

**One United Nations Programme and
Common Budgetary Framework
Bosnia and Herzegovina
2015-2019:
United Nations Development Assistance Framework**



2017 UN Country Results Report

Summary

April 2017

Reporting Context

The United Nations Country Team (UNCT) in Bosnia and Herzegovina (BiH) is comprised of ten UN Programmes and Specialized Agencies (FAO, ILO, IOM, UNHCR, UNICEF, UNDP, UNFPA, UNODC, UNEP, WHO, UNESCO, UN Women, UNV), and UNICTY. Several regionally-based UN Agencies are also operational in BiH such as UNIDO, IFAD, and IAEA.

The work of the UNCT in BiH is guided through the 2015-2019 United Nations Development Assistance Framework (UNDAF) endorsed by the BiH Council of Ministers on 14 May 2015 and officially signed on 15 June 2015. Thirteen outcomes have been agreed within the 2015-2019 UNDAF, in four strategic focus areas that respond to country needs and make use of the UN's comparative advantages: Rule of Law and Human Security, Sustainable and Equitable Development and Employment, Social Inclusion (education, social protection, child protection, child protection and health), and Empowerment of Women.

Full implementation of the UNDAF will require an estimated total of USD 264,592,034. This includes an indicative USD 54,871,620 from regular or core resources and a projected USD 78,533,932 from other or non-core resources. The total estimated funding gap is USD 131,186,482 which is expected to be mobilized during the UNDAF implementation.

BiH is an official Delivering as One (DaO) country. In line with this status and provisions stipulated in the agreed 2015-2019 UNDAF is operationalized through biennial Joint UN Work Plans, one for each of the four UNDAF Focus Areas reducing the transactions costs for the BiH authorities and other partners in BiH. Currently the UNDAF implementation is operationalized through 2017-2018 Joint UN Work Plans endorsed by the Joint BiH/UN Steering Committee (JSC) in March 2017. The JSC is co-chaired by the United Nations Resident Coordinator and the BiH Minister of Finance and Treasury and includes the UNCT as well as nominated representatives of the BiH authorities. With the overall responsibility of coordinating and monitoring the UNDAF implementation in BiH, the JSC provides strategic guidance and oversight during the 2015-2019 UNDAF implementation, endorses the Joint UN Work Plans and reviews the annual reports.

The UNDAF 2015-2019 is implemented as an integral part of planning and programming by BiH partners at all governing levels, including line ministries, parliaments, the judiciary, CSOs, as well as the private sector. In adherence with the Paris Declaration and Accra Agenda for Action, the UN works and coordinates with international development partners, such as the Bretton Woods Institutions and bilateral and multilateral donors, to ensure that the UNCT's development cooperation is aligned, harmonized and managed for greater efficiency and effectiveness.

Within this context, the UNCT prepares a joint UN Country Results Report on the annual basis informing the JSC and other partners in BiH of the achievements and progress made in implementation of the 2015-2019 UNDAF for BiH. This report summarizes and highlights the key development results achieved in BiH in 2017 with the UN support during the third year of the UNDAF implementation.

2017 BiH Context

Following the EU's positive assessment of BiH's application for the EU membership, EU initiated a comprehensive assessment process. A questionnaire consisting of 3,242 questions (16% political, 2% economic, 82% EU acquis-related) was received by the EU Commission, putting at test the functionality of the multi-levelled Coordination Mechanism, as well as the actual substantive preparedness of the country concerning the accession criteria and the 33 EU policy chapters. Together with the Commission's missions and consultations reports, the responses will inform EC's "Opinion" document with a set of next-steps recommendations and a clearer view to country's readiness to open the accession negotiations.

While reforms implemented in 2016-17 are yet to show meaningful impact, economically, BiH is starting to show signs of growth. Strong fiscal consolidation in 2015 resulted in a fiscal surplus of 0.6% of GDP. BiH is recording a record FDIs in 2017, according to the BiH Agency for Foreign Investment Promotion, with the expected figures to reach USD 950 Mil, which is the level of the annual state-level budget. Still, fiscal accounts are likely to have deteriorated in 2016 and 2017 to a deficit of 0.6% of GDP due to a stable revenue-to-GDP ratio, combined with an increase in social spending and some recovery in capital spending. Recent Debt Sustainability Analysis confirms BiH is moderately indebted country with public debt to GDP ratio slightly above 40 percent of GDP.

