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**Draft country programme document for Bosnia and Herzegovina  
(2010-2014)**

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## Introduction

1. The country programme document, 2010-2014, derives from the common country assessment and strategic documents of the Government, and the agreed outcome areas of the United Nations Development Assistance Framework (UNDAF) 2010-2014, prepared together with the Government and in line with the UNDP strategic plan, 2008-2011.

### I. Situation analysis

2. Bosnia and Herzegovina is a state of three constituent peoples (Bosniaks, Croats and Serbs) residing in two entities – the Federation of Bosnia and Herzegovina and Republika Srpska, with one district, Brčko, under international administration, as agreed in the Dayton Peace Agreement of 1995. While the Republika has a centralized government, the Federation is highly decentralized, with 10 cantonal governments. There are 14 governance units, five levels of administration, and over 150 ministries. The effects of the 1992-1995 war are still being felt, and many development challenges derive from the recent past. Yet progress is being made, and there is a shared vision of a future in the European Union. The Government signed the Partnership for Peace agreement with the North Atlantic Treaty Organization in 2006 and the European Union Stabilization and Association Agreement in 2008.

3. The state-level *economic reform strategy* is the ‘Mid-term Development Strategy of BiH, 2004-2008’, which defined the socio-economic development goals: sustainable and balanced economic development; poverty reduction; and acceleration of European integration. Macroeconomic stability has been achieved, with low inflation and gross domestic product growth averaging 6 per cent per year since 2000. Unemployment remains high, and especially affects returnees, the Roma, internally displaced persons, rural populations and youth. The rate for women is 26.8 per cent compared to 21.4 per cent for men.<sup>1</sup> With the global economic downturn, performance will weaken, with growth reduced to between 2 and 3 per cent; a fall in remittances from the current 17 per cent of the gross domestic product; stagnating or falling government revenues; and lower private investment rates. New planning processes for 2008-2013 are in process with two strategies being prepared: the Country Development Strategy and the Social Inclusion Strategy. A serious planning challenge is the dearth of reliable statistical information. The most recent census was in 1991 and the next is planned for 2011.

4. **Poverty and social exclusion.** In aggregate human development terms Bosnia and Herzegovina is progressing well but there is social exclusion and increasing inequality of income, education and health outcomes. The 2007 national human development report suggests a poverty rate of 18.6 per cent, with 22.9 per cent at risk of poverty and over 50 per cent of the population socially excluded. Among the most vulnerable are elderly, persons with disabilities, displaced persons, Roma, families with two or more children, the unemployed, and low-skilled youth. Women are at particular risk in all categories. The quality of social services needs improvement, with better access for vulnerable groups. High unemployment

5. **Environment.** The country is endowed with abundant natural resources: forests, water, minerals and unique areas such as the ‘peat karstlands’. The natural resource base could be a foundation of economic growth, but, with low awareness of linkages between environment and development, there is limited action. The environment is not mentioned in the Constitution, and regulation of environmental issues takes place at the entity level. The Inter-entity Steering Committee for the Environment is a reasonably effective coordination body, and the Government is making slow progress to meet the obligations of global environmental conventions on climate change and biodiversity. There is some local-level work on local environmental action plans, but there is little funding for their implementation.

6. **Human security.** Post-conflict issues still pose problems, especially concerning mines, weapons and ammunition. About 3.4 per cent of Bosnia and Herzegovina is contaminated with mines. Ownership of small arms, light weapons and ammunition is estimated as 19 per cent of the population and around 495,000 households possess them illegally. The levels of weapons in civilian and military

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<sup>1</sup> The Agency for Statistics of Bosnia and Herzegovina, the Federal Institute of Statistics, the Institute of Statistics of the Republic of Srpska, 2007, *Labour Force Survey*.

possession, and the large military stock of surplus ammunition, are a human security threat. Disaster risk reduction is also a challenge and work to meet threats such as avian influenza and natural disasters is still in its early stages.

