

TERMS OF REFERENCE
FOR CONTRACTING CONSULTANT SERVICES TO DEVELOP THE
“STUDY ON FINANCIAL SUSTAINABILITY OF THE REAL ESTATE
REGISTRATION SYSTEM AND COMPLETION OF THE REAL
ESTATE DATA HARMONIZATION IN THE FEDERATION OF
BOSNIA AND HERZEGOVINA”

Sarajevo, August 2023

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I Introduction and rationale

An efficient system of registering land ownership, the value of land, as well as the use of land constitute the basis for effective market economy that supports self-sustainable and productive management of land resources. Such system reduces the risk for lenders of mortgage loans and hence reduces interest rate, leading to increased efficiency and faster economic growth.

A good system of land administration will guarantee ownership, provide support for land and property taxation, enable loan security, develop and monitor the land market, protect land resources and provide support for environmental control, facilitate management of state-owned land, reduce the number of land disputes, facilitate rural land reform, improve urban planning and infrastructure development, and provide statistical data to support good stewardship of land as a resource. The land administration system should be devised in a way that is available and open to all, justifying the needs of all of its users, provided that it is sustainable. Information about the cadaster and land registration are also of interest to the European Union. Cadastral information has long been used to support agricultural policy of the European Union.

Recognizing the importance of accurate, reliable, and efficient land administration for the social and economic development of Bosnia and Herzegovina, responsible institutions of the Federation BiH, with the support of the Council of Ministers and the Government of the Federation BiH, have launched and for the past fifteen years implemented, the land administration sector reform with the aim of ensuring accurate and reliable information on land, its use, buildings on the land, and securing land and its related property rights with the goal of making land administration efficient, rational and transparent and of ensuring it provides services in the function of economic and social development.

The Additional Financing of the Real Estate Registration Project (hereinafter: the Project) has been implemented upon the Loan Agreement Real Estate Registration Project - Additional Financing signed between the Bosnia and Herzegovina and the International Bank for Reconstruction and Development. The Project is a continuation of and capitalizes on the successful implementation arrangements established under the parent Real Estate Registration Project. The Project maintains the momentum of the results achieved to-date and is designed to scale up strategic investments for the sector that need to be expedited but for which regular budget financing may not be sufficient. Implementation of the Project in the Federation of Bosnia and Herzegovina (hereinafter: the Federation of BiH) is managed by the Federal Administration for Geodetic and Real Property Affairs.

The Project development objective in Bosnia and Herzegovina is to support development of a sustainable real estate registration system with harmonized land register and cadaster records in urban areas of both the Federation of Bosnia and Herzegovina (hereinafter: Federation of BiH) and the Republika Srpska. The Project focuses on the updating and harmonization of the real estate registers' data, the land registry and the cadaster data, as they constitute the basis for the land administration and for establishment of the spatial data infrastructure.

II Background information

The Vision of the Land Administration in the Federation of BiH is development of an efficient, secure and sustainable system of property registration that will enable legal certainty in the real estate market and provide security to investors and foreign investors through reliable registration of ownership rights and other *in rem* rights to real estate, through provision of complete information on restrictions of ownership rights and provision of up-to-date technical data on real estate. In order to create such a system of land administration, the relevant authorities in the land administration sector of the Federation of BiH are determined to ensure the following: (a) the availability of digital data to all, enabling unhindered access to and distribution of data, (b) accuracy and quality of data, in terms of their continued maintaining and timeliness, (c) compatibility and consistency of the data maintained and provided by various authorities, in particular land registry offices, cadaster offices and bodies responsible for urban and physical planning.

An effective system of land administration should satisfy the needs of all of its users, and, to that effect, it needs to be reliable, sustainable and accessible to all users. The Federation of BiH has a dual land administration system, set up in the late nineteenth century, with the cadaster and the land registry as two basic parts of the land administration sector. Thus, the system of registration of real estate and ownership rights and other *in rem* rights to real estate in the Federation BiH is based on two registers – the cadaster and the land registry. Beside provisions that regulate land registry and cadaster, there are also provisions regulating physical planning, use of land and issuance of urban, building, operating and other permits and approvals. Legal and institutional framework for the land administration sector in the Federation of BiH exist for the benefit of users - institutions of the state, the Federation, cantons, cities/municipalities, business entities and citizens. The statutory and institutional framework for the land administration sector in the Federation of BiH is user oriented, regardless of whether the clients are institutions of the state, the federation, the cantons, cities/municipalities, business companies or citizens. Service standards for the land registry and cadaster in the Federation of BiH were determined in 2010, when the main products and services in the sector, service provision standards, service quality standards, and service provision speed and effectiveness standards were defined along with the performance indicators required for monitoring the implementation of the service standards. Human capacities in the sector, more specifically, in the cadaster offices and the courts, are defined by the general recruitment policy in the bodies of the Federation of BiH, which has significant impact on the implementation of the reform activities in the land administration sector of the Federation of BiH. Number of employees and qualification structure of the staff are two aspects of human capacities that have a significant impact on the real estate registration system.