Although beginning to decline, unemployment remains high, despite significant improvements in the labor market. The unemployment rate fell to 20.5% in 2017, driven by a fall in the activity rate and a slight rise in the employment rate. Unemployment among the youth has also decreased from 54.3 to 45.8 % in 2017. Supported primarily by rising domestic demand, economic growth is projected to strengthen from 3.1% in 2016 to 3.5% by 2019. By World Bank projections, this is considerably lower than the estimated 6% growth needed for BiH to catch up to EU income levels by 2037 and close the gap with other transition economies that are already EU members.

Advancement of the development agenda in the country, the 2030 Agenda for Sustainable Development in particular, still requires substantial efforts and engagement within the BiH context, despite limited progress noted in 2017. Political discourse in the country lacks sufficient strategic discussion and focus on prioritizing development and reform processes in BiH. As such, BiH lacks a country-wide agreement on development priorities, and implementation of the Reform Agenda remains incomplete. However, several key sector-based strategies such as transportation, environment and rural development were adopted despite significant political disagreements and delays unlocking the international financial assistance, primarily from the EU IPA funds. The BiH Platform for the Development of Preschool Education for 2017-2022 was adopted marking another significant achievement in 2017. Some other sector-based strategies such as agriculture, employment, education, etc. and are still pending formal endorsement and access to additional international financial assistance.

Summary of key achievements of the UN in BiH in 2017

Within the rule of law and human security UNDAF focus area, a significant progress has been made in the area of ammunition control in BiH with over 1,600 tonnes of unsafe ammunition disposed as a result of cooperation among all relevant stakeholders, guided by the EUFOR led Master Plan for ammunition disposal in BiH. This resulted in decrease of the quantity of unsafe ammunition by 45% since 2013 (to 9,364 tonnes) and shortened the originally envisaged disposal process from 10 to 5 years. Following UN's support to BiH authorities in drafting the SALW strategy 2016-2020, the UN contributed to the implementation of this Strategy by destroying more than 8 million pieces of small arms ammunition owned by Ministry of Defense BiH. In addition, and in cooperation with relevant BiH authorities, the UN organized the disposal of 5,186 small arms light weapons - SALW (2,835 long and 2,351 short barreled weapons) and 5,615 SALW parts and components. In the area of DRR, the UN has supported strategic planning,

institutional cooperation and strengthening local communities' resilience. Concretely, efforts to introduce risk-informed development through mainstreaming DRR into local strategies resulted in 24 DRR-featuring local strategic frameworks that formally guide development of these communities.

Following the UN's contribution to development and adoption of two new Free Legal Aid (FLA) Laws including State level FLA Law and Canton 10 Law on FLA in 2016, the UN supported two new Free Legal Aid agencies, which were established/fully equipped - at state and Canton 10 levels. Throughout 2017, the UN supported the provision of Free Legal Aid services that were provided to 18,825 citizens (52% men and 48% women). In order to fill in the gaps, UN supported free legal aid through one NGO to 2,498 vulnerable individuals including asylum seekers, persons granted international protection, persons at risk of statelessness, internally displaced persons and returnees. Accordingly, the total number of outreached FLA beneficiaries since 2014 reached directly 96,516 people, while FLA services are available for nearly 900,000 people country-wide. Based on continued advocacy and expert support, six bylaws related to the 2016 Law on Asylum were adopted and entered into force in 2017. 2,498 vulnerable individuals benefitted from UN funded FLA to resolve their status issues and access fundamental rights.

