

# GLOBAL PRICE SPECIFIC TERMS OF REFERENCE

## PART A

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### 1 BACKGROUND INFORMATION

#### *Context*

Bosnia and Herzegovina (BiH) is a lower to middle-income country located in the Western Balkans of Central Europe. The country has a total surface area of 51,209 square kilometers (km), which is comprised of 51,197 km<sup>2</sup> of land and 12.2 km<sup>2</sup> of sea. BiH shares borders with Croatia (931 km), Serbia (375 km) and Montenegro (249 km) and a coastline along the Adriatic Sea (25.5 km). Its location on the Balkan Peninsula places it within the Adriatic and Black Sea Basins.

BiH submitted its Nationally-Determined Contribution (NDC) to the UNFCCC in 2016 in support of its commitment to the Paris Agreement and submitted its Updated NDC in April, 2021. BiH also submitted its Third National Communication (NC3) and Second Biennial Update Report on Green House Gas (GHG) Emissions in 2016. Identified adaptation priorities focus on agriculture, hydrology and water resources, energy, transportation, health, forests and biodiversity, and tourism. Adaptation plans in Bosnia and Herzegovina center primarily on coping with drought and flooding. Measures under consideration include modifications in crop rotation patterns, the application of new technologies to improve soils, the installation of windbreaks, and the establishment of a drought early warning system.

In 2021 the European Commission launched a call for expression of interest addressed to cities to join the European Mission on “Climate-Neutral and Smart Cities”. The objectives of the mission are to achieve “100 climate-neutral and smart European cities by 2030” and to ensure that these cities act as experimentation and innovation hubs. In this context, Canton Sarajevo (KS) as the lead, together with City of Sarajevo, City of Eastern Sarajevo and Municipalities in RS and Federation (under the banner of Sarajevo Functional Urban Area (FUA)), decided to apply for the “EU 100 Net Zero Emission Cities Mission”.

On 28 April 2022, the Commission announced a total of 112 cities that have been selected to participate in the EU Mission for 100 climate-neutral and smart cities by 2030, also known as the Cities Mission. The designated cities, with a hundred coming from all 27 EU countries and 12 coming from Horizon Europe associated countries, are receiving tailor-made advice and support from the Mission Platform, managed by NetZeroCities (NZC) to reach climate neutrality by 2030 and inspire other cities to follow suit by 2050. As part of this list of cities, Sarajevo Functional Urban Area (FUA)<sup>1</sup> was selected from over 375 competing cities and one of only 3 cities from the Western Balkans to achieve this challenging goal.

The participation of the Sarajevo FUA provides a unique opportunity to develop a sustainable, healthy and attractive region for current and future generations, with NZC programme provides an opportunity to tackle the appalling air quality as well, which

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<sup>1</sup> For the purpose of the application we applied as Sarajevo the Functional Urban Area which includes Canton Sarajevo, Centar, Hadžići, Iliđa, Ilijaš, Novi Grad, Novo Sarajevo, Stari Grad, Trnovo, Vogošća, City of Eastern Sarajevo, Istočna Ilidža, Istočno Novo Sarajevo, Istočni Stari Grad, RS Pale, Sokolac, Istočno Trnovo and City of Sarajevo

currently affects health and as result social and healthcare costs. Moreover, it provides the chance to build a sound prosperous green deal industry and circular economy.

A Cities Mission Climate City Contract (CCC) is a governance innovation tool to help cities collaboratively address their barriers to reaching climate neutrality by 2030. Within the CCC lies three key elements, namely Commitments, Actions and Investments. The CCC acts as digital living document being revised on a regular basis to include new stakeholders, concrete commitments, actions and/or investments, and to reflect on the outcome of regular monitoring and evaluation on what works and importantly areas that require changes.

The Cities Mission takes a cross-sectoral and demand-led approach, creating synergies between existing initiatives and basing its activities on the actual needs of cities. Actions will cover a wide range of subjects including zero-emission mobility, positive clean energy districts, urban greening and re-naturing, as well as associating and strengthening the city to the climate-neutral and smart cities Mission.

CCC Action Plans identify the strengths and gaps of existing strategies, policies, and plans, drawing on different sector levers of change to establish a coordinated portfolio of interventions to achieve the 2030 ambition. CCC Investment Plans seek to strategically mobilise and organise public resources to secure and attract private capital for funding and financing cities pathways to achieve climate neutrality.

For each sector, net zero strategies and action portfolios are developed in an integrated way to ensure synergies are delivered. The development considers opportunities to draw on new technologies and innovation, as well as different business/funding models available to support effective implementation. Institutional and regulatory frameworks are also examined, as well as opportunities to achieve social innovation and change resulting from implementation.

The ability and capacity to successfully develop and deliver new climate actions can also require supporting policy and governance actions, defining the respective roles and responsibilities of public and private sector agencies to achieve the broader objective.

### ***The Sarajevo Functional Urban Area***

The Sarajevo Functional Urban Area (FUA) includes Canton Sarajevo (Centar, Hadžići, Ilidža, Ilijaš, Novi Grad, Novo Sarajevo, Stari Grad, Trnovo, Vogošća), City of Eastern Sarajevo (Istočna Ilidža, Istočno Novo Sarajevo, Istočni Stari Grad, RS Pale, Sokolac, Istočno Trnovo) and City of Sarajevo.

- The Sarajevo Canton, officially the Canton of Sarajevo, is one of the ten cantons of the Federation of Bosnia and Herzegovina in Bosnia and Herzegovina. Its cantonal seat is the city of Sarajevo, also the capital city of Bosnia and Herzegovina. The Canton represents the metro area of Sarajevo covering an area of 1,277 km<sup>2</sup>.
- The City of Sarajevo is the unit of local self-governance that consists of four municipalities: Stari Grad, Centar, Novo Sarajevo & Novi Grad.
- The City of East Sarajevo is the administrative, economic, cultural, university, tourist and sports centre of the eastern part of the Republic of Srpska. It consists of the following municipalities: Pale, Sokolac, East Ilidža, East Old Town, East New Sarajevo and Trnovo, while the administrative seat is in Pale.

On July 14th, 2023, as part of the implementation of one of the key recommendations of a functional review of the Sarajevo FUA carried out by a team from VNG International and published in March 2023 - regarding more inclusive representation and more political level leadership - a meeting of the so-called triumvirate of East Sarajevo, Sarajevo and Canton leaders – hosted by Ambassador of the EU Delegation – agreed the following:

The suggested amended title of the mission was to be “Net Zero Mission Sarajevo Urban Functional Area (including the City of Sarajevo, City of East Sarajevo and Canton Sarajevo)”. In addition, participants reiterated their previously agreed division of efforts as follows:

- (i) The NZS Coordinator of the Transition Hub to act as primus inter pares for the triumvirate in relation to the EU Delegation, Net Zero Cities platform, contractors, and link to the IFI Net Zero Coalition, Enterprise Alliance, Civic Platform etc.
- (ii) Canton Sarajevo to lead at a technical level on the 10 Year Action and Investment Plan,
- (iii) City of Sarajevo to lead at a technical level on the Citizen’s Assembly & Climate Change Contract; and
- (iv) East Sarajevo to lead at a technical level on a Pilot City application.

### ***Background on Climate Action in Sarajevo***

Sarajevo is one of the most polluted cities on the planet for over a dozen days in any given winter period, with measures above 400 µg/m<sup>3</sup> particulates, or almost 10 times the World Health Organisation<sup>2</sup> recommended limit. Its economy is entirely based on burning fossil fuels – coal, oil, diesel, gas etc. - and in spite of incremental attempts to tackle this challenge, its fossil fuel consumption and Greenhouse Gas (GHG’s) emissions have been rising steadily at 2.7% per year for at least a decade. In the same period the consumption of diesel in the transport sector has risen substantially. In all cases data - which shows a direct and pervasive threat to life of inhabitants as well as damaging the tourism offer - also represents a climate change challenge with each citizen of Sarajevo estimated to produce approximately 5.5 tonnes of CO<sub>2</sub>e per annum, mostly from heating and transport.

It is acknowledged that achieving net zero within a decade in Sarajevo is a complex challenge, with an integral approach required for the climate neutral mission. A number of key priority areas (see below) have been identified for Sarajevo where clear strategies and actions will be required in support of the climate neutrality ambition. A wide range of potential solutions exist for these priority areas, which will need to be carefully considered when developing the NZC CNAP for Sarajevo FUA. A number of cross sector and sectoral strategies have already been adopted in Sarajevo in relation to climate change mitigation including the following:

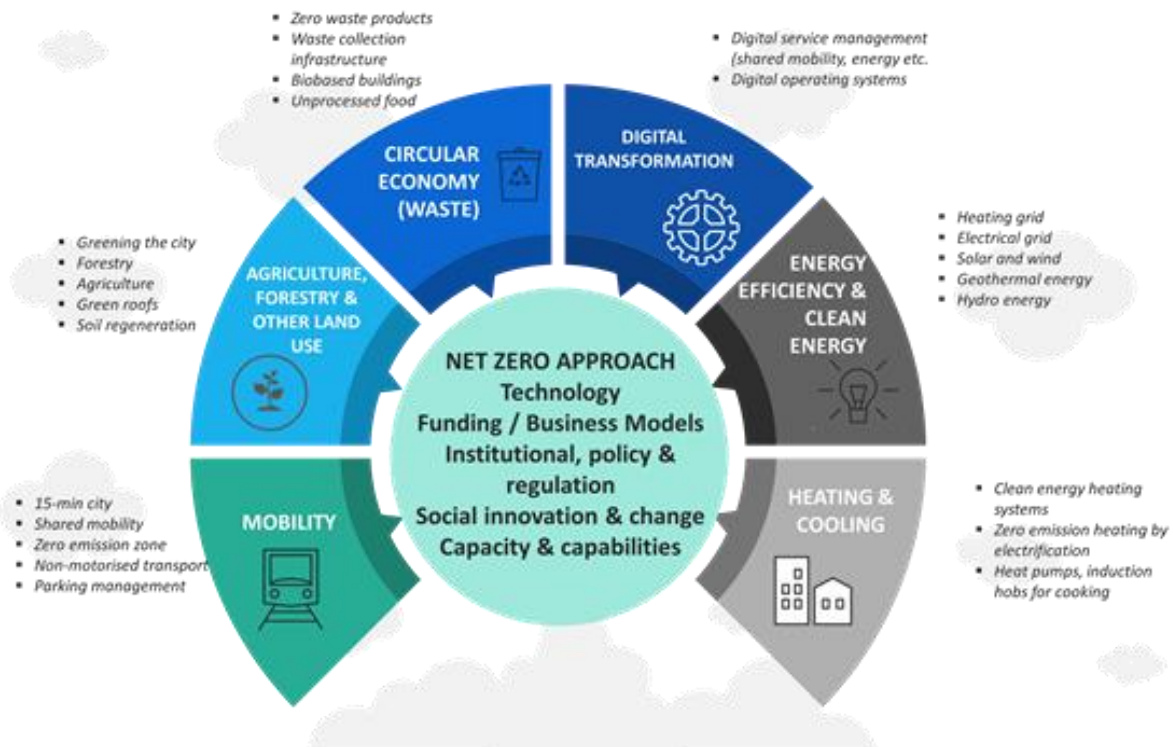
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<sup>2</sup> [https://www.who.int/news-room/fact-sheets/detail/ambient-\(outdoor\)-air-quality-and-health](https://www.who.int/news-room/fact-sheets/detail/ambient-(outdoor)-air-quality-and-health)

