2.1.1. Information on administrative requirements evaluated according to legal timelines. Spatial planning, public transport, and environment
  - 2.2.1. Public transport coverage of populated areas.



## III. Service Delivery Improvements & Benefit Mapping

Overall, the general perception of all Municipal Officials at the director level is that there has been a substantial improvement of municipal services in the last three years. All interviewed municipal officials indicated that their respective municipalities have engaged extensively in addressing critical citizen demands regarding their municipalities.

In general, the primary area of focus for improvements by municipal officials has been the improvement of the overall infrastructural situation in municipalities. All the interviewed municipal officials claimed that due to citizen's concerns, the major area of focus has been road maintenance, public lighting, and parks. The demand for public lighting and parks has been consistent across all interviewed municipalities and has remained a priority for municipal officials.

Additional to the infrastructural works, the municipal officials have also focused on critical waste and water management infrastructure. All interviewed municipalities have invested in some aspect or another in the expansion of the potable water supply, wastewater management and solid waste management systems. Overall, all municipalities claim to have challenges in securing potable water supply for all their communities because of high infrastructural costs and inability to secure base supply of potable water – with Gjilan, Han i Elezit, and Lipjan having the most challenges. The same challenges are reflected in the wastewater disposition and treatment – with infrastructural works and wastewater treatment plant costs being out of the reach of most municipal budgets. Finally, all municipalities have made substantial headway in improving solid waste collection – however, some problems remain due to the inability to fully control illegal landfills.

A few municipalities have also invested in the improvement of high-volume administrative services for citizens. Municipalities have installed e-kiosks to enable citizens to have access to certificates and other critical municipal provided documents through a person-free interface. Additionally, one municipality has also enabled citizens to submit requests for documents through online means, delivering said documents within a 24-hour timeframe through local posts. These efforts have decrease waiting times at municipalities for services and decreased the cost to citizens for the issuance of these services.

None of the interviewed municipal officials had executed any analysis on the cost or quality of the services delivered to citizens. As such, none of the officials could quantify the current real cost of the delivery of the services, or potential improvements to the cost of the delivery of these services. This also applied to the quality of the delivered services.

Overall, most of the projects of focus by municipalities have had a general demographic group of citizens as targets. This is consistent with the nature of the citizens' demands in these municipalities, as most municipalities in Kosovo are currently developing ways to deliver basic services and amenities to citizens.

## Drenas

The municipality of Drenas claimed to have extended public lighting to all major roadways within rural areas and villages, with coverage, according to interviews, covering all roads with a length of up to 200-meter length in public lighting across the municipality. Additionally, municipal officials indicated that they have drastically improved road signs, including road name marking and road signaling with a specific focus on stop signs and railroad crossing signs.

Another critical focus of the municipality has been the extension of the waste collection range. The municipality has extended the waste collection network to 100% of the municipality within the last three years. This has also been improved through the installation of cameras at critical locations to prevent businesses from illegally dumping waste in residential areas.

Municipal officials also indicated that they have worked extensively in reducing the waiting times for administrative processes within the municipality. These processes include obtaining standard certificates at municipal offices and most other municipal administrative procedures – bringing the waiting time to an average of 5 minutes for the services.

Additional to the improvements above, the municipality of Drenas has extended the wastewater collection network across the municipality and is currently waiting for the construction of the wastewater treatment plant. Overall, the new wastewater network has almost been finished but will not be put into function until the collector is finished.

The improved services have not had a specific demographic group as a benefit target, but instead have benefited citizens of the municipality overall. The improved road signaling as well as railroad track marking has improved the safety for citizens in the municipality. Increase public lighting has increase safe walking spaces within the municipality, significantly increasing social public spaces for use by citizens and benefiting women.

## Lipjan

The municipality of Lipjan also marks an improvement in citizen service delivery according to both municipal officials as well the local NGO Youth Association for Human Rights. According to both interviewees, the municipality made the most headway in the improvement of public spaces and parks, as well as lighting public spaces. This headway was made substantially with assistance from the MPG.