7. **Gender inequality.** Gender-based inequality in the country is pronounced in political and labour-force participation. Only 9 per cent of government positions are held by women, who constitute only 36 per cent of the labour force (among the lowest in the region). The gender-adjusted human development index for 2004 was 0.801, with Bosnia and Herzegovina ranked ninth out of 11 countries in the region. Gender-based violence is of serious concern.

8. **HIV/AIDS** has had limited impact so far, with only 33 people living with HIV/AIDS on antiretroviral therapy, but given the regional HIV/AIDS epidemic there is an emphasis on prevention. Tuberculosis is a serious health threat (51 sufferers per 100,000 people). Global Fund-financed HIV/AIDS and tuberculosis projects are building government capacity for prevention and care, with civil society a strategic partner.<sup>2</sup> Groups particularly vulnerable to tuberculosis include the poor, ethnic minorities and Roma, prisoners and displaced persons.

9. Bosnia and Herzegovina is a party to many international treaties related to **human rights** which are included in annex I to the Constitution. The European Convention for the Protection of Human Rights and Fundamental Freedoms overrides all other law in Bosnia and Herzegovina. The conventions are being translated into laws and policies and institutions, such as the Office of the Ombudsman, are being created. Achieving the human rights ideals enshrined in the Millennium Declaration will require further attention by Government.

10. In terms of the **Millennium Development Goals**, Bosnia and Herzegovina has largely achieved Goal 1 (eradication of extreme poverty and hunger), and is considered likely to achieve Goals 4 (reduce child mortality), 5 (improve maternal health), 6 (combat HIV/AIDS, malaria and tuberculosis) and some of the targets in Goal 7 (environmental sustainability) and 8 (global partnerships). If policy changes are made, Bosnia and Herzegovina should also be able to achieve Goal 2 (universal primary education), but Goal 3 (gender equality and women's empowerment) represents a major challenge.

## II. Past cooperation and lessons learned

11. The 2005 to 2009 country programme was implemented in the five development practice areas: poverty reduction, democratic governance, energy and the environment, crisis prevention and recovery, and HIV/AIDS, and aligned with the national mid-term development strategy. The programme focuses on capacity development, which is challenging due to the complex government structures, overlapping and contested mandates, and weak civil society.

12. **Poverty reduction** and achievement of the Millennium Development Goals have been the overarching goals of the 2005-2009 programme. In support of poverty reduction, UNDP promoted social inclusion in congruence with the pre-accession framework and agenda of the European Union. UNDP has worked with the Government on a social inclusion strategy drawing on lessons from area-based development programmes and returnee reintegration projects. They include the Srebrenica region recovery and the Upper Drina development programmes which were evaluated positively by the Government of the Netherlands in 2008. Private-sector development within the regional 'growing sustainable business' project has been integrated into area-based projects. The lesson learned is that integrated approaches are effective in poverty reduction in Bosnia and Herzegovina.

13. **Democratic governance** includes public administration reform, e-governance, local inclusive planning and support to the three gender agencies. Rights-based methodology was applied at the municipal level and included civil society in local planning, inspiring a new generation of local democracy projects agreed among the Government, donors and UNDP. The transitional justice project built coalitions between government and civil society to tackle reconciliation. UNDP also supported capacity development of the War Crimes Chambers. The lesson learned is that a coordinated response to democratic governance issues (with all levels of government and justice mechanisms, and the private sector) increases project impact.

<sup>2</sup> WHO/IUATLD, 2008; the Global Project on Anti-tuberculosis Drug Resistance Surveillance. Geneva, 2008, World Health Organization, Geneva.

14. **Energy and environment** work includes tackling local environmental ‘hot spots’ working to conserve unique biospheres, and integrating environmental mitigation measures into local development projects. UNDP has made progress in supporting the authorities responsible for compliance with the climate change and biodiversity conventions, and has gained experience in managing the complex institutional setup for environment management.