- The new DRAFT Sarajevo Urban Spatial Plan – the previous version (2003 – 2023) expired this year – is currently under consideration and is due to be the subject of a specialist working group review in early 2024.
- The City Sustainable Energy Action Plan (SEAP) from 2011 covered the period to 2020, with the implementation of energy efficiency measures to enable the achievement of a target to reduce CO<sub>2</sub> emissions by more than 20% by 2020. The document provides an inventory of GHG emissions for the city-Kanton of Sarajevo for 2008 in accordance with IPCC protocol.
- The Sarajevo City Sustainable Urban Mobility Plan was adopted in 2021 (covering the period to 2025) – under implementation. The SUMP sets a 12% reduction target in GHG emissions from transport by 2025 compared to 2019 levels. The SUMP includes strategic goals and measures relating to zero/low-carbon emissions including actions to encourage more walking and cycling activity, as well as the development of an affordable, accessible and high-quality public transport system with low-carbon emissions.
- The Sustainable Urban Development Strategy (SuDs) is referred to as the City’s Green Cantonal Action Plan (GCAP) adopted in 2021 (covering the period to 2026) and has a multi-sector focus. Within the City GCAP there are targets to achieve a 4 tCO<sub>2</sub>e/cap in the medium term and below this level in the longer term, set against baseline of 4.3 tCO<sub>2</sub>e in 2013. The GCAP acknowledges that the high proportion of fossil-fuelled vehicles and high levels of fossil fuels for heating pose a potential challenge to future GHG emission levels – A Vision Statement for the mitigation of GHG emissions has been established, for the Canton to have smart, affordable, low carbon transport, buildings and industries.
- Cantonal Environmental Action Plan (KEAP) was adopted in 2017 (to 2022) and it is currently under implementation.
- Sarajevo Canton Development Strategy (2021 – 2027) was adopted in 2021 and is currently under implementation. The strategy has a number of key strategic objectives, including resource efficient and sustainable development, with decarbonisation of the energy sector.

The Cities Mission submission for Sarajevo identified six sectors that would be the focus of the Action Plan and Investment Plan. These are shown below in Figure 1 below, and eventually need to be reconciled through the Action Plan process to the Priority Areas of the Climate City Contract.

**Figure 1: Structure of the NZC Framework for the Sarajevo FUA, showing the sectors and indicative solutions that will be considered in the Action Plan and Investment Plan.**



## 2 OBJECTIVE, PURPOSE AND EXPECTED RESULTS

### ➤ Global objective

The overall objective of the proposed Assignment is to provide technical support to the Net Zero Mission Sarajevo Functional Urban Area in preparing the Cities Mission Climate City Contract (CCC), the City’s Climate Neutrality Action Plan (CNAP) and the Climate Neutrality Investment Plan (CNIP).

### ➤ Specific objective(s)

The specific core objectives of this assignment are to:

- Work collaboratively with the Net Zero Mission Coordinator, Sarajevo FUA Beneficiaries (including the City of Sarajevo, City of East Sarajevo and Canton Sarajevo), acting under the technical lead of Canton Sarajevo, to review and assess current strategies, plans and actions aimed at climate neutrality to identify gaps in policies, data and measures needed to achieve the climate ambition. Support Net Zero Mission Sarajevo build an effective transition team including the Net Zero Sarajevo Coordinator and drawing on representatives from the participating city governments, in support of the Functional Urban Area;
- Through engagement with the NetZeroCities (NZC) city support programme, the relevant city advisor, deepen the understanding of ways to address and overcome barriers, accelerate actions through proactive engagement of

stakeholders and citizens, build systemic interventions, and mobilise funding and financing critical to effective implementation;

- Prepare and draft the Sarajevo FUA NZC CNAP and CNIPs, based on the Guidance provided by the NetZeroCities (NZC), including completion of all relevant proformas and templates required to support these;
- On behalf of the Net Zero Mission Sarajevo FUA coordinator and City of Sarajevo facilitate the necessary Citizens Assemblies and other outreach activities, with special reference to the Enterprise Alliance and Civic Platform required as part of the process to establish the NZC CNAP and CNIP. The work shall involve preparation of materials/discussion points for the meetings, facilitation of the discussion, and making notes of the meetings for circulation. The contractor should assume 6 meetings will take place with specific stakeholders, plus a further 3 meetings as part of the Citizens Assembly activities;
- Based on the final CNAP, propose a draft Roadmap for the Sarajevo FUA with estimated actions, timetable and resources needed in order to successfully achieve comprehensive preparation of CCC; and
- Recommend key climate actions which, given the abbreviated timeline, will be required in order to meet the Net Zero Emissions target within a decade.

➤ **Requested services, including suggested methodology<sup>4</sup>**

The assignment shall be undertaken to enable the selected Contractor to effectively support the Sarajevo FUA with the development and completion of NZC Action and Investment Plans with a view to completing a Climate City Contract and submitting to the European Commission for the October 2024 window. During the execution of the assignment tasks, the Contractor will be expected to liaise substantially with the Contracting Authority to agree on contents and delivery mode. Below is a schedule of the relevant activities and deliverables.

**Activity 1: Inception**

An Inception Meeting shall take place at the start of the assignment to set out priorities for the project and to present the Project Team. The meeting shall also have a discussion on the handover of information and agreement on the meetings schedule. The agenda for the Inception Meeting shall be circulated in advance by the Contractor. Within 14 days following the Inception meeting, the Contractor shall prepare an Inception Report. The Inception Report shall contain the following information:

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<sup>4</sup> Contractors should describe how the action will contribute to the cross-cutting issues mentioned above and notably to the gender equality and the empowerment of women. This will include the communication action messages, materials and management structures. Indicate if the presence of a member of the Management Team or of the quality support team is required as expert for the specific contract.

- Confirmation of the Project Team and resource allocation for the assignment;
- Proposed working arrangements and communication, including how sub-teams will work with Sarajevo FUA on specific specialist areas, and the mechanism for delivery of Draft and Final Reports for review by the Steering Committee;
- Confirmation of a realistic and achievable Project programme and schedule for delivery of deliverables;
- A risk register, highlighting project technical and managerial risks and measures for mitigation, in addition to significant risks to be monitored closely, and as a minimum covering the assumptions and risks outlined earlier in this document. Note that this shall be a risk register specifically developed for the current project that shall be used as an aide in project management, and is not intended to be a purely administrative activity;
- A proposed schedule for monthly progress meetings during the project, and a schedule for technical meetings as necessary;
- A timetable setting out when information needs to be received from the relevant stakeholders (as represented by the Steering Committee) where this is within the control of the stakeholders; and
- Any specific issues relating to the NZG Guidelines and Templates that should be raised where there are any difficulties envisaged in applying them to the current assignment.

The Inception Report (described later under ‘Required Outputs’) shall report on all activities under the contract and results of Inception Meeting discussions.

## **Activity 2: Project Scoping**

The scoping shall seek to fully understand the level of available City data and information that will underpin and inform the Climate Neutral Action Plan and Investment Plan tasks. This scoping task will be completed within a six-week duration and will include assessing and validating the available Sarajevo FUA baseline emissions (GHG emission data) and identifying any key gaps that will require attention. Based on the output of the scoping task, the Contractor will then be required to clearly set out the approach and methodologies to be used to complete gaps in the existing city data and information required for the baseline (particularly under Task 3) in relation to the GHG emissions estimates etc.

Baseline energy consumption data is available for 2021 and 2022 from Canton Sarajevo. This data is currently being translated into Baseline GHG emission data for each year, being overseen by Canton Sarajevo, and this will be made available to the consultant.

Based on a review of existing information, the Contractor will identify which gaps need to be filled within existing documentation or planning models in order to enable the Action Plan and Investment Plan to be developed, and develop methodologies for filling these (subsequent Tasks 3 and 4 respectively). Actions and interventions that are contained in specific Sarajevo FUA plans and programmes will be carefully reviewed in

terms of their applicability for inclusion in the CNAP. The list of documents available for review by the Contractor includes at least the following:

- Urban Plan for Sarajevo (UPSA) DRAFT (2016 – 2036)
- Sarajevo Sustainable Energy Action Plan (SEAP) (2011);
- Climate-Neutral and Smart Cities Mission Call for Expression of Interest (Jan 2022);
- Green Cantonal Action Plan for Sarajevo (Dec 2020);
- Sarajevo Sustainable Urban Mobility Plan (SUMP) (July 2020);
- 100 Climate Neutral Cities: the EU Mission to Improve Quality of Life for Everyone – Advice on plan of approach for Net Zero Sarajevo Functional Urban Area (FUA) (March 2023);
- Supporting Information Report for Sarajevo’s Greenhouse Gas Emissions Balance (Jan 2022);
- Cantonal Environmental Action Plan (KEAP) (2017);
- Sarajevo Canton Development Strategy (2021 – 2027) (2021);
- The Economic Case for Decarbonising Sarajevo (Jan 2022);
- Sarajevo Canton Digital Administration 2.0; and
- Local Development Strategy for the City of East Sarajevo 2023-2029 – the strategy has a number of key strategic objectives, including resource efficient and sustainable development, with decarbonisation of the energy sector.
- UP Digital Tool Sarajevo: EnerPol

It is anticipated that a programme of meetings and engagement events will be required to discuss and exchange information, as well as understanding better the existing information available and setting out the required activities of the Contractor.

### ***Activity 2.1 NZC Data Collation and Review***

The development of the Sarajevo FUA NZC Action and Investment Plans shall draw, to the best extent possible, on information presented in existing documents and plans. Based on a comprehensive assessment of existing plans, policies and programmes by the Contractor, it will then be possible to identify any additional information and ambition gaps that require attention as part of the Action/Investment Plan process.

A reliance on existing information will be a key element of the work, and this will require a period of research to understand what already exists for the city and its surroundings. It is anticipated that a series of meetings with NZC representatives will be required to support this task, to ensure complete coverage of all relevant documents and datasets required to support the assignment. A document/data register shall be developed by the Contractor which will be updated throughout the assignment.

Where there are gaps in the information presented, the service provider shall prepare proposals for additional data sources (from existing sources) or analytical methods using available data in order to address those gaps, in a way that will support the preparation of the project outputs to a standard that is acceptable.