II.1 Institutional Framework for the Land Administration Sector in the Federation of BiH

The institutional framework for the land administration sector is defined by the *Law on Ministries and Other Bodies of Administration of the Federation of BiH*¹, the *Law on Courts in the Federation of Bosnia and Herzegovina*² and cantonal laws on cantonal ministries and other administrative bodies, while the operation of the administrative bodies in the Federation of BiH is stipulated by the *Law on Organization of Administrative Bodies in the Federation of Bosnia and Herzegovina*³.

The Federal Administration for Geodetic and Real Property Affairs (hereinafter: the FGA) is responsible for all geodetic affairs, including the cadaster. The FGA performs administrative and other technical tasks which fall under the competence of the Federation of BiH, relating to survey, establishment and updating of real estate cadaster and utility cadaster, apart from the tasks that have been made the competence of the cantons and the municipalities under the law, mapping of the territory of the Federation of BiH, geodetic and cartographic affairs that are of relevance to defense, management of technical archives of original plans and maps of basic geodetic works and other records obtained through performance of geodetic works, land consolidation and special purpose land survey, real property records, submitting proposals for re-privatization of property and inspection control of activities involving survey, real estate cadaster, land cadaster and utility cadaster. The FGA, among other responsibilities, carries out professional and inspection supervision of works related to survey and real estate cadaster in the Federation of BiH. Furthermore, there are four cantonal administrations for geodetic and real property affairs, which are established as independent administrative bodies in the Herzegovina-Neretva Canton, the Central Bosnia Canton, the West-Herzegovina Canton and the Canton 10.

Cadastral offices in the Federation of BiH are part of the municipal administration, with responsibility to maintain the survey and real estate cadaster, including monitoring, identification and surveying of technical changes on land,

¹ The Law on Ministries and Other Bodies of Administration of the Federation of Bosnia and Herzegovina, Official Gazette of the Federation of BiH, no. 58/02, 19/03, 38/05, 2/06, 8/06, 61/06, 52/09, and 48/11.

² The Law on Courts in the Federation of Bosnia and Herzegovina, Official Gazette of the Federation of BiH, no. 38/05, 22/06, 63/10, 72/10, 7/13 and 52/14.

³ The Law on Organization of Administrative Bodies in the Federation of Bosnia and Herzegovina, Official Gazette of the Federation of BiH no. 35/05.

buildings and other objects that impact survey and real estate cadaster records, registering identified changes in geodetic plans, maps, the survey elaborate and the cadastral operate, as well as registering changes pertaining to registered real property rights in relevant registration sheets. In the Federation of BiH, there are overall 79 municipal cadastral offices as part of the municipal administration, under supervision of the FGA.

The cadastral information system of the Federation BiH (hereinafter: the CIS) was established in 2012 with a distributed architecture, i.e. local servers with clients have been established in all 79 cadastral offices, while the central server that consolidates cadastral data from all over Federation of BiH is located in the FGA. The key element of CIS is the cadastral software in FBiH – katastar.ba, supporting all processes regarding the real estate cadaster database. Access to the data has been provided via two groups of services: public and user services. The first group of services, public services, is available at the address www.katastar.ba and it allows an insight in alpha-numerical and graphic data of the real estate data base, and provides seven services. The second group of services, user services, that is accessible through the OGC standardized web services, which allows viewing, taking over and making inquiries.

Federal Ministry of Justice has jurisdiction to perform administrative, technical and other tasks provided for by the law pertinent to, *inter alia*, exercising of the authority in the fields of judiciary and judicial administration, as well as administrative oversight of the operations of the judicial administration.

High Judicial and Prosecutorial Council BiH (hereinafter: the HJPC) is independent body of the BiH with its competencies defined in the Law on the HJPC. The competences of the HJPC of BiH are defined by the Law on the HJPC of BiH and refer, among other things, to appointment of holders of judicial functions at all levels in BiH, disciplinary responsibility of judges and prosecutors, proposing annual budgets for courts and prosecutor's offices, professional training of judges and prosecutors, judicial administration and supervision, coordination and supervision of the use of information technology in courts and prosecutor's offices, giving opinions on draft laws, regulations and important issues that may affect the judiciary, initiation of the procedure for the adoption of laws and other regulations in areas important for the judiciary.

Maintenance of the *land registry* in the Federation of BiH falls under the competence of the municipal courts, which provide services of real estate registration and registration of the rights over real estate. Pursuant to the Law on Land Registry⁴, LR offices are part of municipal courts. The municipal court where a real estate is located has territorial jurisdiction over registration of the estate. The seat and territory of municipal courts and branches outside the court seat are defined by the Law on Courts⁵ in the Federation of Bosnia and Herzegovina and 33 (thirty-three) courts with five (5) branches outside the seat of municipal court are currently operational. Services that land registry offices provide to the interested parties are prescribed by the Law on Land Registry and primarily include appropriate registration in the land registry (entry, notation and pre-entry). The same Law also provides for services of issuing land registry extracts and allowing viewing of land books under certain conditions. *E-Grunt software* has been installed in all land registry offices and it covers main registration tasks of the LR office and it operates in a distributed model/environment (each court has its own server and a certain number of clients). The communication links (VPN) have been established between databases of LR offices and the central FBiH LR database located on the premises of the Federal Ministry of Justice in Sarajevo. As of 31 January 2017, internet presentation of FBiH LR data has been established (address: www.e-grunt.ba). It enables online insight into the legal status of properties in the Federation of BiH by accessing data on the basis of the parcel number or number of land registry folio.