15. **Crisis prevention and recovery** has made measurable progress in demining and small arms and light weapons reduction. Over two million square metres have been cleared of mines, and 9,500 weapons and 5,000 tons ammunition have been destroyed. Capacity-building of the Mine Action Centre was completed. Crisis prevention and disaster management are new areas of work: national coordination mechanisms are divided between the two entity civil protection agencies, the parallel systems making progress somewhat slow.

16. **HIV/AIDS**. Since 2007 UNDP has been the ‘principal recipient’ of Global Fund grants in Bosnia and Herzegovina. UNDP works intensively with government institutions on capacity-building, building partnerships between entity level government and civil society institutions. The project has set up clinics, voluntary counseling and testing centres, youth-friendly health services, and methadone treatment centres. Capacity-building is remedying initial low levels of knowledge and delivery is highly rated by the Global Fund.

17. **Development partnerships** are significant in the context of declining grant aid flows to Bosnia and Herzegovina. Apart from the Government, key UNDP partners are the European Community, bilateral donors, the Global Environment Fund, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the ‘MDG Achievement Fund’ of Spain. Government cost-sharing is mainly from entity governments, municipalities and the return fund for displaced persons. There is close cooperation and joint programming with other United Nations organizations, with four ‘MDG Achievement Fund’ projects approved.

18. The 2008 **Assessment of Development Results** recommends increasing government ownership through national implementation and strategic focus on well-defined substantive areas; linking lessons learned at the field level to higher-level policy activities; and working with civil society in capacity development and project implementation. It proposes that if accession to the European Community proceeds in a timely manner, UNDP should define its exit strategy. The recommendations are reflected in the proposed programme, the proposed delivery modality change to national implementation being expected within two years.

### **III. Proposed programme**

19. The proposed programme results are aligned with the UNDP strategic plan, the proposed UNDAF results framework, and the priority areas identified by the Government for the country development strategy (strengthened macroeconomic stability; sustainable development; competitiveness; employment; integration with the European Union; and social inclusion). UNDP will work within the accession framework, and focus on areas of UNDP comparative advantage: capacity development, gender equality, sustainable development and the human rights-based approach to development. The proposed programme includes:

(a) **Democratic governance**. UNDP will focus on: public sector reform (strategic planning, human resources management and e-governance); local governance; and capacity development at all levels of administration. UNDP will accelerate the implementation of democratic governance projects using a human rights based approach in support of accession to the European Union. Given the low participation rates by women in administrative and political processes, gender mainstreaming will be a priority. Attention will be paid at the municipal level to inclusive planning processes and capacity for service delivery. Justice and transitional justice projects will continue, with increased focus on lower-level courts, community reconciliation and witness support.

(b) **Social inclusion** will align achievement of the Millennium Development Goals with accession to the European Union. Projects include gender-disaggregated social inclusion analysis; social statistics and support to census; capacity-building for evidence- and rights-based policies at the as well as local-level work on intercultural understanding as a basis for development. Capacity

development will focus on the Department of Economic Planning, the statistical agencies, the Ministry of Finance and Treasury, and the Ministry of Civil Affairs. Gender is mainstreamed but will also have specific projects such as the prevention of violence against women. Poverty reduction is the focus of the area-based projects, including partnerships with the private sector.

(c) *Environment*. The proposed projects will support Government compliance with international conventions and European Union regulations in climate change response, protection of biodiversity, and cleaner, safer, more sustainable development. At the subregional level the focus will be on biodiversity and eradication of environmental ‘hot-spots’. Local-level work will include developing and implementing environmental action plans with municipal authorities and civil society.

(d) *Human security* issues remaining from the war are only partially resolved, and therefore technical assistance for the destruction of weapons and ammunition, and capacity development for demining, will continue. UNDP will reinforce its institution-building for crisis management and disaster response by working sub-regionally with the Regional Cooperation Council based in Sarajevo, and will include cross-border response and compliance with European Union standards, including the establishment of a national coordination body and a national strategy for disaster risk management.