## **Activity 2.2      *Assessment of NZC Institutional Framework***

The success of the new Mission in the Sarajevo FUA will require a new approach to collaboration and decision making based on well-defined structure across all levels of city government and financial institutions, reinforced by effective public and private collaboration. It is important that an institutional structure is in place that can help foster a collaborative and innovative approach across the different city sectors, when embracing the climate neutrality challenge.

The effective support and co-ordination of all participating municipalities is critical for the success of the Mission. Given the scale of change needed to deliver improved environmental performance there is a need for new sustainable solutions, supported by new technologies, as well as business and financing models, that will deliver strong social, economic, as well as environmental benefits. City communities and private partners across the business sector will play a key role in shaping sector performance in the future, with active participation in Citizen Assemblies and CCC processes.

It is essential to ensure that there is a clear governance structure in place to successfully develop, manage and oversee the development and adoption of the Sarajevo FUA Climate Neutrality Action and Investment Plans. As part of the scoping task, the Contractor is required to assess the institutional framework that is currently in place, to identify and recommend any enhancements or modifications that may be required to facilitate the successful development, adoption and implementation of Climate Neutral Actions and Investments for the Sarajevo FUA. There is a need to establish a clear, formal decision-making process that will effectively manage the development of the action and investment plan, integrating fully with the key sector portfolios of the mission (namely those focusing on urban mobility, built environment, waste, tourism, infrastructure, and spatial planning).

The 6 sectors proposed by FUA Sarajevo are the only sectors to be considered (i.e. a subset of the NZC sectors). Agriculture and Industry are not addressed in this AP. Biodiversity (reflecting Forestry which is a significant contributor) and Digitalisation are presented as additional sectors (not covered in the NZC template outside cross-cutting activities).

Upon completion of Activity 2.1-2.2, the Contractor shall aggregate all the finalised work in the Scoping Report, described later under ‘Required Outputs’. It is required that the analysis presented through each of the above activities shall be discussed with the Steering Committee as the work progresses, such that the compilation of the final Scoping Report shall be an aggregation of the work presented under each of these individual tasks, in order to aid speedy review and approval.

## **Activity 3      *Stakeholder Engagement and Citizens Assembly***

A core component of the entire Net Zero City concept is the buy-in and inclusion of all sectors of society in endorsement of the CNAP and CNIP. The chosen approach for the current work is through a process known as Citizens Assemblies (CA) to inform the CNAP/CNIP, and also incorporating a wider stakeholder group in the definition of the Climate City Contract (CCC).

Given the broad administrative structure of the Sarajevo FUA, it is essential to build a strong consensus across the different governance structures, enterprises and civic groups

to successfully respond to the NZC challenge – this will require time and close management of the NZC process in order to deliver a coherent outcome. A collaborative effort within the Net Zero Mission Sarajevo FUA technical team is therefore a key requirement to support the climate neutrality target. The quality of the NZC CNAP and CNIP for the Sarajevo FUA is dependent on the quality of participation and the level of ‘ownership’ across the Sarajevo FUA.

The over-riding objectives of the Stakeholder Engagement will be to raise awareness of the process with citizens and hence ensuring active contributions from stakeholders and civic society, to gain insight into the range of challenges and objectives in order to prepare an inclusive and relevant Action Plan, and to support buy-in from relevant groups throughout the process of development of the Action Plan (pro-active support and engagement instead of ex-post engagement following completion of reports).

General public engagement via a Citizens Assembly panels to ensure a random statistically representative sample of views and inputs from Sarajevo citizens are adequately reflected in the CNAP and CNIP documents through a Citizen’s Assembly process, co-led at a technical level by the City of Sarajevo.

Given the importance of involving stakeholders throughout the development and agreement of the Mission documents the Contractor is therefore required, at this early stage of the contract, to prepare and agree with the Project Steering Group a *Stakeholder Engagement Plan (SEP)* that will be built around:

- The convening of 3 consecutive Citizens Assemblies (CA) on the following topics: – i) Mobility and AFOLU, ii) Heating and Cooling and Clean/Energy Efficiency incl. Industrial Processes & Product Use (IPPU), and iii) Digital Transformation and Circular Economy (waste). Each of these shall be aligned with preparation of milestones and roadmaps per sector with materials prepared in such a way as to be usable in CA process (clear, simple, prioritised for impact etc) where Enterprise Alliance, Citizens Assembly and IFIs also have a clearly defined reference role;
- Outlining the role and contribution of the IFI Net Zero Coalition Group – established in 2022 - that already includes representatives from the relevant Embassies, will need to be involved as a reference point throughout the assignment especially in developing no regret investment strategies in order to avoid current pipeline investments thwarting the future ambition;
- Scheduling information sessions with the operational level members of the 18 Municipalities that are another important reference group, and whom make up the FUA but are not part of the primary triumvirate. This group meets bi-monthly and timely briefings and engagement sessions with this group shall be presented throughout the assignment;
- Engaging with the Enterprise Alliance – established in 2023 - which brings together representatives across the private sector, and who are key stakeholders in the delivery of the climate neutral pathway. The Contractor will be expected to engage in a timely manner with the Enterprise Alliance during the scoping,

baseline analysis, measure selection and evaluation stages of the assignment acting as a reference point for the CA and CCC processes; and

- Addressing the Civic Platform which comprises representatives from Civic Society – currently being constituted. The Contractor is required to provide timely briefings and engagement sessions with this group throughout the assignment in a reference group role; and

The Stakeholder Engagement Plan should consider all activities during the life of the project and propose an engagement methodology that reflects current best practice and policy (also refer to *Council of Europe, Committee of Ministers Recommendation on deliberative democracy CM/Rec(2023)6*), drawing on established stakeholder arrangements. It should include:

- A clear and structured process for supporting and contributing to the development of CNAP and CNIP with relevant stakeholders;
- A process for maintaining regular communication and consultation during critical stages of the process with key stakeholders and seeking their inputs to the assignment;
- Efficient methods (e.g. through workshops, meetings and use of information technology tools) of keeping all stakeholders up-to-date with the progress for the duration of the assignment;
- Methods to encourage and enable citizens to get informed and to join the debate, through methods for reaching-out that will gain broader audience; and
- Promoting a marketing strategy for supporting the development of climate neutrality actions for Sarajevo throughout all stages of the process. It is important that this is developed systematically from the beginning of the process addressing all the stakeholders involved.

In parallel with the preparation of the Stakeholder Engagement Plan, the Contractor will be required, as part of the scope of this contract, to set up the Citizens Assembly through appropriate citizen selection procedures, in accordance with the requirements outlined in Annex II of this ToR. This shall include initial sampling, issuing of invitations, follow-up to secure appropriate level of attendance, delivery of the necessary communication around aims and processes, production of relevant materials, organisation of venue and attendance at event.

Bidders are expected to demonstrate in the tender that they have access to the appropriate skills and expertise in order to undertake the sampling, selection and organisation of the Citizens Assembly, that reflects the need to understand local conditions and local language.

This activity shall be undertaken under the technical lead of the City of Sarajevo and the detailed proposals relating to its formation, management and operation shall be also fully described in the Stakeholder Engagement Plan.

#### **Activity 4: Development of Climate Neutrality Action Plan (CNAP)**

The development of the Climate Neutrality Action Plan (CNAP) aims to reinforce the importance of achieving the NZC Mission objective. As part of the Action Plan development, there is a need to provide the background relating to how the Action Plan has been developed. There is also a need to convey clear relationships with the other Climate City Contract Components, including the 2030 Climate Neutrality Commitments and the accompanying Climate Neutrality Investment Plan (CNIP - see Task 4 below). As outlined in the 2030 Climate Neutrality Action Plan Guidance, the basic principles for the establishment of an Action Plan which the Contractor will be required to take into account when undertaking CNAP tasks include the following:

- Building on existing strategies, plans and processes to address the ambition gap between emission reductions planned for in existing action plans and those needed to reach climate neutrality by 2030, in an accelerated fashion;
- Embracing a need for multi-level governance and deep stakeholder and citizen engagement, systems to better understand the required transformative innovation required to address the barriers/challenges and achieve the climate ambition;
- Adopting a ‘portfolio’ approach to group and link different City climate actions that takes account of the cross-cutting nature of interventions and climate change, that will also help to unlock funding and financing opportunities across Sarajevo. The ‘clustering’ of different climate actions will help to create and generate a number of co-benefits, as well as secure greater citizen participation in support of NZC policy and infrastructure measures;
- Drawing on a flexible, modular approach to Action Plan development that correlates well to Sarajevo’s baseline assessment needs, covering all city sectors, to identify the best actions that deliver the maximum climate benefits;
- Using the modular approach to feed an incremental Citizen’s Assembly (CA) process which shall seek to tackle Net Zero ambition on a sectoral basis in the initial phases to provide greater clarity and simplicity in the CA process;
- Embracing data-driven analysis in terms of baseline assessment and sector GHG emission inventories, as well as selection of KPIs to assess and inform climate policies, initiatives, investments, and assess impact in a measurable, reportable and verifiable manner; and
- Providing a solid foundation and clear direction to support more detailed operational and financial planning within the subsequent implementation phases. The 2030 CNAP acts as a living document, which can be refined and adapted on a regular basis, taking into account the adopted planning cycle in Sarajevo, and importantly responding to climate benefits that are derived in terms of GHG emission levels.

The CNAP should build on information contained in the City’s Expression of Interest (EoI) previously prepared in 2022, and should clearly articulate how the Plan supports and relates to other key city context and strategies. A clearly defined template is to be

used by the Contractor to capture the relevant information, based on a structured modular approach.

In preparing the CNAP for the Sarajevo FUA, the Contractor will be required to highlight how the Action Plan fits with the wider environmental programmes (e.g. air quality plans) that City is progressing and processes that have been adopted by the City.

There is a clear relationship between the CNAP and the development of the supporting CNIP (covered in more detail below), particularly relating to the individual climate actions (sector-focused) that are identified and prioritised in the Action Plan, which require investment support and realistic programming.

The CNAP development process fully reflects the Climate Transition Map, with a clear focus on the following:

- Establishing a strong mandate and governance structure to support the effective transition to achieving climate neutrality – this requires the right institutional structures and networks to be in place at all government levels to support effective action development and subsequent implementation;
- Recognising the inter-relationship and connection of different climate actions in terms of components, agencies and institutions involved in supporting development and delivery of actions that will deliver clear climate benefits for the City. There is a requirement to fully align the identified sector actions with the baseline assessment (covering current state assessment/mapping as well as GHG emissions data etc.), and importantly an assessment of the gaps that require attention to support the climate neutrality ambition within a decade; and
- As part of the Action Plan process, the Contractor will need to consider the different impact pathways and co-development of climate actions, and the selection of suitable indicator sets to effectively monitor, evaluate and learn from Plan delivery and implementation.