Additionally, both sources indicated that overall road infrastructure work on the municipality has been finished in the last three years. They assess that road maintenance and cleaning, as well as maintenance of public spaces is also satisfactory and that the investments are being maintained regularly.

From the wastewater perspective, the municipality of Lipjan interviewees claim that the main wastewater network has been finished – only new neighborhoods remain to be fully integrated. However, two issues remain that require substantial investment that the municipality cannot implement on its own – a wastewater treatment plant and a more permanent solution for potable water which is currently insufficient. Another challenge for the municipality has been the development of illegal solid waste landfills which the municipality is finding challenging to tackle.

The main critical benefit through the expansion of public spaces have mainly benefited old people and young people by providing them with safe public spaces for recreational activities. However, the expanded parks and walkways and public lighting has benefited all municipal citizens overall. The new projects have high usage rates and high satisfaction rates according to both municipal officials and NGOs.

## Peja

The municipality of Peja has focused on the improvement of the infrastructural services to citizens – with a key focus on the development of public spaces (parks), sidewalks, lighting, and parking spaces. An additional focus has been the increase of green surfaces in the municipality through planting trees to improve the air quality in the city. The municipality has installed 16,000 new units of lighting in the territory and has created an additional 200 parking spaces over the last three years. The municipality of Peja has additionally extended solid waste collection services to 90% of the total population of the municipality, with daily collection in most locations and multiple collection slots for multi-domicile locations.

Additional to the improvements mentioned above, Peja has also focused on administrative service improvements as well as water supply improvements. The administrative service improvements have focused on reducing the interactions with the municipality by installing e-kiosks for issuing certificates in the city. Currently, 2 kiosks have been installed and are operational with 2 more expected to be installed soon. This reduces the burden on citizens with waiting times and is particularly necessary during the COVID-2019 lockdowns. The water network has also been expanded with the local water management company to provide potable water to areas that previously did not have direct access to drinking water.

However, Peja marks a challenging situation with the management of the public spaces since the overall area of parks has increased while the maintenance budgets have remained the same, leading to an underperformance in public space maintenance. Road infrastructure maintenance suffers from the same problem, with rigid maintenance budgets disabling the municipality from providing the necessary support to their citizens.

The main critical benefit through the expansion of public recreational spaces and lighting has been to old people and young people – enabling them to have access to more outdoors recreational spaces. The increased public lighting has also benefited citizens by increasing safety within their communities, particularly for women.

## Gjilan

The municipality of Gjilan attributed the most prominent service improvements to the expansion of infrastructural services for citizens. These services were focused on the expansion of roads and wastewater networks in previously unserved parts of the city (Porodime neighborhood). Additionally, as part of the infrastructural services, the municipality also expanded sidewalks in the Dardania neighborhood as well as establishing a sewage system, pavement, sidewalks, and public lighting in the Kumanova road. These infrastructural investments were critical to achieving livable conditions for these neighborhoods that had previously not been served with the services. Additional to these services, the municipality has expanded public lighting across a range of roads and neighborhoods, along with building a public square in the center of the city. These infrastructural network expansions in certain cases have also implemented road markings for the blind, improving self-sufficiency options for blind citizens in the municipality. The municipality has also expanded the potable water system to serve neighborhoods and villages that did not have access to clean water previously.

On the administrative side of improvements, the municipality has undertaken a cost reduction and service improvement option for citizens. Currently, citizens in Gjilan can make use of online services for requesting certificates from the municipality, which are delivered by mail within a 24-hour period. This service is supplemented by e-kiosks which can offer 24-hour support in the issuance of documents. The services reduce the wait times and costs for citizens to obtain necessary documentation, as well as reducing the impact of COVID-19 in the execution of municipal administrative functions.

The municipality, however, estimates that there is a need for increased focus on the improvement of the potable water availability for the municipality as well as the wastewater treatment and solid waste treatment. Currently the municipality is undergoing the process of establishing the wastewater treatment plant that also includes expansion of the wastewater infrastructure and expects to have the issue solved within the next three years. However, potable water availability and solid waste management require further funding due to the high cost of establishing these services and unwillingness of inability of the companies contracted for these works to address the challenges.