The land administration services have considerably improved with the digitization of records, implementation of tailor-made software solutions and systematic harmonization of real estate data between the cadaster and the land registry under the parent Real Estate Registration Project and previously implemented the Land Registration Project. Reform of the land administration sector aims at harmonizing the data between the cadaster and the land registry with ultimate goal to establish the land registry data based on the Austro-Hungarian survey with the cadastral data from the new survey. According to the short term objectives of the ICT Strategy, existing cadastral

⁴ Official Gazette of FBiH, no. 19/03 and 54/04

⁵ Official Gazette of FBiH, no. 38/05, 22/06, 63/10, 72/10, 7/13, and 52/14

and land registry IT systems were improved to be able for data exchange based on services. Nonetheless, given that there is no Law on Electronic Signature, official data exchange is in analogue (printed) form.

II.2 Existing Regulations on Fees in the Federation of BiH Land Administration Sector

In the Federation of BiH, the court fees that are paid on all court proceedings, including the proceedings in land registry matters, are regulated by the *cantonal laws on court fees*. These cantonal laws on court fees prescribe the manner of payment of court fees in proceedings before cantonal and municipal courts, identify the types of proceedings on which fees are paid and the amount of fees paid for particular actions, as defined in court fee tariffs, which constitute an integral part of these laws. This means that the amounts of court fees for the proceedings in land registry matters are regulated differently and that they are paid to respective cantonal budget accounts. The Law on Land Registry mandates submission of proof that the fee has been paid as a precondition for an entry to be made in the land registry.

When it comes to the fees that cadaster offices in the Federation of BiH charge on their services, the provisions of the Decision on Fees for the Use of Survey and Cadaster Records⁶, and Decision on Fees for the Provision of Survey and Cadaster Services⁷ are applied. *The Decision on Fees for the Use of Survey and Cadaster Records* determines the amount of fees for the use of data of survey and real estate cadaster, land cadaster, provisional cadaster and utility cadaster, which is paid as determined under the Tariff of fees for the use of survey and cadaster records. This Decision prescribes whether fees for the use of such data are paid to the public revenues account of the cantonal budget, to the single treasury account of the budget of the Federation of BiH or to the public revenues account of the municipal budget. *The Decision on Fees for the Provision of Survey and Cadaster Services regarding the survey and cadaster* determines the amount of fees for the provision of services in the field of survey and real estate cadaster, land cadaster, provisional cadaster and utility cadaster. Fees for the provision of such services are paid in the amount determined under the Tariff of fees for the provision of services in the field of survey and cadaster. Fees for the provision of services are paid to the public revenues account of the federal, cantonal and municipal budget, depending on which service provider it is earmarked for.

III Objectives of the Study

Up-to-date data on real estate, ownership, restrictions and other property rights provide security to investors and foreign investors, foster business climate and competitiveness. Implementation of the activities regarding systematic harmonization of the real estate data between the land registry and the cadaster in the Federation of BiH results in a new framework for development of the real estate market, as well as for the overall economic development of the Federation of BiH. It is thanks to the regular activities of the land administration offices and support provided through the credit and loan funds that by the end of the Project in July 2024, real estate registers' data will be harmonized in 42% of the territory of the Federation of BiH. Upon completion of the Project in July 2024, the activities in the real estate registration sector, including harmonization of data, will be financed exclusively from the budgets which are planned on a three-year basis and earmarked annually.

In this light, to the end of analyzing financial sustainability of the real estate registration system and exploring feasibility of completing the harmonization of real estate registers' data in the entire Federation of BiH, the Project documentation envisages financial resources for engaging a contractor to develop a Study on the Financial Sustainability of the Real Estate Registration System and Completion of Real Estate Data Harmonization in the Federation of BiH (hereinafter: the Study). The Study must be developed taking into account a variety of factors in the land administration system in the Federation of BiH, assess starting positions, identify opportunities, provide analysis and recommendations required for informed decision making in order to achieve financial sustainability of

⁶ Official Gazette of FBiH no. 49/15

⁷ Official Gazette of FBiH no. 49/15

the real estate registration system and address feasibility of completion of data harmonization activities in the Federation of BiH.

The objectives of the study are to comprehensively assess the financial health, challenges, and opportunities of the real estate registration system. The study should provide insights and recommendations to ensure the system's long-term viability and ability to deliver effective services.

The primary goal of the study is to ensure the system's ability to generate sufficient revenue, manage costs effectively, and adapt to changing circumstances while maintaining its core functions and services. Additional significant goal of the study is to provide insights and recommendations on the Completion of data harmonization activities.

IV Scope of work

The Contractor shall perform analysis of the current situation in the real estate registration sector in Federation of BiH and prepare the Study which will be focused on the following:

- providing recommendations of concept to achieve financial sustainability of the real estate registration system in the Federation of BiH, whereas the sustainability is measured by the degree an institution generates revenue to match its costs, charges affordable fees, delivers quality services without discrimination and within a reasonable time.
- showing the feasibility of completing the harmonization of real estate registers' data in the entire Federation of BiH, including vital information and data on the funding, procedures, legal framework, time line and capacities for completion. The current data harmonization process will be reviewed to determine whether it could be further streamlined.