The approach to be taken for CNAP development should be built on the following combined key principles:

- The adoption of MRV (Measurable, Reportable and Verifiable) Climate Action Planning that is based on the GHG emission baseline inventory that results in clearly defined city action portfolios that will deliver clear climate benefits (and GHG savings); and
- The development of a strategic approach that reflects the city changes that are needed to harness social and governance innovation to achieve successful climate neutrality transformation.

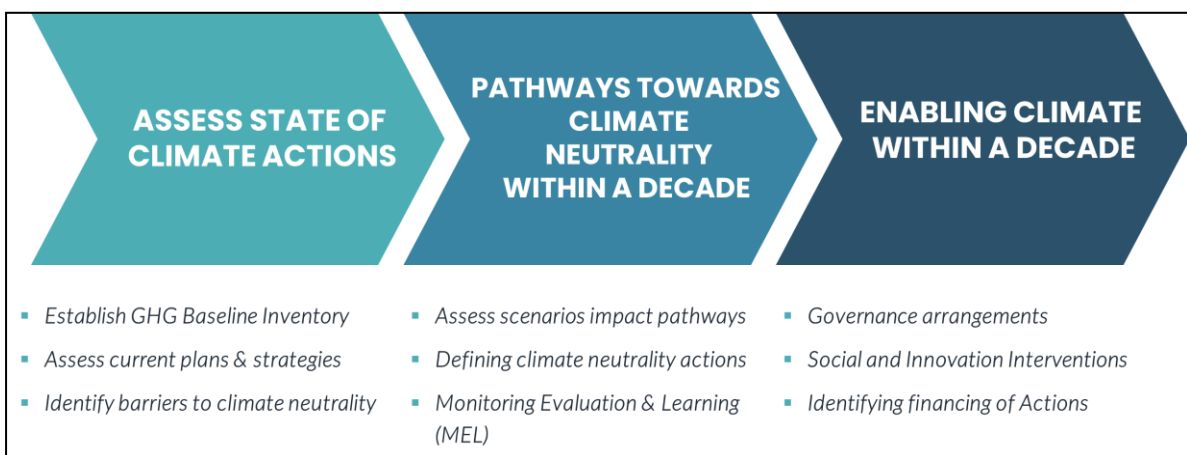
Within the intervention options to be considered for the CNAP, the Contractor will be required to consider different types of actions necessary to achieve climate neutrality. This includes planning approaches that will deliver the scale of systemic change required to align the planning system in the Sarajevo FUA with climate policy, embedding climate change and spatial planning across decision-making levels.

The Contractor should consider how the Sarajevo FUA can enhance its’ strategy for funding, resourcing and supporting planning functions to address climate goals, including increasing knowledge, awareness and capacity across relevant agencies. Local Development Plans can shape, direct and help to deliver sustainable development and in turn climate emission levels, by influencing local planning decisions as part of the statutory development planning processes. It is important to ensure that all relevant areas of municipal planning policy (including forward planning and development control processes) robustly secure opportunities to address climate change covering economic development, promoting sustainable urban mobility; renewable energy generation etc.

Drawing on international best practice thinking and successful implementation of climate actions, the Contractor will assess the viability and potential contribution to the climate ambition of new planning approaches that can collectively deliver green and thriving neighbourhoods – including creating 15-minute cities that will enhance local urban mobility behaviours. This is an urban planning principle which aims to provide everyone with essential amenities within a 15-minute walk or bike ride from their homes, improving accessibility and inclusivity.

A modular approach to the development of the CNAP is expected based on the table below. There is a clear relationship between the different elements of the Action Plan, with the baseline review of GHG emissions and city actions informing the development of pathways and portfolios of actions to achieve climate neutrality within a decade.

Figure 2: Modular Approach to the CNAP (Source: Summarised from Net Zero Cities, 2030 Climate Neutrality Action Plan – Guidance and Explanations)



The source sectors, scope and greenhouse gas emissions to be covered within the GHG inventory are clearly set out in the InfoKit for Cities<sup>5</sup>. When assessing the existing data and GHG information available, it is important to set out the proposed methodology for completing the inventory to cover all GHG emissions covering the full range of sectors. The GHG gases that are required to be covered include:

- Carbon dioxide (CO<sub>2</sub>)
- Methane (CH<sub>4</sub>)
- Nitrous oxides (N<sub>2</sub>O)
- F-gases (hydroflourocarbons and perfluorocarbons)

<sup>5</sup> European Missions – 100 Climate-Neutral and Smart Cities by 2030 – Info Kit for Cities

- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

In developing the NZC CNAP for the Sarajevo FUA, the Contractor will draw upon the published guidance, and use the prescribed templates to support this task, and consider available information. The specific tasks required to prepare the CNAP are outlined below.

#### ***Activity 4.1 Assessment of Current Status of Climate Actions***

##### ***a. Document the GHG Inventory methodology***<sup>6</sup>:

Within the Sarajevo FUA, data on greenhouse emissions has been collated for all sectors (2020) except agriculture, forestry & other land use and also industrial processes & product use as presented in the Expression of Interest. In general, the Covenant of Mayors Europe methodology has been used to assess GHG emissions, although for the waste sector the IPCC 2006 methodology has been used. Inventories for at least 2021 and 2022 will be completed shortly using the same methodology.

The Contractor will review the methodologies used to estimate the baseline GHG assessments for 2020 that have been produced for the Sarajevo FUA in order to verify these estimates, based on the input data, emission factors and assumptions that have been used for the different sectors. Information on the different emission factors should be included, as well as presentation of relevant charts, analyses and commentary on these. It is important for the Contractor to consider the energy consumption/GHG emission levels covering the different city sectors and sub-sectors.

The Contractor will review and validate the GHG inventory baseline, as provided in EoI, considering the recommendations in the Action Plan Guidance, and reflecting the available data and methodology considered in the scoping stage.

Where there is missing sector information, the Contractor will propose a methodology to address these gaps. Similarly, where there are gaps for specific pollutants, the Contractor will seek to estimate emission levels for these with a base year of no earlier than 2018. Within the City's existing GHG baseline, estimates have been established for carbon dioxide (CO<sub>2</sub>) and methane (CH<sub>4</sub>) and so the Contractor will assess how best to estimate baseline data for the other pollutants, drawing on available data and using proxies where appropriate. It should be noted that no new surveys are specifically required as part of this assignment, and so all estimates will need to be derived from available data sources. The Contractor is required to document the assumptions and approach to be adopted to derive the missing data, for discussion and agreement with the Steering Committee.

The Contractor will identify the emissions gap, assessing the difference between the baseline level and the climate neutrality target), which will identify the level of emissions to be addressed in the CNAP.

##### ***b. Comprehensive assessment of current baseline for Sarajevo:***

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<sup>6</sup> EU Missions – Climate-Neutral and Smart Cities – Guidance on target setting and emissions inventories

The Contractor will undertake a comprehensive assessment of relevant strategies, policies and plans, for the Functional Urban Area to collect and map the relevant policies, strategies and regulations relating to climate neutrality. This will help to determine the scope of intervention required to meet the climate ambition and target (i.e.. the ‘implementation gap’). The identification of gaps and opportunities should relate to key elements including infrastructure, processes, resources, funding and capacity that might influence the transition to climate neutrality. A list of currently available documents is listed under Task 2 and additional engagement with the Stakeholders will be required (as part of the Scoping Task 2) to identify any additional relevant documentation and/or data.

The Contractor shall identify the key barriers and challenges to achieving climate neutrality, as well as assess potential opportunities to enhance the transition towards climate neutrality. In assessing the barriers to achieving climate neutrality and to outline potential mitigation measures need to resolve these. The following list (not exhaustive) provides a preliminary list that the Contractor should consider, as well as identify additional barriers and mitigation measures.

*Table 1: Sectorial Barriers already identified*

Sector	Barriers Identified <sup>7</sup>
<b>Cross-Sector:</b>	<ul style="list-style-type: none"> <li>• Slow/disaggregated authorisation process</li> <li>• Insufficient administrative and/or operational capacity</li> <li>• Regularity red tape</li> <li>• Lack of circularity</li> <li>• Lack of consolidated monitoring, reporting and verification procedures</li> <li>• Fragmentation of responsibilities</li> <li>• Vested interests/Winners and Losers</li> </ul>
<b>Energy:</b>	<ul style="list-style-type: none"> <li>• Subsidies for competing fuels</li> <li>• High initial capital costs</li> <li>• Unfavourable power pricing rules</li> <li>• Lack of legal framework for independent power producers</li> </ul>
<b>Waste/Wastewater</b>	<ul style="list-style-type: none"> <li>• Insufficient waste separation/quality of separated waste</li> <li>• Inefficient energy recovery of waste</li> <li>• Spread of illegal practices in shipping/dumping of waste</li> </ul>
<b>Mobility:</b>	<ul style="list-style-type: none"> <li>• High initial capital costs</li> <li>• Lack of cross-modal ticketing and payment systems (to achieve modal shift)</li> <li>• Spatial dispersion or uneven accessibility – a lack of integrated spatial planning to improve connectivity for sustainable modes</li> <li>• Infrastructural and planning barriers to active travel (NMT)</li> </ul>

***Activity 4.2 - Pathways Towards Climate Neutrality within the next decade***

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<sup>7</sup> Extracted from Climate-Neutral and Smart Cities Mission Call for Expression of Interest (Jan 2022)



This task forms a core element of the NZC CNAP setting out the detail of the action portfolios and each action to be implemented. The Contractor is required to undertake the following:

- Undertake climate scenario modelling to understand the different levers/interventions necessary to achieve climate neutrality within the next decade. The Contractor will develop an approach, such as the ‘backcasting’ method, and applying the principles of the Theory of Change <sup>8</sup>as outlined in the Action Plan Guidance documentation, that will drive the path to net-zero emissions over the period of the Mission. This will focus on how desirable futures for Sarajevo can be attained, working backward from the desirable future to the present to determine the feasibility of specific zero emission measures and projects. Given the scale of the transition required, it is expected that such initiatives will comprise zero-emission solutions, and that low-emission is unlikely to be considered an option in all but a few exceptions;
- As part of the scenario modelling task, develop, assess and compare performance of different scenarios to support the pathways towards a Net Zero Emission City within the next decade. This includes a Business-As-Usual (BAU) scenario, as well as a number (a minimum of 3 with short and longer-term outcomes/horizons) alternative scenarios that reflect variations in GreenHouse Gas (GHG) emissions, energy production, consumption, application of levels of new technology and innovation, as well as detailing different behavioural changes across the sectors. The development and selection of scenarios to support this task, will be informed by the outcome of discussions with stakeholders, as well as with counterparts in the Sarajevo FUA;
- Break down the impact pathways scenario selected for Sarajevo into short-term and long-term outcomes (strategic objectives) that lead to the desired impact with regard to the fields of action and the associated co-benefits. This information should be documented in a log-frame as specified in the Action Plan Template which will form the basis for an overview table including impact pathways, fields of action, action portfolios and indicators. Further details on this are provided in the NZC CNAP Guidance;
- The intended outcomes relating to sector emissions from existing strategies/plans should be then assessed to determine where additional action is required. The need for additional objectives, targets and outcomes should also be considered by the Contractor to help identify any further ones that need to be established;
- Establish sector portfolios which clearly set out the different action types that positively respond to the climate neutrality target. The range of solutions/interventions to be considered should include, physical, nature-based and technical options, as well as other interventions relating to social innovation and/or different business models. All interventions to remove GHG emissions (avoid, cut or reduce) must be included in the action portfolios that are development and assessed;