Municipal officials estimate that the benefits of the services have impacted citizens due to the sweeping nature of the infrastructural works. One specific group that has benefited from the services have been blind citizens, with the installation of pathways with markings to help blind people navigate.

## **South Mitrovica**

The municipality of South Mitrovica displayed the most conservative citizen-oriented services improvement compared to the samples analyzed. The critical improvements evidenced in the municipality were mainly focused on the expansion of the road infrastructure network to improve the traffic in the city. Additional to these investments the municipality has only focused on the limited expansion of the public lighting system as well as improvement of the solid waste collection system in the city.

The municipality also claimed that the administrative services have improved somewhat by reducing the wait time for citizens, but no further elaboration was provided as to this improvement.

## **Han i Elezit**

The Han i Elezit municipality has also invested into improving services for the citizens. These improvements, like in the other municipalities, were focused on the waste management, public lighting, and water services. Regarding waste management, the municipality has currently extended waste collection services throughout its entire territory, covering almost all private residential businesses. This is a step forward in the last three years considering that waste management services in Han i Elezit were lacking.

The municipality also has extended public lighting systems in all settlements and locations throughout the municipal territory. This has benefited citizens substantially by increasing the safety of movement of people, particularly in rural areas.

Finally, the municipality has invested in the improvement of access to potable water for the communities. Previously, most rural communities in the municipality had to resort to individual water wells for water supply. Currently, a substantial number of these communities have access to central potable water – however, work remains for the full coverage of the municipality.



## IV. Citizen Communication and Project Implementation Considerations

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### Collection of Citizen Priorities

Overall, municipal officials across all municipalities indicated that there were no special provisions undertaken for receiving input for the selection of projects to be funded by the MPG grant. Generally, all municipal official indicated that they had a substantial backlog of projects that were necessary to be funded, and that were heavily based on citizen demands due to their internal processes.

The internal processes referenced were based on two main channels of collecting citizen demands. The primary channel of collecting citizen demands, as outlined by both municipal officials as well as assembly members, was the receipt of complaints and requests to the municipality directly, through the public communication channels. These channels were almost always focused on phone calls from citizens toward the municipality for addressing specific needs and issues addressed by the citizens. Certain municipalities also had a specific officer for public communication within the office of the mayor, responsible for gathering input from citizens.

Despite this, none of the municipalities had a formal register, database or tracking mechanism to measure, collect, analyze, and respond to citizen demands. This was consistent with the findings from the citizen interviews, who often indicated that they communicated directly with the municipality but who also said (60% of total respondents who communicated directly with the municipality) that the requests were not addressed or that addressing the requests took too long (in one case, 16 years).

The second most used method of collecting information from the citizens remained the public hearings. Specific issues with public hearings in the last three years focused on the problems caused by COVID-19 and the related lockdowns, which drastically reduced numbers of attendants in what were previously already scarcely attended meetings. On the other hand, most citizens interviewed for this study indicated that they were not informed about the times and locations of public hearings, with some citizens indicating that potentially neighborhood or village representatives might have attended.

Municipal officials also clearly indicated that no special efforts, outside the existing mechanisms, were undertaken to secure input from marginalized communities. The key findings in these portions of the interviews were that none of the municipal officials saw a need or understood the necessity for an Environmental & Social Impact Analysis type of approach for any of the implemented projects. This typically automatically excludes the concerns of marginalized communities – particularly when most need assessment input is typically targeted toward addressing the needs of majority representatives. As such, none of the projects implemented through MPG funding had any impact analysis on marginalized communities. Some municipalities did indicate that the mayor held regular meetings with NGOs (specifically small associations) representing marginalized communities, but the municipal officials could not provide a direct link between these meetings and any projects. Only Gjilan and Drenas officials could elaborate on specific projects for marginalized groups – with Gjilan having implemented pavement stones that enable blind people to navigate public spaces in certain parts of the municipality while Drenas having implemented some grants for women.