The specific objectives include, but are not limited to:

- Assessment of Revenue Sources
- Evaluation of Expenditures
- Identification of Financial Challenges
- Exploration of Diversification Opportunities
- Policy and Regulatory Analysis
- Stakeholder Engagement and Feedback
- Comparative Benchmarking
- Financial Projections and Scenarios
- Completion of data harmonization activities
- Recommendations for Improvement
- Long-Term Financial Planning
- Communication of Findings
- Enhancement of Stakeholder Understanding

V Methodology and work plan

Creating a study on the financial sustainability of a real estate registration system requires a systematic and thorough methodology. The Contactor shall develop and document Methodology and work plan in cooperation with the Contracting Authority. The Methodology and work plan shall contain description of proposed activities, timeframe and deadlines for all activities and deliverables under this Terms of Reference. A Gantt chart with a graphic presentation of the time schedule of all activities and deliverables shall be an integral part of the Methodology and work plan document.

The Contractor shall submit the proposal of the Methodology and work plan document to the Contracting Authority within ten calendar days from the date of Contract signing. The Work plan will be final after acceptance by the Contracting authority.

When planning the methodology and work plan for the Study documents development, the application of at least the following methods, principles, tools and approaches is requested as listed and generally described:

- Literature Review:
 - Conduct a comprehensive review of literature related to real estate registration systems, financial sustainability, and revenue models.
 - Analyze case studies, research papers, and reports on similar systems to understand best practices and challenges.
- Data Collection:
 - Collect financial data from the real estate registration system, including revenue sources (fees, charges, etc.) and expenditure details.
 - Gather historical data over a specified period to analyze trends and patterns.
- Stakeholder Engagement:
 - Interview key stakeholders, including government officials, system administrators, finance personnel, and users.
 - Conduct focus groups or surveys to gather insights, concerns, and feedback on financial aspects.
- Revenue Generation Analysis:
 - Identify and categorize various revenue sources, such as registration fees, transfer taxes, and other financial inflows.
 - Quantify the contributions of each revenue source and assess their stability and potential for growth.
- Expenditure Assessment:
 - Break down the components of the system's expenditures, including operational, maintenance, and administrative costs.
 - Analyze budget allocation patterns and identify areas for cost optimization.
- Policy and Regulatory Review:
 - Review existing policies, regulations, and fee structures governing the real estate registration system.
 - Evaluate the alignment of policies with financial sustainability objectives and their impact on revenue generation.
- Comparative Benchmarking:
 - Propose and analyze 2 real estate registration systems (one example of the unified real estate registration, and one dual or semi dual) in other regions or countries to compare revenue models and cost management practices.
 - Identify lessons and best practices that could be adapted for financial sustainability.
- Financial Projections and Scenarios:
 - Develop financial projections based on historical data and potential interventions.
 - Create scenarios to assess the impact of various external factors on revenue generation and expenditure patterns.
- Challenges and Opportunities Analysis:
 - Identify financial challenges faced by the real estate registration system, such as revenue shortfalls or inefficient cost structures.
 - Explore opportunities for diversification of revenue streams and reduction of operational costs.
- Recommendations:
 - Based on findings, formulate actionable recommendations to enhance the financial sustainability of the real estate registration system.
 - Prioritize recommendations based on potential impact, feasibility, and urgency.
- Long-Term Financial Planning:
 - Develop a strategic financial plan outlining steps to achieve long-term financial sustainability.
 - Set measurable goals, performance indicators, and strategies for consistent revenue growth and cost management.
- Reporting and Presentation:
 - Compile comprehensive reports that includes all aspects of the financial sustainability study.
 - Prepare presentations summarizing the study's key findings, methodologies, and recommendations when requested.
- Ethical Considerations:
 - Adhere to ethical guidelines and ensure data privacy, confidentiality, and informed consent throughout the study as request in Chapter XI.

The Contractor's methodology should aim to provide a holistic understanding of the real estate registration system's financial sustainability, data harmonization activities, challenges, opportunities, and actionable strategies for improvement. The contractor is obliged to foresee other work methods that will be needed for use in order to deliver the final Study and other documents that meet all the requirements of this ToR.

VI Timeline and Expected deliverables

The Contractor is requested to submit following deliverables under the conditions of this ToR:

1) Methodology and work plan

2) Baseline study

3) Dynamic and Financial Plan for Data Harmonization and Sustainability within the present organizational and procedural context

4) Dynamic and Financial models for more effective and efficient harmonization process and achievement of financial sustainability of the registration system

5) Study on the Financial Sustainability of the Real Estate Registration System and Completion of Real Estate Data Harmonization in the Federation of Bosnia and Herzegovina (Final delivery)

The following timeline and requirements are given for completion of activities and tasks under this ToR:

1) Information meeting

The inception meeting shall be held with representatives of the Contracting Authority at the occasion of contract signing, in order to jointly analyze and discuss the ToR.

2) Preparation of Methodology and work plan with Gantt chart

In cooperation with the Contracting Authority, the Contractor shall develop the Methodology and work plan with description of activities, timeframe and deadlines for all activities and deliverables under this Terms of Reference. A Gantt chart with a graphic presentation of the time schedule of all activities and deliverables shall be an integral part of the work plan. The document must be developed in line with requirements set in Chapter V of the ToR.