18,825 INDIVIDUALS
PROVIDED WITH FREE
LEGAL AID SERVICES

45 % DECREASE OF
THE QUANTITY OF
UNSAFE AMMUNITION

7,000 PEOPLE PROTECTED
FROM FLOODS AND **100**
PEOPLE BENEFITED FROM
LANDSLIDES PREVENTION

INCREASED
CAPACITIES OF OVER
1,000
PROFESSIONALS
WORKING WITH
CHILDREN

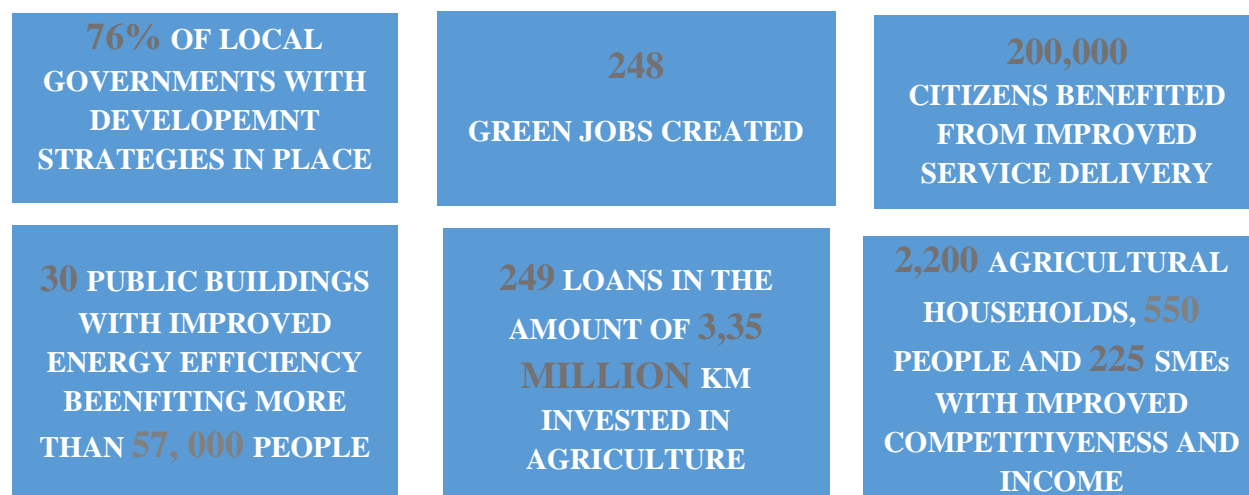
13,000
CHILDREN BENEFITED
FROM IMPROVED
JUSTICE FOR
CHILDREN SYSTEM

1,000
YOUNG PERSONS WITH
INCREASED
RESILIENCE TO
VIOLENT EXTREMISM

Within the sustainable employment and development UNDAF focus area, strategic planning has become one of the UN signature results, with the new Law on Development Planning and Management in the Federation BiH (FBiH) Entity, and 76% of local governments and 100% of cantons having strategies as part of a coherent development framework. For example, among other strategies, the UN supported the development of the Export Promotion and Development Strategy of Wood Processing Industry in BiH (2018-2022), the FBiH Employment Strategy (2017-2020) and the Action Plans for Implementation of the Strategy of Cultural Policies in BiH. This, in turn, contributed to a strategy-based public performance and improved local public service delivery (in the areas of public water and sanitation, waste, roads, business infrastructure, health, education, culture and sports, etc.), benefiting directly more than 200,000 citizens (47% women).

In 2017, the UN made noteworthy contribution to improved private sector competitiveness and income streams for men and women by supporting more than 2,200 agricultural households, 550 people and 225 micro, small and medium enterprises. The UN has also initiated dialogue and sensitization of the private sector in terms of their engagement in the implementation of the Agenda 2030 in BiH. Responding to one of the country's most pressing needs, the UN supported the creation of 1,449 new jobs (30% women), touching lives of some of the most vulnerable population groups (long-term unemployed young people and women; returnees and internally displaced persons; Roma).

The UN made noteworthy contribution to energy management, as well as climate change mitigation and adaptation policies, laws and actions in BiH. With UN support, the Third National Communication Report and the Second Biennial Unit Report to the UN Framework Convention for Climate Change have been submitted, as well as the Law on Water of Republika Srpska (RS) and the Law on Energy Efficiency in the FBiH - adopted. More than 30 public buildings entered the heating season with improved energy efficiency benefiting more than 57,000 people, reducing heating costs by over 30% and decreasing energy consumption in public buildings from 220 kWh/m² to 215 kWh/m².