## Implementation and Maintenance Provisions for MPG Funded Grants

Municipal officials indicated that there were no special measures undertaken to implement, oversee and focus on the maintenance of MPG funded grants.

Currently, the implementation provisions for the capital projects in Kosovo are overseen by the financial and procurement manuals and regulations. These provisions require that the municipality assign an internal staff member for the management and oversight of the implementation of any capital project. Historically, this process has been problematic due to a capacity constraint by municipalities to provide adequate staffing levels with sufficient know-how in the monitoring of capital investment projects. This process seems to have also applied to MPG funded projects (DEMOS funding). However, despite the historical issues with the implementation, citizen satisfaction with the quality of the project seems to be higher than average, which indicates that some additional care was taken in implementing these projects. In fact, three municipalities indicated that the additional care for the appropriate completion of the projects came because of the oversight that DEMOS exercised in following project completion and reporting.

On the maintenance side of things, special provisions for the maintenance of the projects by the municipality were not made according to municipal officials. This seems to have had a direct impact on citizen perceptions of the management of the MPG funded projects, as 85% of the interviewed citizens indicated that the projects were not being maintained to a satisfactory degree after the initial implementation. In one case in Peja, the citizens overwhelmingly indicated that any and all maintenance conducted on one of the parks built by the municipality was done exclusively by the citizens themselves. These maintenance issues are a consistent problem in municipalities, as they lack the budgets to properly ensure that the infrastructure built is being maintained and this problem has also affected MPG funded projects.

Municipal officials, however, indicated that they clearly preferred the DEMOS funded MPG projects as opposed to the MLGA funded MPG project. Several key reasons were provided for this

preference, with the most critical reason being the direct management of the grant by the municipality. All financial municipal officials stated that DEMOS funded MPG projects were more successful and easier to manage due to being directly under the oversight of the municipality. Additionally, these officials stated that MLGA funded projects caused several issues, from lack of direct say in the oversight of the implementation of the projects, delay in the process of starting and implementation of the project and issues with transferring ownership to the municipality causing problems with the auditing process. Municipal officials also stated that they benefited more from DEMOS funded MPG projects due to the closer collaboration and oversight from DEMOS officials. Overall, there was a clear and distinct preference for the DEMOS funding mechanism over the MLGA funding mechanisms for purely objective reasons.

However, despite the clear understanding of the benefit of the performance grant, no municipal officials and NGOs surveyed could connect specific changes of policies that led to the improvement of the services. All municipal officials stated that the improvements in service quality and project selection came because of citizen demands (the source) being met by municipal officials (the mechanism), with some municipalities stating that this was a result of direct mayoral intervention. Municipal officials were not able to make a connection between the performance management system and related improvements and the improvement of service quality for citizens, even when asked clearly leading questions. This seems to indicate that there isn't a programmatic and strategic based approach in municipal management leading any improvements, but rather a more reactive approach to solving citizen problems. While this finding does not exclude the impact that the performance measurement and stimulation has on overall municipal administration, it does highlight a lack of understanding by municipal officials as to this connection. This presents a problem in the long term as lack of institutional understanding of the connection between policies and actions could mean that human capital movements within the municipal administration risk bringing about a reduction in performance due to the lack of institutionalized know-how.



## V. Citizen perceptions on MPG funded grants

Citizen perceptions about the selection of the projects to be funded by the MPG varied, as well as their perception of the quality of the implemented project and the general maintenance of the project post-building. Several trends were apparent in citizens responses, with the most critical trend being the general satisfaction of citizens with the project and execution in the smaller municipalities (Lipjan, Han i Elezit) and slightly lower satisfaction of citizens in larger municipalities. Citizens, however, remained consistently of the opinion that communications with the municipality, as well as inclusiveness of their opinion and knowledge of their local representatives remained low.