The Contractor shall submit the proposal of the Work Plan to the Contracting Authority within two weeks from the date of Contract signing. The Methodology and work plan will be final after acceptance by the Contracting authority.

3) Preparation of the Baseline Study

The Contractor shall prepare a baseline study with a detailed analysis of current situation in the sector in regards to the financial overview/situation and harmonization of data.

On the basis of starting situations for different cases of cadaster and land registry conditions, the Contractor shall provide analysis on the scope and type of harmonization activities for each of six starting situations, including working procedures, processes, activities, legal framework, use of human and technical resources. The current data harmonization process will be reviewed to determine whether it could be further streamlined.

The Contractor shall provide baseline analysis of the financial aspects of operations of real estate registration including data harmonization activities (all financial resources and costs per type), taking into account both budgetary and loan funds over the course of average budgetary year in the Federation of BiH, i.e. 2022 CY.

Working procedures with processes and activities required for the transformation of the state of starting situations into the target state in cadaster and land registry, as well as financial data, shall be described in a clear, reviewed and standardized manner.

The comprehensive SWOT and PESTLE analysis shall be inclusive part of the Baseline Study.

The findings of the Baseline Study shall be used for further regulation in the field of cadaster and land registry in the Federation of BiH, as well as for the introduction of quality management systems in the cadaster and land registry sectors. Therefore, for each activity it will be explicitly stated how quality assurance is provided (e.g. mandatory control of technical documentation, mandatory professional supervision over the implementation of all geodetic work in the field of surveying and cadaster, mandatory rules of business and behavior that are incorporated into specific business activities...)

The Contractor shall submit a Baseline Study containing all elements not later than five weeks from the Contract signing. The Contractor shall present this outcome in the form of the Power Point Presentation to the Contracting Authority. The Contracting Authority shall submit their comments within 7 calendar days. The updated Baseline Study shall be delivered within 7 calendar days from the date of receiving the comments of the Contracting Authority.

4) Preparation of Dynamic and Financial Plan for Data Harmonization and Sustainability within the present organizational and procedural context

On the basis of the findings of the Baseline Study, the Contractor shall prepare a proposal for an implementation plan for harmonizing real estate data between cadaster and land registry records, with accompanying financial data⁸ taking into account existing resources, legislation, and working procedures. The proposal shall include dynamic and financial plan and expected timeline for completion of data harmonization in the Federation of BiH and proposal of arrangements for sustainable post-project financing of the real estate registration system.

The Contractor shall submit a Dynamic and Financial Plan containing all elements not later than ten weeks from the Contract signing. The Contractor shall present this outcome in the form of the Power Point Presentation to the Contracting Authority. The Contracting Authority shall submit their comments within 5 calendar days. The updated Dynamic and Financial Plan shall be delivered within 5 calendar days from the date of receiving the comments of the Contracting Authority.

5) Preparation of Dynamic and Financial models for more effective and efficient harmonization process and achievement of financial sustainability of the registration system

The Contractor shall develop a set of recommendations and respective models for an improved and sustainable organizational, procedural and legal framework enabling more cost effective and accelerated harmonization process and functioning of the real estate registration system in the Federation of BiH. Desired timeline for completion of the harmonization process: minus at least ten years of the expected time of completion from the item #4 above and/or desired timeline for completion of the harmonization process of 20 years in total. Scenarios shall include time line and resources required for achievement of the goal. The minimum feasible scenario quantifies priorities that are indispensable to fulfilling the mission within a specific time frame, and whether the organization can cover its fixed or operational costs during that period. Proposals for changes to the existing overall framework shall be presented with indicators of changes and impact. Recommendations of concept to achieve financial sustainability and its fundamental pillars shall be included.

When preparing scenarios, the contractor will take into consideration the planned EU-accession and the changes in business models of the organizations due to EU directives, strategies or other initiatives (example: Directive on Open Data and the Re-use of Public Sector Information, Act on the List of High-Value Datasets, framework of the European Strategy for Data, planned INSPIRE update).⁹

The Contractor shall submit a Dynamic and Financial Models containing all elements not later than twelve weeks from the Contract signing. The Contractor shall present this outcome in the form of the Power Point Presentation to the Contracting Authority. The Contracting Authority shall submit their comments within 7 calendar days.

⁸ Contractor is requested to include any external sources of finances (EU-related environment or other).

⁹ The Contractor should investigate EU directives, strategies or other initiative that might impact a certain scenario, and is not limited to the examples given.

6) Preparation of Study on the completion of data harmonization and Study on the financial sustainability of the real estate registration system

On the basis of the Baseline study (#3) and a completed Dynamic and Financial models ¹⁰for more effective and efficient harmonization process and achievement of financial sustainability of the registration system (#5), the Contractor shall produce a final delivery document in the form of a Study on the completion of data harmonization and a Study on the financial sustainability of the real estate registration system.

The Contractor shall submit the draft Final delivery no later than fourteen weeks from the Contract signing. In addition to submitting the draft Final report in the written form, the Contractor shall present this outcome in the form of the Power Point Presentation to the Contracting Authority. The Contracting Authority shall submit their comments within 7 calendar days. The updated Dynamic and Financial Plan shall be delivered within 7 calendar days from the date of receiving the comments of the Contracting Authority.