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<sup>8</sup> NZC Climate City Contract 2030 Climate Neutrality Action Plan Guidance and Explanations (Sept 2022)

- In terms of the range of potential climate neutrality actions applicable for the Sarajevo FUA, Annex 1 includes a preliminary set of different areas of policy focus and measures for the different city sectors. These will be considered by the Contractor when developing draft sector action portfolios, together with additional proposals and suggestions resulting from discussions and feedback from city stakeholders. Individual actions should identify, anticipated outcome, responsibility for implementation, as well as detail on impact and cost. When assessing the portfolios of actions, it is important that information on the expected GHG emission reduction (by emission sector) is identified. Annex 1 also highlights a number of key measures that have been identified and progressed in Sarajevo in support of climate change reduction targets since 2005. The Contractor is required to assess the implementation status of the sector policies/plans/projects, understanding the progress that has been made, where delays have been incurred and where additional action is required to further develop and implementation projects that will deliver clear climate (and wider co-) benefits. The Contractor will also draw on the assessment of project implementation and impact to take a view on the trajectory of emissions over the next decade, establishing a refresh of the scale of the challenge, and identifying further actions/initiatives that may be required to further reduce the level of GHG emissions in support of the climate neutrality target. In addition, the Contractor is required to consider sectors/actions where additional contributions may be required to achieve climate neutrality within the next decade; and
- Develop a priority list of the most effective actions/projects that will help inform a suitable implementation schedule. This should be set out in the form of a short, medium and long term set of actions.

#### ***Activity 4.3 Development of MCA tool & Prioritisation of Climate Actions***

The objective of this task is to develop an analytical tool that will allow for comparative analysis and prioritisation of climate action opportunities aimed at supporting Sarajevo's ambition to achieve climate neutrality within the next decade. The Contractor is required to develop a Multi-Criteria Appraisal (MCA) tool (spreadsheet) to support the assignment and the prioritisation task, which will include the following criteria (among others):

- Climate impact performance in terms of potential to reduce GHG emissions;
- Wider development impact in terms of improved access, quality, affordability, connectivity, competitiveness, sustainability, resilience, and integration of urban transport and mobility;
- Cost-benefit assessment;
- Alignment with local/national/sectoral priorities;
- Funding/financing readiness;
- Legal and regulatory obstacles;
- Level of stakeholder support;

- Assessment of risks and dependencies; and
- Institutional capacity and capability of relevant authority to develop/deliver etc.

The Contractor will propose a structure for the MCA and discuss/agree this with the Contracting Authority and counterparts in Sarajevo, prior to assessing the different climate neutral investment opportunities.

Once the MCA tool has been approved to support the prioritisation of NZC Actions for the Sarajevo FUA, it is intended that the assessment is undertaken collaborative with city representatives to strengthen the local ‘ownership’ of this process. It is proposed that the contractor develop a workshop solution for finally compiling the relevant assessment outputs to deliver a common solution – the Contractor shall propose and develop a methodology with supporting guidance for the relevant stakeholders to engage in this collaborative assessment and the subsequent workshop.

#### ***Activity 4.4      Develop the Monitoring Plan***

It is important to establish a set of measurable, reportable and verifiable key performance indicators (KPIs) relating to the CNAP. The Contractor is required to select appropriate indicators from the NZC Comprehensive Indicator Set that relate to the Sarajevo FUA and the CNAP. The indicators selected should be complemented by details on the associated outcomes and impacts, as part of an approach that supports the CNAP:

- In terms of monitoring and evaluation systems for existing plans in terms of climate neutrality, no processes are currently in place for effective monitoring, evaluation and updating. A wide range of indicators are outlined in existing plans including the Sarajevo GCAP and SUMP and the Contractor is required to review and assess these. The Contractor is also required to assess and outline proposed institutional arrangements for monitoring, reporting and verification (MRV) as part of the CNAP (and CNIP).
- The MRV framework will be based on an assessment of existing City indicator sets, and it is important that the Contractor will establish a set of relevant KPIs that supports the action plan, including identifying any new indicators that are required. The Contractor will detail any new methods required to support the collection of data for new indicators that are required.
- Tabular information is required including scale/scope of indicator, data, measurement method, owner etc. which is fully outlined in the CNAP guidance document and accompanying template.
- It is important that the Contractor considers the availability of readily available data and where necessary, additional data should be identified, particularly if this is available from different city stakeholders.

When undertaking the above tasks, the Contractor will be required to follow a proforma-based approach to collating information on a project-by-project basis to populate the relevant Action Plan template. Similarly, a proforma-based approach is to be taken to recording indicator information when determining the specific indicators to support the CNAP.

#### **Activity 4.5      *Identifying the Enabling Factors Required for the CNAP***

This task involves examining the enabling factors from different perspectives to support action plan development and implementation. The Contractor is required to undertake the following:

- Drawing on a review of existing institutional frameworks, assess the organisational arrangements required to satisfactorily develop and progress the different portfolio interventions and actions defined in the CNAP, identify any new governance and partnership arrangements that are needed to support development and implementation of the CNAP. This should consider all levels of government (eg. city/regional/national) that are required to implement climate mitigation policies and actions;
- Consider the necessary financing requirements that will be necessary to successfully implement the CNAP (this will be further elaborated in the CNIP); and
- Identify options to strengthen the involvement of city citizens and stakeholders, including enhancing the link with public, private and NGO bodies in support of the CNAP.

Fragmentation of responsibilities within the municipal administration and the lack of appropriate coordination between administrative levels is one of the greatest barriers for municipalities to achieve their climate goals. Technical capacity may also present a significant obstacle. As such it is important to implement a systemic approach and a new governance model to support effective NZC planning and implementation.

The lack of funding and financing schemes is one of the most important barriers to successfully implementing tangible climate action. This is due to high initial investment costs, regulatory and governance barriers, as well as a lack of know-how and expertise on climate finance and climate investments. A structured framework to assess funding alternatives and different financing options is required.

The Contractor should consider how best to strengthen the connection between strategy development and initiating concrete actions, including how best to move from a project approach to a portfolio approach. A portfolio approach is beneficial in overcoming conflicts and competition between different measures to be implemented.

There is a need to consider how best to move from sector strategies, which act as drivers for action, into robust implementation approaches that delivers change. The Contractor will need to identify how best to translate broad sector strategies into concrete actions and measures that fit with the local context in Sarajevo, operational reality, as well as stakeholder expectations.

It is important for the Contractor to consider the necessary transitions needed across the sectors including options for scaling up, as well as identifying synergies and co-benefits that can significantly accelerate the transition and maximise the impacts on climate mitigation in the Sarajevo FUA.

#### **Activity 4.6      Summary & Next Steps**

Based on the outcome of previous tasks, the Contractor will produce a summary of key issues experienced relating to the development of the CNAP, as well as comments that will be addressed in the CNIP.

As with other elements of both the CNAP and CNIP processes, an intensive collaboration with stakeholders and actors is required. In support of the collaborative approach to this assignment it is essential that the Contractor obtains feedback/input from key stakeholders and city ‘actors’. During the development of the above CNAP, the Contractor will identify where and how it is consulted, and at what points during the preparation of the plan.

The Contractor will also identify and consider further assistance that is needed to support the ambition for climate neutrality within the next decade, including the following:

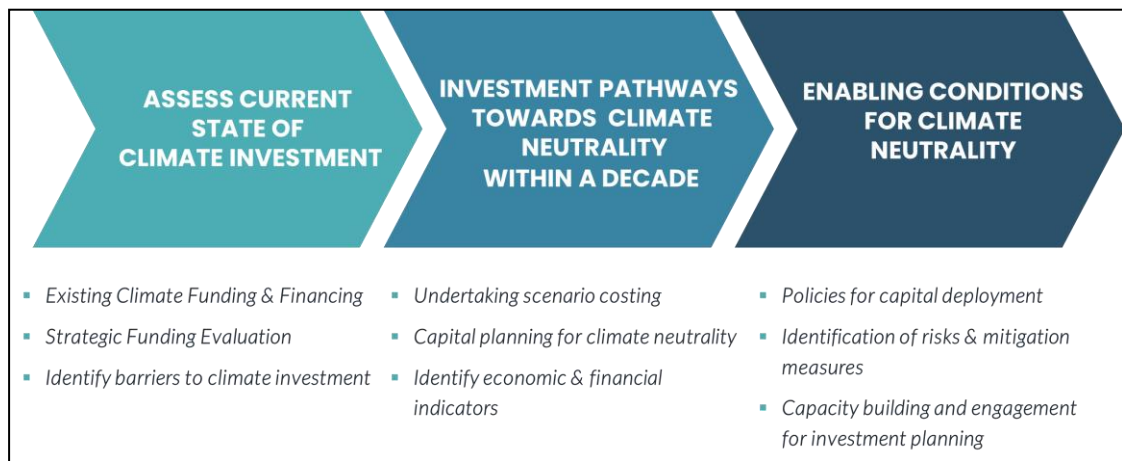
- Initiating a mission-led approach to climate neutrality that require ‘community re-learning’ and a need to change processes for organising, resourcing, planning and managing policies and actions towards achieving climate neutrality.
- Options to enhance support in the following areas in terms of additional support to the City, such as defining/enhancing the Mission Transition Team and governance models, ways to enhance collaboration and communication for both the CNAP and CNIP, development of investment and business models, the role of digital systems in supporting climate neutrality, support in sector portfolio development and management, and how to analyse/assess GHG emission levels and types of scenarios drawing on international best practice (in terms of understanding potential CO2 impact, cost, risk, air quality, etc) which is required in parallel to the development of the Plan.

Upon completion of Activity 4.1-4.6, the contractor shall aggregate all the finalised work in the Climate Neutrality Action Plan (CNAP) described later under ‘Required Outputs’. It is required that the analysis presented through each of the above activities shall be discussed with the Steering Committee as the work progresses, such that the compilation of the final CNAP shall be an aggregation of the work presented under each of these individual tasks, in order to aid speedy review and approval.