71% of the citizens interviewed for the purposes of this study were generally satisfied with the selection of the project and thought that there was not a more important project than the one implemented at the time for their community. For specific MPG funded projects, the perception that the municipality selected the project according to the priorities of the citizens is therefore higher than compared to the overall perception of the citizens that the municipality is working according to the priorities of the citizens (32.8%).<sup>1</sup>

Do you believe there was a more important project than the one implemented that was necessary for your community?			
	Yes	No	More important
Ferizaj	0%	100%	
Gjilan	0%	100%	
Han i Elezit	50%	50%	Drinking Water
Lipjan	33%	77%	"Medical Center Power Poles"
South Mitrovica	25%	75%	"Kindergarten Wastewater network"
Peja	0%	100%	

This finding seems to indicate that there was special attention paid to ensure that the MPG funded project addressed specific community needs and were well target to improve citizen’s lives, at least comparatively to overall municipal functioning. This finding comes even though municipal officials and assembly members said that there had been no special measures undertaken to evaluate citizen priorities for the MPG grant. In fact, from the citizens that indicated satisfaction with the selection of the project, only 48% (12) indicated that they had been previously contacted or offered the chance to voice their opinion on their priority project for the specific neighborhoods/villages. Due to the lack of a clearly defined link between the project selection process and citizen needs, as outlined by municipal officials, it is logical to conclude that there are some underlying tacit mechanisms of communicating priorities between communities and municipal representatives.

For the MPG funded project, have you been contacted by a municipal representative regarding your priorities?			
	Yes	No	Does not know
Ferizaj	83%	17%	0%
Gjilan	0%	100%	0%
Han i Elezit	100%	0%	0%
Lipjan	66%	17%	17%
South Mitrovica	0%	100%	0%
Peja	25%	75%	0%

Interviewed citizens indicated that the most critical path for communication with the municipality remains direct contact with municipal officials. 28.5% of the respondents indicated that they communicate their requirements directly to municipal officials, with another 28% communicating their needs through their neighborhood or village representative (non-political). Only 2 respondents indicated that they use their political representatives to communicate their needs to the municipalities. Additionally, 20% of the respondent indicated that they do not communicate with the municipality because they feel that their needs are not being heard or met, with another 5 respondents indicating that they never communicated with the municipality. These numbers are consistent with the answers regarding their direct communications with political representatives from their locality – of which the majority claimed that there was no contact with political representatives. Citizens also overwhelmingly indicated that they were not aware of times and dates for public budgetary hearings, with 65% of the interviewed citizens having no knowledge of such hearings. The municipality of Ferizaj, Gjilan and Peja had the worst track record, with almost none of the interviewed citizens being aware of public hearings. As before, smaller municipalities fared better in this respect. These findings are consistent with the findings of the overall citizen satisfaction survey, in which only 22.7% of the respondents communicated directly with

the municipality to raise problems for public services and only 12.4% communicated with the municipality regarding municipal capital investment priorities. As such, the formalized systems for gathering input from citizens remain somewhat effective, and the real input process into municipal public service and infrastructural project decision making continues to be executed through non-official channels.

Overall, citizens also indicated that they were satisfied with the quality of the works conducted for specific MPG funded projects. 62.8% of all citizens interviewed – including citizens that thought there were other priority projects for their community – were satisfied with the quality of the project. These statistics seem to indicate that for specific MPG funded public service and infrastructure expansion projects, the satisfaction was substantially higher than satisfaction with overall public services offered by the municipality (40.5).<sup>2</sup> This finding is consistent with the interviews with municipal officials who declared that there was special attention paid to MPG funded projects, particularly those funded directly by DEMOS, due to the overall higher interest of DEMOS in overseeing project implementation. Additionally, for all projects for which the interviews were held, there was a consensus opinion on the high quality of the works between the citizens interviewed (see annex with list of specific targeted projects).

For the MPG funded project, were you satisfied with the quality of the works?			
	Yes	No	Somewhat
Ferizaj	66%	0%	33%
Gjilan	83%	17%	0%
Han i Elezit	83%	0%	17%
Lipjan	66%	33%	0%
South Mitrovica	20%	20%	60%
Peja	60%	40%	0%

71% of all citizens interviewed indicated that the project had been finished relatively quickly according to their standards – however, citizens did qualify that they were not aware of the planned duration of the works. The only project for which citizens were unsatisfied with the speed of the implementation of the project, and for which the project has not yet finished despite starting in 2018, is the project for the road to Kumanovo in Gjilan.