The contractor is encouraged to work in parallel on multiple related deliverables wherever possible and where it is not conditioned on results or prior deliverable approval.

VII Resources

The contractor is obliged to provide all the necessary technical, administrative and other resources to perform the tasks described in this ToR.

Key resources that the contracting authority will provide to the contractor:

1. Access to available Data and Information:

- Financial data related to the subject of the study, including revenue sources, expenditures, budget allocations, and historical financial records.
- Access to relevant reports, documents, policies, and regulations pertaining to the financial operations of the system under study.

2. Subject Matter Experts:

- Arrange access to key personnel who possess in-depth knowledge of the organization's financial operations, policies, and practices.
- Connect the contractor with subject matter experts who can provide insights into the nuances of financial sustainability within the context of the specific domain.

3. Stakeholder Contact Information:

- Provide contact information for relevant stakeholders, including government officials, administrators, financial experts, system users, and other parties involved in financial decision-making.

4. Available Legal and Policy Documents:

- Copies of relevant policies, regulations, fee structures, and legal documents that govern the organization's financial operations.
- Provide any documentation related to revenue generation mechanisms, cost management guidelines, and financial planning procedures.

5. Available Historical Data and Reports:

- Historical financial data, reports, and performance metrics from previous years to enable trend analysis and benchmarking.
- Share any available past financial sustainability studies or assessments that may have been conducted in the organization.

6. Access to Facilities and Systems:

¹⁰ Contractor is requested to include any external sources of finances (EU-related environment or other).

- If necessary, provide access to facilities, databases, systems, and technological platforms used for financial tracking and reporting.

- Ensure the contractor has the necessary tools to access, analyze, and interpret financial data accurately.

7. Support for Stakeholder Engagement:

- Assist in arranging interviews, focus groups, or surveys with stakeholders to gather insights and feedback.

- Provide contact information and help in scheduling interactions with relevant individuals.

8. Budget Allocation:

- Contractor fees, travel expenses, research tools, and any other costs associated with the study development are included in the Contract price.

9. Support for Ethical Considerations:

- Provide guidance on ethical considerations, such as obtaining informed consent from stakeholders and adhering to data protection regulations.

- Offer insights into the organization's ethical guidelines and expectations.

10. Access to Decision-Makers:

- Facilitate communication and coordination with decision-makers within the contracting authority to ensure alignment with study objectives and expectations.

11. Clear Scope and Objectives:

- Clearly communicate the scope, objectives, and expected outcomes of the study to ensure that the contractor's work is aligned with the contracting authority's needs.

12. Regular Communication:

- Establish a communication channel via a Working group for regular updates, progress reports, and any queries the Contractor may have during the study.

By providing these resources, the contracting authority will aim empower the Contractor to conduct a thorough and effective Study that produces valuable insights and recommendations.

VIII Reporting and communication

The contracting authority will delegate an expert Working Group to supervise and guide the services provided by the Contractor, and make final proposals to the contracting authority Director for adoption of documents produced through development of the Study.

The Contractor is obliged to Maintain regular communication with the Working Group, provide updates on milestones achieved, challenges faced, and progress made.

Both the Working Group and the contractor will ensure that communication is timely, especially when unexpected developments or changes arise during the study.

IX Required skills and expertise

The Contractor shall meet the following requirements:

- Minimum of two successfully completed contracts in development of studies, strategies, business models or other contracts that are similar in scope and complexity with the subject description of the assignment;
- Experience in implementing similar contracts in the FBiH land administration sector will be considered as an advantage;
- Implementation team that consist of minimum of the following key personnel:

- team leader with minimum of university degree in law, geodesy, economy or land administration and 10 years of working experience; minimum of two previously successfully managed projects that are similar in scope and complexity,
- one graduated lawyer,
- one engineer of geodesy,
- one graduated economist.

Statement of Interest shall at least contain a list successfully completed contracts, confirmations for successfully completed contracts given by the contracting authority, list of proposed staff, their qualifications and references from previous jobs, CVs for the key and additional personnel is requested.

X Contract duration and payments

The given timeframe for contract performance is 16 weeks from the Contract start.

The payments shall be made in three installments:

- The first payment in the amount of 20% of Contract price shall be made upon acceptance of the Baseline Study by the Contracting Authority,
- The second payment in the amount of 30% of the Contract price shall be made upon acceptance of the Dynamic and Financial Plan for Data Harmonization and Sustainability within the present organizational and procedural context by the Contracting Authority,
- The final payment in the amount of 50% of the Contract price shall be made upon acceptance of the Study on the completion of data harmonization and Study on the financial sustainability of the real estate registration system (Final delivery) by the Contracting Authority.