Within the social inclusion UNDAF focus area, the UN support in 2017 focused on improving the quality of education in various ways. In preparation for BiH taking the Programme for International Student Assessment (PISA) test for the first time in 2018, a pilot was successfully conducted during 2017 with UN technical and financial support. The Healthy Lifestyles Curriculum on reproductive health was expanded to Bosansko Podrinjski Canton and will serve as extended education compulsory for children from 6th to 9th grade in primary schools. The UN also supported the development of capacities of national professionals with a new pilot programme – Lions Quest Skills for Adolescence – to strengthen the social emotional skills of adolescents in order to develop resilience to rebuff and delay the onset of drug use; this programme reached 1604 students (755 in FBiH and 849 in RS).

The UN expanded its activities related to grass roots social cohesion through civic participation and strategic planning, with the direct engagement of more than 136 local communities in 24 municipalities and cities involving over 500,000 citizens in the country. In 2017, the UN initiated and organized 132 local community forums with active participation of 3,808 citizens (of whom 1,143 women) with the aim to identify local community priorities with regards to infrastructure, sport, culture, social inclusion, empowerment of women, ecology, innovation and the use of ICT. In order to implement these priorities, the UN awarded 104 local communities and 23 civil society organizations (CSO) projects that contributed to the improvement of services and access to services for citizens with a focus on socially excluded persons which directly benefited 125,604 citizens.

The UN continued to support Roma communities and populations that are at risk of statelessness to access their social rights through facilitating access to documentation and the provision of free legal aid; more than 50 undocumented Roma were assisted to confirm their birth/citizenship through UN funded free legal aid provided by a NGO. The UN provided economic assistance to 404 families of internally displaced persons (IDPs) and returnees in 27 municipalities (331 returnee families and 73 IDP families). In addition, 43 women victims of war received language and nursing trainings in order to facilitate their employability. To further support the elderly, the network of Health Ageing Centres was expanded in Sarajevo, with the City

of Bijeljna committing to open one more centre in their community. During the year, 699 services, and referrals to services were provided to 290 vulnerable foreign nationals, by the UN through migrant protection and assistance mobile teams.

To further improve the quality of health care in the country, the UN supported health authorities to develop a range of key policy documents, as well as their implementation. Entities' health authorities drafted sexual and reproductive health and rights strategic frameworks for their subsequent integration in the relevant health sector strategies in the coming period. Inter-sectoral policies addressing major cardio-vascular disease risks at population level (tobacco control laws/action plans) were developed and continue to be supported with effective pilot programmes (tobacco cessation for health professionals smokers) and evidence (ready-to-eat food study in Sarajevo and Banja Luka). At the request of the Ministerial Health Conference and the BiH Ministry of Civil Affairs, the UN supported and managed the development of a comprehensive costed multi-year immunization plan at the state level.

699 SERVICES PROVIDED TO **290**
VULNERABLE FOREIGN NATIONALS
THROUGH MIGRANT PROTECTION
AND ASSISTANCE MOBILE TEAMS

1,604 STUDENTS
SUPPORTED TO
BUILD
RESILIENCE TO
DRUG USE

3,808 CITIZENS
ACTIVELY
PARTICIPATED IN
LOCAL
COMMUNITY
FORUMS

ECONOMIC ASSISTANCE PROVIDED
TO **404** FAMILIES OF IDPs AND
RETURNEES IN **27** MUNICIPALITIES

125,604 CITIZENS WITH IMPROVED
ACCESS TO HEALTH, WATER,
SANITATION, ENERGY EFFICIENCY,
SPORTS, CULTURE AND ROAD
COMMUNICATION

The economic empowerment of women UNDAF focus area has seen important steps forward in 2017 with UN support, especially through engagement by local governments. Sixteen municipalities prioritized gender equality concerns captured within municipal visions for community cooperation and development with new models tested in ten municipalities. A further three municipalities saw highly successful economic empowerment schemes provide sustained employment to 90 women and men survivors of conflict related sexual violence. Parallel efforts led to the establishment of 14 women businesses and 12 cash generating projects for women by women, with direct spin-offs; 29 women took on board local leadership roles. In broader efforts 20 CSO projects supported income for women in more than municipalities, and 67 highly vulnerable refugee and displaced survivors of conflict.