Maintenance, however, showed consistently lower approval numbers by citizens, with 54% for the citizens claiming that the projects were not being maintained, 28% claiming that the proj-

<sup>2</sup> Ibid, pp. 27

ects are being maintained and 18% having other opinions. While no direct comparison points between the previous survey conducted measuring citizen satisfaction with municipal services is possible, these numbers are more consistent with the general findings of the previous survey that overall citizen satisfaction with MPG funded projects. This seems to indicate that when MPG related funding, particularly as overseen by DEMOS, is ended and maintenance and control reverted to municipalities, citizen satisfaction with services (maintenance) reverts to baseline. However, this finding is also consistent with municipal official claims that no special maintenance budgets have been set aside for MPG funded projects due to a lack of funds.

Despite the statistics, 85% of the citizens interviewed admitted that the project implemented has improved their lives. Road and wastewater projects seemed to attract the strongest opinions on the benefits to citizens, with virtually all citizens claiming that the project was critical. Other projects, such as sports halls, lighting and walking paths also attracted strong opinions, particularly in smaller communities as citizens appreciated the spaces for recreational activities. These findings were consistent even among citizens that expressed that there were other priority projects for their specific locations and communities.

For the MPG funded project, has there been regular and satisfactory maintenance of the project?			
	Yes	No	Other
Ferizaj	100%	0%	0%
Gjilan	0%	100%	0%
Han i Elezit	100%	0%	0%
Lipjan	0%	83%	17%
South Mitrovica	20%	40%	40%
Peja	0%	100%	0%

In Gjilan, citizens indicated that the building of the wastewater network and the road was critical, as both these were lacking before. The project led to the removal of the wastewater smell due to septic tanks and other disposal methods as well as safer travelling due to the presence of the road and sidewalks.

Similarly, in Ferizaj, the Nerodime village, the citizens were greatly satisfied with the building of a medical center as previously they had to travel to Ferizaj to get vaccines or simple medical check-ups that was both time consuming and costly.

The improvement of the pedestrian and park infrastructure around the river Trepça in Mitrovica was met with somewhat varying enthusiasm by the interviewed citizens. One citizen claimed

that the project improved their lives by putting a stop to the illegal waste dumping around the river. However, two citizens indicated that there had been no improvements on their lives because of the poor quality of the executed works. In another project concerning the paving of the road in the village of Frasher, citizens claimed that the road improved their lives by allowing them to use it in any atmospheric conditions, whereas the previous road was impassable during rainstorms.

In Peja, for one of the projects concerning the expansion of the public lighting systems, the main benefit that citizens identified was the ability to move during the evenings. This benefit was particularly welcome from the elderly, as they can now also use the road for evening walks. In another project in Peja in the Xhemail Kada neighborhood the citizens claimed that the project would have improved their lives had it been done properly and maintained. The project concerned parking, sidewalks, lighting, and green spaces. However, interviewed citizens claimed that in the current state the project does not benefit them.

In Lipjan, the project for pedestrian and bicycle paths had an overall high satisfaction from citizens. Citizens claimed that the project improved their lives by first enabling them to use it as a walking path, since previously it was only a dirt path, and by enabling them to use it as a public gathering space to use for families with children.

For the municipality of Han i Elezit citizens were very satisfied with both capital projects in the municipality. Citizens claimed that the paving of the road connecting Ujë i Thartë and Pustenik has enabled them access to both the cemetery and to the agricultural fields. Additionally, the new sports hall has enabled young people to make use of the sports facility without having to travel to Han i Elezit (5km away) in order to be able to organize sports events.