XI Ethical considerations

Ethical considerations are deemed crucial when a contractor is developing a financial sustainability study. Below are the basic principles and provisions that the contractor must adhere to during the implementation of the contract, but also in the period after:

- Confidentiality and Privacy:
 - Ensure that all sensitive financial and operational data collected from the organization is treated confidentially.
 - Obtain proper permissions to access and use confidential data, adhering to data protection regulations.
- Informed Consent:
 - When conducting interviews, surveys, or focus groups, obtain informed consent from participants before collecting their input.
 - Clearly explain the purpose of the study, how their data will be used, and any potential risks or benefits.
- Data Integrity and Accuracy:
 - Ensure the accuracy and integrity of data collection, analysis, and reporting.
 - Avoid manipulation or misrepresentation of data to present findings in a misleading manner.
- Impartiality and Objectivity:
 - Maintain impartiality and objectivity throughout the study to avoid bias in data interpretation and reporting.
 - Declare any potential conflicts of interest that might affect the study's outcomes.
- Full Disclosure:
 - Transparently communicate the scope, objectives, methodologies, and limitations of the study to stakeholders.
 - Disclose any affiliations or relationships that might influence the study's outcomes.
- Respect for Stakeholders:
 - Respect the perspectives and feedback of all stakeholders, regardless of their position or role.
 - Ensure that participants' opinions are accurately represented in the study report.
- Avoid Harm and Unintended Consequences:

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- Consider the potential impact of the study's findings and recommendations on the organization, stakeholders, and users.
- Avoid suggesting actions that could harm the organization's reputation, stakeholders, or financial stability.
- **Transparent Attribution:**
 - Give proper credit to existing research, literature, and data sources that are used in the study.
 - Accurately cite references and acknowledge the work of others to avoid plagiarism.
- **Feedback Incorporation:**
 - Engage stakeholders in providing feedback on the study's preliminary findings and recommendations.
 - Consider their feedback and adjust the study as necessary, reflecting a collaborative and responsive approach.
- **Clear Reporting:**
 - Present findings and recommendations clearly and accurately, avoiding overstatement or exaggeration.
 - Clearly distinguish between empirical data, analysis, and expert opinions.
- **Communication and Accountability:**
 - Maintain open communication with the organization commissioning the study, keeping them informed about progress and challenges.
 - Take responsibility for the study's findings and ensure that they are communicated accurately.
- **Professionalism:**
 - Adhere to professional standards and guidelines for research and consultancy.
 - Demonstrate respect, integrity, and ethical behavior in all interactions related to the study.

The contracting authority is the owner of all materials that will be the result of this study, and it is not allowed to distribute them to third parties or publish them under any circumstances without written permission.

XII Language

Official languages of the Terms of Reference are one of official languages of the Federation of BiH and English.

All documents and reports that are made by the Contractor under this Terms of Reference shall be delivered to the Contracting Authority in one of official languages in the Federation of BiH, while all the final deliverables must be provided in English as well.

In addition to the electronic copy, the Contractor shall also provide to the Contracting Authority hard copies of all final accepted deliverables.

XIII ToR Attachments

Attachment 1: An overview of the starting situations that characterize the relationship between cadastral and land registry data in the Federation of Bosnia and Herzegovina

Attachment 2: Description and information on six starting situations that characterize the relations between cadastral and land registry data in the Federation of Bosnia and Herzegovina

Attachment 1 – An overview of the starting situations that characterize the relations between cadastral and land registry data in the Federation of Bosnia and Herzegovina:

	Old survey				New survey		
	Austro-Hungarian cadaster		Census cadaster				
	New survey was not done	There is a new survey, the public display has not been started or has not been completed	New survey was not done	There is a new survey, the public display has not been started or has not been completed	Land cadastre	Land cadastre, survey renewal required	Real estate cadastre
There is an old land register	1.1	1.2	2.1	2.2	3.1	3.2	3.3
There is no old land register	4.1	4.2	5.1	5.2	6.1	6.2	6.3

Attachment 2 – Description and information on six starting situations that characterize the relations between cadastral and land registry data in the Federation of Bosnia and Herzegovina:¹¹

1.1	AU cadastre with land register without a new survey
Description of the situation	In official use is the AU cadastre based on the old AU survey in scales 1:6250, 1:3125, 1:1562.5. This cadastre was used to establish the old land register, which is still in force. In the period from the beginning of the 50s to the end of the 80s, massive works were carried out on the creation of a new survey and cadastre in BiH, which was supposed to replace the old AU cadastre. That work is not completely finished, so at this moment there are still about 15 CMs that need to be re-surveyed.
Number of represented CMs	15 CM
1.2	AU cadastre with the land register with a new survey, the public display has not started or the started public display has not been completed.
Description of the situation	In official use, the AU cadastre is based on the old AU survey with scale plans 1:6250, 1:3125, 1:1562.5. This cadastre was used to establish the old land register, which is still in force. However, in the period of the 80s, a new survey was carried out in a number of CMs, which has not been exposed to this day, either according to the Land Survey and Cadastre Act, or according to the Real Estate Cadastre Act or after the Law on Survey and Cadastre came into force real estate in 1984 began to be exhibited as a real estate cadastre. Unfortunately, the procedure was not completed until the entry into force of the Law on Land Registers in 2003.

¹¹ Number of represented CMs is given as expected at the end of RERP AF 31.07.2023. Contracting authority will communicate the numbers during contract implementation.