Importantly 2017 saw significant and consistent application of gender equality through the government budgeting processes following UN support. The Budget Management Information System (BMIS) now incorporates gender indicators. This resulted in mandatory inclusion of specific gender indicators in the programmes of all line ministries before their submission to the Ministry of Finance. In 2017 budget plans for 12 Programmes from 9 Ministries were gender responsive, following recommended from gender responsive budget analysis after assessing economic empowerment programmes, that were adopted at State, in RS and in FBiH.

SUSTAINED EMPLOYMENT TO

90

WOMEN AND MEN
SURVIVORS OF CONFLICT
RELATED SEXUAL VIOLENCE

INCOME-GENERATING
SUPPORT FOR WOMEN

OVER **136**
MUNICIPALITIES

29

WOMEN IN LOCAL
LEADERSHIP ROLES

Sustainable Development Goals (SDGs) in BiH

The SDGs advocacy efforts continued through the Zamisli 2030 (Imagine 2030) umbrella initiative launched in 2016 with support of the 2016 UNDAF Innovation Fund. Over 50 SDG workshops were organized across the country in 2017, with over 1,200 people engaged to date, from all sections of the society with a particular focus on youth engagement. Zamisli 2030 uses Collaborative Strategic Foresight and engages people in problem solving and innovation, collects important narrative and data from thousands of citizens' voices to create Vision 2030 and SDG priorities for BiH. The global campaign Small Smurfs, Big Goals was implemented in the country in relation to the International Day of Happiness, targeting primarily children and their parents to raise their awareness of the SDGs.

In 2017, the technical work with the relevant BiH authorities has been started in earnest. This included creation of the database and depository of the existing BiH strategic documents mapped against the SDGs targets which is now available and accessible to all the relevant BiH authorities. In addition, the Rapid Integrated Assessment (RIA) training for the relevant national authorities was conducted along with identification of 75 strategies from all levels of government for the subsequent RIA analysis. The work on establishment of the SDGs Dashboard for BiH has also been initiated and the MAPS mission formally requested for by the BiH DEP through joint consultations and preparations. Similarly, preparations advanced with the three statistical agencies (state-level and both entities) for the next round of the Multiple Indicator Cluster Survey (MICS), to be undertaken in 2019, and which will collect data for many SDG indicators.

The overall impact of the SDGs-related activities is reflected in the increased recognition of the national ownership and leadership for the SDGs localization by the BiH authorities. The BiH Directorate for Economic Planning (DEP) was formally appointed as the lead agency for coordination of the SDGs-related activities in BiH by the BiH Council of Ministers. By the same decision, DEP has been tasked with development of the roadmap for the SDGs localization in BiH. In addition, the FBiH and the RS Entity Governments have also nominated their institutional focal points for the SDGs localization and indicated their commitment towards developing their own SDGs-related action plans. Several municipalities have already initiated SDGs localization with support provided by the UNCT.

1,200

PEOPLE WERE ENGAGED IN
SDG PROBLEM SOLVING
AND INNOVATION

BIH AUTHORITIES HAVE
ACCESS TO DATABASE
OF EXISTING BIH STRATEGIC
DOCUMENTS MAPPED
AGAINST THE SDGs TARGETS

LEADING TECHNICAL
BODY FOR THE SDGs
IMPLEMENTATION
APPOINTED

Delivering as One

In support of the BiH efforts to localize and implement the 2030 Agenda in BiH, the UNCT has managed to finalize and launch towards the end of 2017 the 2-year *SDGs Rollout Support and Private Sector Engagement* with funding secured through the Swedish Embassy/SIDA in BiH. Through this project, the UNCT will be able to assist the relevant BiH authorities with application of relevant tools and approaches to engage the SDGs localization more effectively and with establishment of linkages between the private sector and the SDGs.