#### **Activity 5      NZC Climate Neutrality Investment Plan (CNIP)**

In developing the NZC CNIP for the Sarajevo FUA, the Contractor will draw upon the published guidance, and use the prescribed templates to support this task. The specific tasks required to prepare the CNIP are outlined below:

Figure 3: Modular Approach to the CNIP (Source: Summarised from Net Zero Cities, 2030 Climate Neutrality Investment Plan – Guidance and Explanations)



The purpose of establishing a 2030 Climate Investment Plan is to clearly map out the interventions, costs and resources needed to achieve climate neutrality by 2030. This involves mobilising capital from national and international funding agencies, as well as addressing the city’s capacity for developing and implementation the Plan. The development of a financial plan to support investment is a key requirement for NZCs, requiring the identification of suitable financial partners, as well as availability of financial resources needed to realising the climate ambition.

It is important to develop a phased implementation plan, recognising the need to prioritise the development of projects that deliver low-carbon savings, to demonstrate a real commitment and progress towards the climate ambition, supported by short, medium and longer-term actions. In the short-term there is a clear need to bring forward a number of quick wins across the different city sectors to gain momentum in terms of GHG savings and to demonstrate successful delivery to stakeholders in terms of the transition to low-carbon investment across the Sarajevo FUA.

**Activity 5.1: City Financial Assessment**

It is expected that the contractor will describe and assess all city funding and financing activities, relating to the action portfolios and priorities that have been identified in the CNAP. As such, the Contractor is required to undertake the following, which considers the city but also the unique structure of city governance and the consequential financial situation:

- Assess and evaluate current financing and funding sources, including an assessment of the current capacity (including public and private funding sources) to support climate actions;
- Assess current deficits/surpluses that could be used to support climate investments; and
- Identify and evaluate the current barriers for capital deployment in Sarajevo, covering structural, policy, economic and financial aspects.

### ***Activity 5.2: Assessment of Investment Pathways***

Collate information on the actions required for mobilising and delivering the necessary funding to deliver the CNAP. The Contractor is required to undertake the following:

- Undertake cost analysis that is fully aligned to the Sarajevo FUA CNAP, including cost-benefit analysis for the different action portfolios;
- Identify any funding gaps to deliver the CNAP and mechanisms to bridge these gaps. This task should assess how CNAP investment costs can be met by different funding sources, including how best to optimise public and private investment capital;
- Where new funding options/instruments identified for inclusion in the CNIP, the Contractor should identify the processes required to progress the design and deployment of capital; and
- Develop a suitable Monitoring, Evaluation and Learning (MEL) system to assess action progress and implementation. It is important to identify appropriate economic and financial indicators that will help assess investment impacts. Indicators selected should be aligned with the Sarajevo FUA's climate commitment and the CNAP. Reporting is to be undertaken on a bi-annual basis.

### ***Activity 5.3 Assessment of Financial Enabling Factors***

It is important to establish the enabling factors that are needed to support implementation of the CNIP. The Contractor is required to undertake the following:

- Identify relevant policies/regulations that can support capital deployment.
- Undertake risk assessment for the CNIP to identify and mitigate financing risks. Risks should be identified at both portfolio and project level, and cover both transitional and physical aspects. A wide range of risks should be identified including policy, operational and technical, as well as institutional risks. Mitigation techniques to be identified that are aligned with capital structures and plans – this should include Sarajevo-controlled actions as well as those involving wider stakeholders. It is important to actively engage with stakeholder to comprehensively analysis the different risks/mitigation measures; and
- Identify financial capacity-building needs as well as the relevant funding stakeholders required to successfully implement the CNIP. This will require an outline assessment of administrative capacity – assessing expertise, as well as identifying relevant knowledge gaps: and considering the level of resourcing required for the NZC Transition Team to successfully develop and implement the CNIP.

When undertaking the above tasks, the Contractor is expected to take account of a number of key principles, as outlined below.

- Ensuring that the investment plan is fully aligned with the action plan portfolios;
- Consideration of the enabling actions and timescales required to support climate action investment;
- Reflecting the integrated nature of CNAPs careful consideration of the synergies, interactions and co-benefits of the identified actions to ensure that they complement each other;
- Stakeholder involvement is a critical part of Climate Neutral Investment planning, in terms of ownership of the actions and investment needs, as well as the capacity and expertise required to support effective delivery. The Contractor will identify the key internal and external agencies that will support the successful development and implementation of the Plan. The CNIP will encompass both public and private sectors and new business models that will be needed to support effective implementation;
- Reflecting the longer-term focus of investment plans, it is important to establish a sustainable funding profile that draws upon existing budgets and capital investments; and
- Economic and financial planning should include identifying innovative, financial instruments and funding mechanisms that support effective implementation of action portfolios. Opportunities to re-align capital funding and secure private sector support will help maximise delivery of actions that support the CNAP.

Upon completion of Activity 5.1-5.3, the contractor shall aggregate all the finalised work in the Climate Neutrality Investment Plan (CNIP) described later under ‘Required Outputs’. It is required that the analysis presented through each of the above activities shall be discussed with the Steering Committee as the work progresses, such that the compilation of the final CNIP shall be an aggregation of the work presented under each of these individual tasks, in order to aid speedy review and approval.

#### **Activity 6: The Citizens and Stakeholder Engagement Report**

Prepare a report on the full range of public and stakeholder outreach that occurred during the preparation of the CNAP, CNIP and the Roadmap. This should include a description of the Citizens Assembly process, focusing on the following:

- The schedule of sessions, themes, profile of attendees, topics covered and the methods used for engagement through each Citizens Assembly;
- How was the initiative publicised, including support from EU;
- The main issues arising, support by quantitative analysis as practicable. This should consider responses to specific questions posed as well as structured feedback to open issues of discussion;



- How did the feedback from the Citizens Assemblies impact on the content and direction of the CNAP/CNIP in a way that it better supported the defined goals of the process; and
- What additional issues arose during the engagement should be considered in the way of future actions/next steps to support the development of the FUA (perhaps not directly related to NZC).

The Report should also outline the engagement with key Stakeholders as were outlined in the Stakeholder Engagement Plan – when they were convened, the topics of discussion and key issues arising, and how this influenced the development of the Plans.

The Citizens and Stakeholder Engagement Report should be prepared for attachment as an Annex to the CNAP so that the deep level of citizen engagement can be demonstrated.

#### **Activity 7: Preparation of a Sarajevo FUA NZC Roadmap**

Informed by the conclusions of the Action Plan and Investment Plan, the Contractor is required to prepare a roadmap with actions, a viable timeline and necessary resources for achieving them. This should focus in particular on broader actions that might look to address identified gaps through revision of existing documents, preparation of new studies or scheduling of additional data collection activities, that might be deemed necessary to further support climate action planning into the future.

The NZC Roadmap would contain supporting advice and material for the formal stakeholder engagement through a series of Citizens Assemblies which are required as pre-requisite for the signing off of the Climate City Contract.

#### **Activity 8: Sustainable Urban Mobility Plan (SUMP) Scoping**

The contractor shall review the existing SUMP for Sarajevo and prepare a technical paper covering the following issues:

- General observations on the SUMP, considering the guidance set out in the current SUMP Guidelines (DG MOVE). This should consider the geographical boundary, application of analysis tools, completeness in the range of urban mobility measures considered, use of indicators, application of targets and their policy alignment, coverage of relevant sectors (including urban planning), extent of data collection, and citizen engagement;
- Review of progress in implementing the relevant SUMP measures, including progress towards achieving indicators (such as GHG emissions), and highlighting of any notable technical, administrative, capacity or other challenges which may be inhibiting implementation of the measures; and
- Preparation of a Draft Scope of work (in EN only) for an update of the SUMP according to the findings of the above, incorporating relevant targets as defined by the NZC obligations, including a practicable schedule for new data collection, and informed by technical discussions with the Project Steering Committee. This Scope of Work shall be prepared in the form of a set of technical requirements for insertion into a future tender package for support services.

This output will serve for the future update of the Sustainable Urban Mobility Plan for the Sarajevo Functional Area, and related activities shall take place after the completion of the NZC Action Plan and Investment Plan.

➤ **Required Outputs**

The following technical outputs are required to be prepared as a result of the above activity schedule, for review and comment by the Project Steering Committee. Following review and comment by the Project Steering Committee the Contractor shall finalise each output for final approval by the Contracting Authority.

It is assumed that the costs for production of each output are incorporated within the relevant activity within the above activity schedule. All the required outputs will have to be submitted in English and translated in Bosnian language.

N.	Output	Description of the output	Submission modalities
1.	<b>Inception report</b>	maximum 10 pages to be produced. In the report the contractor shall describe: initial findings, progress in collating data, any difficulties encountered or expected in addition to the work programme and staff travel and a specific/targeted risk register with mitigation measures and monitoring methods for the assignment (to be updated regularly prior to each meeting of the Project Steering Committee). The Inception Report should also include confirmation of the Project Team and resource allocation for the assignment, proposed working arrangements and communication, assignment programme and schedule, confirmation of the timetable for Information required from the NZC representatives. The report shall also set out the schedule for monthly technical/progress meetings during the assignment.	The Draft Inception Report shall be presented to the Project Steering Committee no more than 10 working days after the Inception Meeting. Comments will be returned to the contractor within 10 working days. It shall be updated based on comments received from the Project Steering Committee within 5 working days and submitted in a final form to the Contracting Authority for approval
2.	<b>NZC Scoping Report</b>	The report shall include a comprehensive assessment of all relevant documents and data to verify and validation the quality and availability of data relating to the assignment,	The Draft NZC Scoping Report shall be submitted to the Project Steering Committee for review. Comments will be returned to the contractor within 15

		including data used to inform baseline GHG emissions inventory, as well as the status of relevant sector actions and investments. Report also to include an assessment of current NZC Institutional Framework that may identify areas for strengthening as part of NCAP and NCIP tasks. Scoping Report shall also assess all relevant NZC key stakeholders.	working days. The Final Plan, incorporating any comments received from the parties on the draft report, shall be resubmitted within 5 working days of the receipt of comments.
3.	<b>Stakeholder Engagement Plan</b>	Stakeholder Engagement Plan (SEP) shall detail which stakeholders will be engaged and how throughout the assignment, in the preparation of NZC CNAP and NZC CNIP. The Plan sets out the intended methods for engagement and with a particular focus on the implementation of the Citizens Assemblies.	The Draft Plan is expected to be discussed in detail with the Steering Committee before it is formally drafted. As such, following the submission of a pre-discussed Draft Plan to the Project Steering Committee for review, comments will be returned to the contractor within 5 working days. The Final Plan, incorporating any comments received from the parties on the draft report, shall be resubmitted within 10 working days of the receipt of comments.
4.	<b>CNAP</b>	Drafting of material based on the structure/requirements set out in this ToR. The outputs must be aligned with the NZC Guidance templates/proformas specified in the 2030 Climate Neutrality Action Plan Guidance. The core contents of the CNAP will include an assessment of the current state of climate actions in Sarajevo, assessing pathways towards climate neutrality within the next decade (including defining sector action portfolios), and examining the enabling factors required to achieve climate neutrality including governance arrangements and identifying	The Draft NZC Action Plan shall be submitted to the Project Steering Committee for review. Comments will be returned to the contractor within 10 working days. The Final Plan, incorporating any comments received from the parties on the draft report, shall be resubmitted within 10 working days of the receipt of comments.