Number of represented CMs	160 CM
2.1	Census cadastre with land register without a new survey
Description of the situation	The census cadastre was created in the early 1950s in a number of CM, as a replacement for the AU cadastre which was destroyed during World War II. Of the graphic documentation, the census cadastre only has a schematic representation of the parcel blocks. CM boundaries are described in text, as well as the blocks of plots within them. The plots are numbered from the north of the block to the south, and the plot number usually consists of the block number and the serial number of the plot in the block. The land registry remained in force, but was maintained with great difficulty and is now out of date.
Number of represented CMs	5 CM
2.2	Census cadastre with the land register with a new survey carried out, public display has not been started or started presentation has not been completed
Description of the situation	The census cadaster was created in the early 1950s in a smaller number of CMs, as a replacement for the AU cadastre which was destroyed during World War II. During the period of mass creation of a new survey, a new survey was made for a number of CMs with census cadastre. Unfortunately, for already known reasons, that survey was not put into official use, so the census cadastre is still in force, even though a new survey was done. The land register is very difficult to maintain, because with the destruction of the AU cadastre, the connection with the geometric content of the cadastre was lost. For 5 CM, the survey was done in the 80s, its presentation for the real estate cadastre began, but the work was not completed until the entry into force of the Law on Land Registers in 2003. Thus, in these CMs, the census cadastre and the old land register are still in force.
Number of represented CMs	5 CM
3.1	Land cadastre based on a new survey with the land register
Description of the situation	Mass works on the creation of a cadastre based on a new survey, as a replacement for the old AU cadastre, were carried out in the period from the beginning of the 50s to the end of the 70s. This situation is the most massive starting situation in FBiH, as it is represented in 625 CMs. The existence of DKP in these CMs did not completely eliminate work with paper plans, because the old AU plans had to be kept as a link with the old land registry.
Number of represented CMs	625 CM
3.2	Land cadastre based on a new survey with the land register, renewal of the survey is required
Description of the situation	Among the cadastral municipalities that are in official use as a land cadastre, there are CMs that, due to extraordinary circumstances, have not been maintained in terms of implementing changes made on the ground and in the land registry. For such cases, it would be necessary to renew the survey and expose the data of the renewed survey to public inspection in accordance with the applicable legal regulations, considering that the documentation that was created during the maintenance of the cadastre was destroyed.
Number of represented CMs	25 CM

3.3	Real estate cadastre with land register
Description of the situation	After the entry into force of the Law on Real Estate Survey and Cadastre in 1984 and until the entry into force of the Law on Land Registers in 2003, a large number of CMs in the FBiH for which the presentation of data for public inspection was fully completed were put into official use as a real estate cadaster, so it can be considered that these SMs are fully harmonized. In addition to the listed CMs, there are also CMs for which the exposition was started, but not completed until the entry into force of the Law on Land Registers, which meant that it was necessary to finish the public display, and such CMs, in accordance with the applicable legal regulations, are to be transferred to the land register and declare the real estate cadastre
Number of represented CMs	10 CM
4.1	AU cadastre without land register and new survey
Description of the situation	A very rare case, given that the land register is mainly based on the AU survey. In 5 CM, the only property record is the old AU survey. There is no old land register, and a new survey has not been done.
Number of represented CMs	5 CM
4.2	AU cadastre without land register with a new survey performed, the public display has not been started or the started display has not been completed
Description of the situation	A very rare case, given that the land register is mainly based on the AU survey. In 5 CM, the only property record is the old AU survey. There is no old land register, while a new survey was done, but the data was not presented for public display.
Number of represented CMs	5 CM
5.1	Census cadastre without land register, without new survey and land register
Description of the situation	In a number of CMs in FBiH, where both the land register and AU cadastre were destroyed during World War II, a census cadastre was established in the early 1950s. As the only ownership record, it is maintained at this moment in 10 CMs. In a large number of them, a new survey was carried out, but this starting situation is characterized by those CMs in which no survey was carried out.
Number of represented CMs	10 CM
5.2	Census cadastre without land register with a new survey
Description of the situation	This situation is characterized by CMs in which the census cadastre is the only property record, even though a new survey has already been carried out in them. Unfortunately, that survey was supposed to be put into official use as a real estate cadastre, but this did not happen, since the public was not started or was started but not completely finished.
Number of represented CMs	123 CM
6.1	Land cadastre without land register
Description of the situation	The destroyed land registers and the AU survey in World War II encouraged the preparation of a new survey in a large number of CM. In 30 CM, a land cadastre was established, which

	until now was the only property record in those areas.
Number of represented CMs	30 CM
6.2	Land cadastre without land register, survey renewal required
Description of the situation	Among the cadastral municipalities that are in official use as a land cadastre, there are CMs that, due to extraordinary circumstances, have not been maintained in terms of implementing changes made on the ground and in the land registry. For such cases, it would be necessary to renew the survey and publicly display the data of the renewed survey to public inspection in accordance with the applicable legal regulations, considering that the documentation that was created during the maintenance of the cadastre was destroyed. In a very small number of cases, there is no land registry for such KOs
Number of represented CMs	5 CM
6.3	Real estate cadastre without land register
Description of the situation	After the entry into force of the Law on Real Estate Survey and Cadastre in 1984 and until the entry into force of the Law on Land Registers in 2003, a large number of CMs in the FBiH for which the public display of data was fully completed were put into official use as a real estate cadastre, so it can be considered that these CMs are fully harmonized. In addition to the listed CMs, there are also KOs for which the public display was started, but not completed until the entry into force of the Law on Land Registers, which meant that it was necessary to finish the process, and such CMs, in accordance with the applicable legal regulations, are to be transferred to the land register and declare the real estate cadastre. In a very small number of cases, there is no land registry for such CMs.
Number of represented CMs	5 CM