

With Good Planning, the Impossible Takes Only a Little Longer

MZ Dobož IV is a small, ethnically mixed community of a few hundred households in Kakanj, a large municipality 50 kilometers northwest of Sarajevo. For a number of years, this community faced a serious problem: while waste heat from a nearby power plant went unused, the homes within the community had to rely on dirty, inefficient and unsafe wood and coal stoves for heating. The community is not wealthy and, despite repeated requests for help to higher authorities, the cost of installing even a small district heating system was seemingly out of reach, in excess of one-half million marks (€250,000/\$300,000). As a result, nearly free energy went unused and neighborhood air quality continued to suffer.



Homes in MZ Dobož IV

Fortunately for this community, Kakanj is a partner municipality of the Governance Accountability Project (GAP) funded by USAID, Sida, and, since the end of 2007, the Embassy of the Kingdom of the Netherlands. Through this project's efforts, Kakanj adopted and was trained in capital improvement planning methodology, a participatory process that uses a structured and disciplined approach to determine and finance a municipality's priority needs. One of the basic rules of capital improvement planning is that funding constraints do not automatically disqualify a

project, meaning that a good plan includes not only easily implemented projects but also seemingly impossible priority projects -- like MZ Dobož IV's district heating plan.

In 2006, this district heating plan was one of 538 projects submitted by citizen groups to the municipality's capital improvement planning committee. Applying the scoring system GAP helped them develop, this project was rated a top priority -- even though funding was not available. But another advantage of good planning is that it allows for a longer view of financing, enabling implementation of a priority project to be spread across several years and, as a consequence, giving a municipality the confidence needed to take on these seemingly impossible projects.

Following this process, Kakanj had the confidence to proceed and the solid planning to support this effort, and requested a small amount of funding from GAP, a total of 61,000 marks (€30,000/\$40,000) for this project. This



Mayor of Kakanj and GAP Chief of Party dedicate the heating system

initial funding only allowed for some initial piping to be put in place; a substantial amount of other funding -- as included in their capital improvement plan -- would need to be allocated for this project to reach its goal. For the past two years, GAP has continued to work intensively with Kakanj to improve and update its capital improvement planning process and efficiently allocate resources to this and other priority projects.

On November 19, 2008, the district heating system in MZ Dobož IV was officially dedicated by the mayor and the GAP Chief of Party, a system linking 339 households to this new clean and efficient heating source. The remaining funding – 540,000 marks (€270,000/\$350,000) -- was provided by the municipality, the canton, businesses and



Women from the community at the dedication

homeowners themselves: a nine-fold local match on GAP's original investment. Even better, the success of this initial project has led to its expansion elsewhere. Work is already underway to provide district heating to another three communities in Kakanj, MZs Bicer, Povežice, and Catici, of course again with GAP's planning assistance. At the opening ceremony, the Mayor stated his hopes of expanding this system throughout the rest of Kakanj over the next four years as a consequence of this successful experience. He also said

that he had been overwhelmed by the gratitude of many women in the community, who had previously been forced to stay home to tend these dirty, dangerous stoves in winter while the men were at work and who now can do other things.

As the municipality's capital improvement planning team secretary stated "I knew that at the beginning this was going to be a difficult community investment project to complete. The funds were not going to be easily found and collected, but with GAP's initial help we were able to start up the project which later on led to attracting additional funding and furthermore expanding of the project's original idea to additional areas." More simply, the head of the local community said "Without GAP, this would have been impossible."