The Peacebuilding Fund approved funding for the Joint UN Programme that extends the BiH Presidency-led *Dialogue for the Future* platform, established through an earlier Fund investment. The new project places youth at the center of inter-communal cooperation and dialogue at the local, Entity, and State levels, and offers the only mechanism for direct interaction with the Presidency on reconciliation. Responding to a request by the Presidency to support regional dialogue, the project also includes participation of youth and others from neighboring states and paves the way for a Western Balkans regional dialogue project in 2018. The Peacebuilding Fund has also committed to providing funding support for the regional stream of the Dialogue for the Future to be initiated in 2018.

In the area of disaster risk reduction, the UNCT has initiated system-wide consultations with Government as the first step within the 4-year horizon of the Joint UN Programme, *Disaster Risk Reduction for Sustainable Development*, with the preliminary indication of funding support provided from the Swiss Embassy in BiH. The expected launch of this Joint UN Programme will enable the UN to build upon the highly successful partnership with the BiH authorities and international community during the flood recovery response in 2015. More importantly, it would enable the UN to assist the BiH authorities in their efforts to strengthen institutional capacities and coordination mechanism across government levels, implement concrete multi-sectoral risk reduction and preparedness measures within risk-exposed localities, and reduce social and economic vulnerabilities of citizens affected by disasters and climate change in BiH.

The UNCT was also successful in raising additional funds to assist the BiH authorities in addressing of the key development challenges, namely, strengthening women's leadership and participation in the political life of BiH. To that end, a 3-year project was developed, *Women in Elections in BiH*, and launched in November 2017 whose primary objective is to secure an enabling environment for getting more women elected across board, in all spheres of decision-making process in BiH, and to enhance women's engagement in public life and position within the elections cycles in 2018 and 2020 by strong advocacy interventions for women's equal rights and political participation. This is to be achieved by applying a two-pronged approach, vertically by proposing structural adjustments to accommodate greater numbers of women in politics, and horizontally, by nourishing the next generation of women leaders in communities through tailored networking and capacity building initiatives.

The UNCT managed to secure additional funding from the UK Embassy in BiH for continuation and expansion of the UN targeted support to the victims of the *conflict-related sexual violence* and to the relevant BiH authorities in provision of adequate and quality services to the victims. The UNCT also secured some funds from Sweden to support the continuation of the innovative joint initiative, IT Girls, which will enable better coordinated, more scaled up interventions in 2018 to promote the empowerment of adolescent girls through IT.

UNDAF Financial Table by Pillar and Outcome

Pillar/Outcome	2015/2016 TOTAL	2017-2018 Planned	2017 Actual	2015-2017 TOTAL
PILLAR 1: Rule of Law and Human Security	61,933,368	25,016,916	7,416,147	69,349,515
Outcome 1	10,575,208	6,155,820	1,961,763	12,536,971
Outcome 2	3,072,279	4,281,096	1,480,169	4,552,448
Outcome 3	48,285,881	14,580,000	3,974,215	52,260,096
PILLAR 2: Sustainable and Equitable Development and Employment	46,272,388	70,413,047	34,155,145	80,427,533
Outcome 4*	28,092,065	44,852,739	21,004,236	49,096,301
Outcome 5	11,126,292	14,087,987	8,038,499	19,164,791
Outcome 6	7,054,031	11,472,321	5,112,410	12,166,441
PILLAR 3: Social Inclusion: Education, Social Protection, Child Protection and Health	30,492,139	24,623,665	9,012,607	39,504,746
Outcome 7	2,041,977	969,000	318,464	2,360,441
Outcome 8	722,130	1,410,000	123,965	846,095
Outcome 9	15,023,899	17,279,455	3,896,550	18,920,449
Outcome 10	582,900	1,870,000	1,020,179	1,603,079
Outcome 11	12,121,233	4,505,210	3,653,449	15,774,682
PILLAR 4: Empowerment of Women	6,069,757	2,194,005	1,543,846	7,614,603
Outcome 12	2,642,293	682,803	305,876	2,948,169
Outcome 13	3,427,464	1,511,202	1,237,969.68	4,665,434
TOTAL (USD)	144,767,652	122,247,633	52,127,745	196,896,397

* IFAD figures incomplete