Overall, citizens expressed a marked preference for the selection of projects funded by using MPG funds. This satisfaction held with the selection of the projects despite there being a distinct lack of contact between citizens and political and / or municipal representatives for the specific projects. This indicates that there are unquantified or tacit channels of communication between citizens and the municipality to express their needs, most likely related to neighborhood and / or village representatives and internal casual conversations between citizens and these representatives.

Citizens were also overall satisfied with the speed and quality of the implementation of the project, above the baselines established by a previous survey about citizen satisfaction with municipal services. This is most obvious on the DEMOS funded projects as opposed to the MLGA funded projects, with DEMOS funded projects displaying the largest satisfaction with quality and timeliness of the implementation. This finding is consistent with the interviews with municipal, who indicated that DEMOS funded projects had more flexibility in implementation and were scope to more detailed oversight.



## VI. Conclusions

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Overall, citizen satisfaction with MPG funded projects was clearly higher than the baseline satisfaction of citizens with municipal services as evidenced in previous baseline studies. This citizen satisfaction with the specific capital projects implemented through the MPG was more pronounced in the DEMOS funded projects – through better perception of quality and speed of implementation of projects – than in the MLGA funded projects. Additionally, citizens also indicate that the selection of the specific project to be funded by the MPG grant was appropriate, indicating that at some level citizen opinions on their priorities is being communicated to municipal decision makers.

Despite this, all citizens indicated a general lack of satisfaction with municipal response to their specific needs and complaints. This was coupled with a lack of understanding or information about the times and locations of public budgetary hearings, a lack of knowledge of their assembly representatives and a somewhat weak belief that demands are being met by municipal officials. At the basic level citizens elect to present their concerns directly to the municipal officials first while opting to talk to neighborhood and village representatives second. This indicates that individual demand for services and ability to discern the quality of these services is present with citizens, but the path for these concerns to be expressed to municipalities is convoluted and somewhat ineffective.

This is also represented clearly in the interview with municipal officials who indicated that no special means of collecting, analyzing and responding to citizen requests existed within municipal administrations. This was also compounded by the lack of a formal system of evaluating citizen satisfaction with municipal services – outside the standard political process. Additionally, no specific measures were undertaken to ensure that citizen demands are being met by MPG funded projects, despite citizen interviews indicating that the projects were largely appropriate. This indicates that at some level the feedback mechanism for citizens needs toward municipal officials and decision makers is functioning but is weak and needs to be reinforced further.

Municipal officials, and municipalities in general, were also not able to make a clear distinct connection between the performance management system and the improvement in the services of the municipalities. Despite this inability to make a connection between the two by municipal officials, effective citizen satisfaction with MPG projects clearly indicates that policy-based improvements are being made. A more focused analysis needs to be made to identify the mechanisms through which the performance measurement system is leading to actionable improvements in citizens' lives.

However, municipal officials clearly showed a preference for DEMOS funded MPG projects over MLGA funded projects – and this satisfaction was also clearly visible in citizen responses. MLGA funded projects had somewhat more varied responses in terms of satisfaction than DEMOS funded MPG projects – though the results cannot be supported with any statistical significance due to the small sample sizes. A potential explanation offered by municipal officials is that the involvement and higher expectations of DEMOS for capital projects led to better outcomes as well as improve learning opportunities for municipal staff.

Overall, all municipalities have focused on improving quality of life services for citizens, focusing on public lighting, sidewalks, parks and wastewater systems. Some municipalities have also focused on improving administrative services for citizen with the installation of self-service locations for citizens as well as online methods of obtaining certificates. This was particularly useful during the pandemic as most in-person services were suspended but has the long-term effect of lowering time and cost commitment to obtain administrative services. Specifically for the infrastructural projects implemented through funding by the MPG, citizens displayed an overall higher satisfaction than baseline with municipal services indicating that MPG funded projects were both well targeted in terms of demand by citizens as well as well completed.

Improvements are necessary to streamline the processes of obtaining, measuring, and tracking citizen demands by municipalities. The installation of IT systems to track complaints and requests as well as to regularly measure citizen satisfaction would considerably assist in better addressing their needs and meeting quality of service objectives.



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