		<p>financing of actions. Consultation with stakeholders will be required in the development of the draft CNAP prior to finalising the Plan. The detailed analyses underpinning the recommendations will be presented in annexes to the main report.</p>	
5.	<b>CNIP</b>	<p>The NZC Investment Plan must be fully aligned with the NZC Guidance templates/proformas specified in the 2030 Climate Neutrality Investment Plan Guidance. The core contents of the CNIP will include an assessment of the current state of climate investments in the Sarajevo FUA, assessment of investment pathways towards climate neutrality within the next decade (including cost scenarios, capital planning for neutrality and identifying suitable economic and financial indicators), as well as examining the enabling factors required to support NZC implementation including options for capital deployment, identifying risks and mitigation measures and capacity building and stakeholder engagement for capital and investment planning. Consultation with stakeholders will be required in the development of the draft CNIP prior to finalising the Plan.</p>	<p>The Draft NZC Investment Plan shall be submitted to the Project Steering Committee for review. Comments will be returned to the contractor within 10 working days. The Final Plan, incorporating any comments received from the parties on the draft report, shall be resubmitted within 10 working days of the receipt of comments.</p>
6.	<b>The Citizens and Stakeholder Engagement Report</b>	<p>The report shall detail the full range of public and stakeholder outreach that occurred during the preparation of the CNAP, CNIP and the Roadmap. This should include a description of the Citizens Assembly process, focusing on the following:</p>	<p>This report shall be submitted to the Project Steering Committee for review. Comments will be returned to the Contractor within 10 working days. The roadmap, incorporating any comments received from the</p>

		<p>-The schedule of sessions, themes, profile of attendees, topics covered and the methods used for engagement through each Citizens Assembly;</p> <p>-How was the initiative publicised, including support from EU;</p> <p>-The main issues arising, support by quantitative analysis as practicable. This should consider responses to specific questions posed as well as structured feedback to open issues of discussion;</p> <p>-How did the feedback from the Citizens Assemblies impact on the content and direction of the CNAP/CNIP in a way that it better supported the defined goals of the process; and</p> <p>-What additional issues arose during the engagement should be considered in the way of future actions/next steps to support the development of the FUA (perhaps not directly related to NZC).</p> <p>The Report should also outline the engagement with key Stakeholders as were outlined in the Stakeholder Engagement Plan – when they were convened, the topics of discussion and key issues arising, and how this influenced the development of the Plans.</p>	<p>parties on the draft report, shall be resubmitted within 10 working days of the receipt of comments.</p>
7.	<b>Sarajevo FUA NZC Roadmap</b>	<p>The NZC Roadmap shall include list of actions, a viable timeline and necessary resources for achieving them.</p> <p>The NZC Roadmap would contain supporting advice and material for the formal</p>	<p>This shall be submitted to the Project Steering Committee for review. Comments will be returned to the Contractor within 5 working days. The roadmap, incorporating any comments</p>

		stakeholder engagement through a series of Citizens Assemblies which are required as pre-requisite for the signing off of the Climate City Contract	received from the parties on the draft report, shall be resubmitted within 5 working days of the receipt of comments.
8.	<b>SUMP Scoping Paper</b>	A report outlining the findings of the SUMP scoping task including the Scope of Work for an update of the SUMP that will include appropriate analysis and project selection actions to achieve alignment of the SUMP with the climate targets of the CNAP (Net-Zero).	This report shall be prepared in EN only. This shall be submitted to the Project Steering Committee for review. Comments will be returned to the Contractor within 5 working days. The roadmap, incorporating any comments received from the parties on the draft report, shall be resubmitted within 5 working days of the receipt of comments.

### 3 LOGISTICS AND TIMING

Please refer to Part B of the Terms of Reference.

### 4 REQUIREMENTS

Please refer to Part B of the Terms of Reference.

### 5 REPORTS

In addition to the technical deliverables described under ‘Required Outputs’ in section 2, the following reports shall be prepared for approval of the contracting authority (EUD).

<b>Title</b>	<b>Content</b>	<b>Language</b>	<b>Submission timing or deadline</b>	<b>Number (if report to be provided in Paper or USB/CD/DVD format)</b>
Draft final report	Short description of achievements including problems encountered and recommendations.	EN + Bosnian Language	No later than 1 month before the end of the implementation period.	2 - Paper

Final report	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report	EN + Bosnian Language	Within 1 month of receiving comments on the draft final report from the project manager identified in the contract.	2 - Paper and 1 USB
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## 6 MONITORING AND EVALUATION

A Steering Committee shall be set up to monitor the progress of this assignment, facilitate the access to the relevant institutions, assure their timely and sufficient inputs where required and provide a guidance on project implementation. The Steering Committee will be chaired by the European Union Delegation acting as the Contracting Authority (the nominated Programme Manager).

The contractor will convene on a monthly basis a Steering Committee composed of the European Union Delegation, the direct beneficiaries, the appointed NZC Coordinator, as well as other technical advisors (JASPERS) as deemed appropriate.

The objectives of Steering Committees will be to provide a forum for making recommendations in respect to the assistance being provided, to promote ownership of the assistance by ensuring that the beneficiary institution and stakeholders are fully consulted on key decisions about the design and implementation of assistance.

However, the responsibility for all contractual issues related to this assignment rests with the Delegation of the European Union to Bosnia and Herzegovina, acting on behalf of Bosnia and Herzegovina.

- Definition of indicators

The following indicators shall be taken in account:

- Number of consultation events held with public participation;
- Number of stakeholders mobilised through the consultation activities;
- Number of actions (infrastructure and policy actions) outlined in the Climate Neutrality Action Plan and approved by participating municipalities for moving the Net Zero; and
- Number of IFI's actively engaged in the definition of the Investment Plan, and the number of IFI's supporting the final outcome.

## 7 PRACTICAL INFORMATION

Please address any request for clarification and other communication to the following address(es): [delegation-bosnia-and-herzegovina-procurement@eeas.europa.eu](mailto:delegation-bosnia-and-herzegovina-procurement@eeas.europa.eu)

## ANNEX I

In term of the current Sarajevo FUA actions<sup>9</sup> (sectoral) that are currently being implemented these include the following:

Sector	Policy Focus	Measures
<b>Energy:</b>	<ul style="list-style-type: none"> <li>• Energy renovation/retrofit of existing buildings (up to and including NZEB level)</li> <li>• Street lighting</li> <li>• On-site and nearby renewable energy generation (electricity, heat/cold)</li> <li>• Digitalisation and smart city solutions</li> <li>• Local heat/cold storage</li> <li>• Net-Zero District heating/cooling</li> <li>• Mixed-use development and sprawl containment</li> <li>• Urban regeneration</li> <li>• Behavioural changes</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory</li> <li>• Financial incentives and fiscal instruments</li> <li>• Information/awareness raising</li> <li>• Infrastructure measures (upgrade power plans, increase RES capacity, smart grids etc.)</li> <li>• Planning solutions (integrated land use and urban planning)</li> <li>• Technical measures (smart metering, provision of energy efficient products and services)</li> </ul>
	Building categories targeted by energy policy measures (all): <ul style="list-style-type: none"> <li>• Residential buildings</li> <li>• Commercial buildings and facilities</li> <li>• Institutional buildings and facilities</li> <li>• Industrial buildings and facilities</li> <li>• Social housing</li> <li>• Historical buildings</li> </ul>	
<b>Transport:</b>	<ul style="list-style-type: none"> <li>• Zero-Emission vehicles (ZEV)</li> <li>• Low-Speed/Low-Emission Zones</li> <li>• E-buses</li> <li>• Accessibility of PT</li> <li>• Modal shift to walking/cycling (incl. infrastructure)</li> <li>• Multi-modal hubs/integration between modes</li> <li>• Road network management for mobility of goods and people</li> <li>• Mixed use development</li> <li>• Digitalisation and smart city solutions</li> <li>• Park &amp; Ride facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Technical measures (eg. smart cards for PT)</li> <li>• Infrastructure measures (cycle lanes, recharging stations for electric cars)</li> <li>• Planning solutions (SUMP/integrated planning)</li> <li>• 15 Minute City</li> <li>• Information/awareness raising</li> </ul>
<b>Waste/Wastewater Management:</b>	Within the framework of circular economy: <ul style="list-style-type: none"> <li>• Use of recycled and recyclable, renewable and sustainable materials</li> <li>• Municipal waste prevention</li> <li>• Stormwater management</li> </ul>	Financial incentives and fiscal instruments (eg. grants loans etc. Information/awareness raising (eg. litter prevention/recycling campaigns) Infrastructure measures (recycling centres, waste-to energy facilities)
	Which fractions are collected/sorted separately: <ul style="list-style-type: none"> <li>• Metal</li> <li>• Hazardous waste</li> </ul>	
<b>Digitalisation &amp; SMART City Elements</b>	Elements to support digitalisation & smart city solutions: <ul style="list-style-type: none"> <li>• Digitalisation or smart city strategies</li> <li>• Digitalisation or smart city policies</li> </ul>	<ul style="list-style-type: none"> <li>• No undertaking of impact assessments of smart city solutions</li> </ul>

<sup>9</sup>Extracted from Climate-Neutral and Smart Cities Mission Call for Expression of Interest (Jan 2022)



	<ul style="list-style-type: none"> <li>• ICT infrastructure to enable smart city solutions</li> <li>• Innovation procurement strategies</li> <li>• Data governance strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Funding of solutions by blended finance and city budget</li> <li>• City working with private sector and NGOs to implement smart projects</li> <li>• No open innovation approaches used to test/pilot smart city solutions</li> </ul>
	<p>Adoption of Digital Governance Vision 2.0 in 2021:</p> <ul style="list-style-type: none"> <li>• Digital transformation, e-govt. development and e-services</li> <li>• Several key areas of focus: <ul style="list-style-type: none"> <li>○ Establishing a digital information platform – upgrading e-services portal</li> <li>○ Use of spatial data eg. digital 3D model of buildings, mapping of waste, green spaces, transport infrastructure, tourist areas etc.</li> <li>○ Utility network underway – data from utility operators etc.</li> <li>○ EMSARTCITY – Interreg MED programme (East Sarajevo) implemented</li> </ul> </li> </ul>	

A number of key measures have been identified targeting climate change mitigation/GHG reduction since 2005<sup>10</sup>.

Measure Description	Sectors	Implementation Status	Achievements
The program "Model of energy efficiency in buildings in the Sarajevo Canton to increase the number of users"	Stationary energy Energy generation	Under implementation	<ul style="list-style-type: none"> <li>• Institutional collaboration</li> <li>• Co-financing model for implementation – 55% owners / 45% public sector</li> <li>• 1500 residential units have been energy audited.</li> </ul>
Digital Information Platform (pilot project 1), Sarajevo Canton territory use (pilot project 2), Communal network of Sarajevo Canton (pilot project 3)	Cross sectoral	Under implementation	<ul style="list-style-type: none"> <li>• Up-to-date mapping of processes, data etc. to enhance services</li> <li>• Higher resource/energy efficiency</li> </ul>
Renovations of Public Buildings include a range of measures: Detailed energy audits, thermal insulation of walls and roofs, replacement of windows, fuel shift, renewable energy generation	Stationary energy	Under implementation	<ul style="list-style-type: none"> <li>• Undertaken in all FUA municipalities</li> <li>• Shift in heating fuel – achieved annual reductions in kWh/m<sup>2</sup> of 40-45% &amp; between 15tCO<sub>2</sub> and 70tCO<sub>2</sub></li> </ul>
Sustainable integrated protection and conservation of forest ecosystems and soils	Agricultural Forestry & Other Land Use	Under implementation	<ul style="list-style-type: none"> <li>• Envisages 40% increase in forestation surface by 2027 and 20% increase in total forest stocks.</li> <li>• Forest covers 65% of FUA</li> <li>• 2001-2020 forests emitted 57.6 ktCO<sub>2</sub>e/year and removed -2.9MtCO<sub>2</sub>e/year</li> </ul>

<sup>10</sup>Extracted from Climate-Neutral and Smart Cities Mission Call for Expression of Interest (Jan 2022)

			<ul style="list-style-type: none"> <li>• Key role in water regulation &amp; pollution reduction</li> </ul>
Improving public city transport (new tram, trolleybuses, railway reconstruction) to reduce car use.	Transport	Under implementation	<ul style="list-style-type: none"> <li>• Directly linked to increasing share of low carbon and Zero-emission vehs (PT fleet – 30-60% shift by 2025)</li> <li>• Public procurement for new tram vehicles FS for optimisation/extension of tram lines</li> </ul>

## ANNEX II

### Sarajevo FUA Citizen Assembly

#### Background

The Citizens' Assembly is a new form of democracy that facilitates decision-making at any level of government, be it city, country or international level, as is the case with the European Union. Citizens' assemblies are held in many countries around the world, and gather groups of citizens randomly selected taking into account demographic criteria such as gender, age, etc. This group represents a city or state in miniature. Citizens' assemblies are a form of deliberative democracy, that is, democracy in which discussions and deliberations within a group of randomly selected persons represent a key component of the decision-making process. The role of the Citizens' Assembly is a thorough analysis of a given topic, holding discussions on various solutions, analysis of positive and negative aspects, and then making final recommendations or decisions. Experts in the given field usually introduce participants to the topic in more detail.

Citizens' assemblies ensure high-quality and thoroughly considered decisions that can help resolve political deadlock on controversial issues. With the use of a random selection method and a series of demographic criteria for the composition of such a group, it can be assumed that the final recommendation takes into account the common good of all communities in BiH, which represents a good basis for decision-making on issues related to policies at the country level.

Any citizen of Bosnia and Herzegovina residing in the country and over the age of 18 can become a member. As a first step, invitation letters are sent to 4,000 randomly selected households in all municipalities in Bosnia and Herzegovina. Among those who applied for participation, a final group of a total of 57 members of the Assembly are randomly chosen. Random selection is carried out with the help of computer software, which enables the members of the Assembly to be independent of political or other interests in making decisions.

The composition of the Citizens' Assembly reflects the country's demographic criteria and is more representative than regular open public hearings. The meetings of the Assembly begin with the learning phase and only then move on to consideration. There is enough time to consider the topic in detail, so that the Citizens' Assembly can achieve quality outcomes that can be trusted. By definition, citizens' assemblies are long-term processes and multi-day meetings lasting several weeks. For example, it can be two or three weekends in a row.

The procedure is initiated by the Office of the Special Representative of the European Union in Bosnia and Herzegovina in consultation with other partners who support the existing process of constitutional and electoral reforms. The process is designed and managed by the Coordination Team, independent of the government. The goal is to introduce a process in which citizens can speak directly about the issues that shape the future of the country and thus supplement the decision-making process by difficult political issues.

Given the sensitivity of the topic for discussion, elected holders of political positions and politically appointed officials at any level of government in BiH cannot become members of the Assembly.

Representatives of the Interdepartmental Working Group for Amendments to the Electoral Law were invited to attend certain sessions of the Citizens' Assembly as observers.

## Specific Requirements for the Sarajevo FUA NZC

Based on the agreed division of responsibilities amongst the principal beneficiaries the Citizens Assembly and CCC are to be from the beneficiaries side by the City of Sarajevo.

The CA proposed must include the following core features:

- It is deliberative: participants reach their conclusions or recommendations after receiving information and engaging in a careful and open discussion about the issue or issues before them.
- It is a mini-public: its members constitute, so far as possible, a representative subset of the wider population.
- Statistical random selection, more than any other feature, is what delivers the ‘mini-public’ aspect of a CA. Random selection usually by a qualified research organisation is what separates CAs from other deliberative participatory processes. Random selection is designed to bring a representative sample of citizens into the room, and in so doing, it is better than elected parliaments in mirroring the composition of society in formal spaces for deliberation.
- Given the complexity of the issue this scope requires 3 separate consecutive CA’s on i) transport and urban planning including green spaces and biodiversity ii) buildings and heating/cooling iii) waste management and the circular economy. These CA’s should be iteratively and integrally connected to the development of the 6 identified sectors to be considered in the action and investment plan namely; (i) Mobility, ii) Heating & cooling, iii) Energy efficiency & clean energy, iv) Agriculture, Forestry and Other Land Use (AFOLU), v) digital transformation and vi) circular economy (waste).

Having randomly selected the citizens, it is important that the CA is organized in a way to ensure a well-run deliberative process. Several key features need to be present, including the following:

**Proportion of time for small-group deliberation.** Clearly, the entire process of being involved in a deliberation entails deliberation among participants and within the minds of participants themselves (internal deliberation), but at its core there are periods when the membership sits in small groups to discuss matters in some detail. It is important that adequate time in the schedule be provided for this.

**Arrangement of members in round tables.** Arranging tables in this manner is one way to avoid the problem of knowledge hierarchies. They are important because they provide a visual cue of the importance of equality in the room and the need for participants to address each other. There may be occasions when the wider membership sits in plenary (such as occurred in the first citizens’ assemblies), but for proper deliberation to occur the members need to be arranged in small group round tables. We suggest about seven to eight members to a table in order to balance diversity of voices at the table with encouraging participation.

**Facilitation.** To ensure that all members are given equal opportunity to engage there need to be trained facilitators at each table. Facilitators can serve as a chair, the moderator, the mediator, and the facilitator for the group to reach the aims of deliberation.

**Norms and procedures.** For deliberation to work, it is important that participants sign up to certain rules and procedures relating (inter alia) to reason giving, fairness, equality of voice, and openness to difference, among others. If time allows, it can be helpful to have the participants draw up these rules themselves, but at the very least there should be a discussion at the start of a DMP to set these out; and they should be reiterated on a regular basis throughout.

The time scale for the planning and execution of the CA's should run in parallel with the development of the sectoral milestones and pathways where the draft components of the Action Plan provide the content for each successive CA.

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## Part B

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### 1. Benefitting Zone

The Net Zero Mission Sarajevo Urban Functional Area (including the City of Sarajevo, City of East Sarajevo and Canton Sarajevo), Bosnia and Herzegovina (BiH).

### 2. Specific Contracting Authority

The Contracting Authority will be the European Union, represented by the European Union Delegation to Bosnia and Herzegovina.

### 3. Specific contract language

English

## LOCATION AND DURATION

### 4. Location

The operational base for the contract shall be Sarajevo, Bosnia and Herzegovina. Start date and period of implementation

The indicative start date is -May 2024 and the period of implementation of the specific contract will be 365 days from this date (indicative end date: -May 2025).

## REQUIREMENTS

### 5. Expertise

The minimum requirements covered by the team of experts as a whole are detailed below:

- Experience in preparation of cross-sector climate-focused investment strategies for cities or regions, which has required the calculation of CO2 emissions;
- Experience in establishing, facilitating and reporting on broad consultation activities such as citizens assemblies, public workshops, focus groups etc;
- Experience in green/sustainable cities, preferably in measuring environmental performance and improvements in development of sustainability plans for cities/urban areas;
- Experience in local governance policies, particularly related to urban planning, climate change mitigation/adaptation and environmental policies and investment programmes;
- Experience in economics, particularly in applied cost-benefit analysis and/or related multi-criteria analysis relating to sustainable programmes and initiatives;
- Experience in finance including knowledge of private and public financing on related green/sustainable projects;
- Experience in urban and spatial planning in relation to the development of sustainable solutions to support municipal city functions;
- Experience in incorporation of environmental, economic, social and gender aspects in the development green/sustainable/resilient city agendas; and
- Experience in working with municipalities in IPA countries relating to urban sustainability and both national and local municipal infrastructure planning and implementation.

It is up to the Contractor to decide the number and the category of experts.

The contractor is required to assign three staff that will be based full-time in Sarajevo for the duration of the contract. The relevant staff shall provide daily support to the three beneficiaries in collecting information, liaising with stakeholders, organising meetings and supporting as necessary the day-to-day activities of the project. One support staff shall be appointed as liaison officer per respective administration (City of Sarajevo, Canton Sarajevo and East Sarajevo), and they shall provide the project team, beneficiaries and project structure (Project steering committee) with ongoing administrative assistance and other related, as required. For those three staff, minimum requirement is C1 level in local and English language.

**6. Incidental expenditure**

Not applicable.

**7. Lump sums**

Not applicable.

**8. Expenditure verification**

Not applicable.

**9. Other details**

Office accommodation for each expert working on the contract is to be provided by the Contractor.

The contractor is responsible for all translation/interpretation costs required for the implementation of the project, including relevant reporting and deliverables. All required deliverables and reports will need to be translated in Bosnian language.

Offer shall foresee the organization of three Citizen Assemblies as specified under Activity 3. Each Assembly shall consider a duration of 2.5 days, it shall include indicatively 75 participants. Contractor shall envisage to cover costs for facilitators, transportation, expert presenters, venue, catering, per diem, interpretation and potentially overnight accommodation. It is recommended that overnight accommodation is foreseen for all participants in order to guarantee continuity of attendance. Experts will communicate the various milestones and targets developed in the 10 Year Action and Investment Plan and discuss the impacts and opportunities to citizens.

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