(e) *HIV/AIDS*. In the first two years of the 2010-2014 programme, the Global Fund expects UNDP to continue as the principal recipient for HIV/AIDS and tuberculosis projects. Due to the complex nature of health-service delivery, with 13 ministries of health, capacity-building in the health sector and civil society organizations is expected to continue until 2012, with the aim of enabling the Government to take over the role of principal recipient in 2013. The Government agrees with this planned timetable.

(f) *Regional projects*. UNDP proposes to continue working at the sub-regional level in the areas of public sector reform, e-governance, environment and gender and in close cooperation with regional bodies such as the Regional Cooperation Council.

#### **IV. Programme management, monitoring and evaluation**

20. In the UNDAF period 2005-2009, the transition to national implementation modalities was delayed by the complexity of government structures. While the proposed programme initially uses direct implementation, transferring to national implementation will be a priority. A central challenge will be to strengthen policy implementation by synergizing activities at municipal, entity and state government levels. Drawing on United Nations reform principles, activities will be aligned with the UNDAF results matrix to ensure synergy between organizations. Four multi-agency ‘MDG-Achievement Fund’ projects will be implemented and the ‘One UN’ communications strategy will contribute to UNDP advocacy work on human rights, good governance and gender equality. UNDP will work towards harmonized administrative and financial processes, using audits to maintain accountability.

21. The Government and UNDP have mobilized significant resources for the first two years of programme implementation. Government cost-sharing is mainly for displaced persons’ return programmes, governance, and area-based development programmes, and the Government is a partner in proposing projects to United Nations trust funds. Resources will be mobilized for activities related to the Millennium Development Goals, European Union accession, compliance with international treaties and conventions, and cross-border activities.

22. Monitoring and evaluation of the programme will be guided by the UNDAF results matrix but may be hampered by the national data deficit and outdated census information. UNDP, with the government institutions, will establish baseline project data sets, and UNDP will continue to support the statistical agencies. The Resident Coordinator’s office has established a monitoring and evaluation unit for joint United Nations programmes; the unit will provide monitoring and evaluation unit support to the individual organizations.

## Annex. Results and resources framework for Bosnia and Herzegovina

National priority or goal (Millennium Development Goals and/or other international conference commitments)					
Intended UNDAF outcome 1: Democratic governance. By end 2014, Government with participation of civil society implements practices for more transparent and accountable governance and meets the requirements of the accession process to the European Union.					
Programme component	Country programme outcomes	Country programme outputs	Output indicators, baselines and targets	Partners	Indicative resources
<b>Strategic plan goal</b>  Fostering democratic governance	<b>1.1</b> Government at all levels modernizes public sector practices through public administration reform and bases policies on sound quantitative and qualitative analysis  <b>1.2:</b> Relevant institutions at all levels strengthen equal access to justice and the protection and promotion of human rights, and develop institutional mechanisms for dealing with the past	<b>1.1.1:</b> Government at state and entity levels has human and technical (e-governance) resources, and procedures for strategic planning, policy development and resource management to ensure better delivery of public services.  <b>1.1.2:</b> Local governments and civil society have capacity and manage participatory, accountable and integrated policy development, implementation and review  <b>1.2.1:</b> Government and stakeholders develop the transitional justice strategy, operationalize related mechanisms and develop capacities for war crimes processing including witness support.  <b>1.2.2:</b> Government institutions and CSOs develop legal frameworks for better access to justice and observance of human rights.	<b>Indicators:</b> Standard operating procedures incorporating modern human resources management adopted <b>Baseline:</b> Public administration reform strategy and Associated Press, Sigma and European Community reports <b>Target:</b> modern human resource management functions established, medium-term strategic plans developed <b>Indicator:</b> Framework for integrated and inclusive local strategic planning elaborated and piloted <b>Baseline:</b> 0. <b>Target:</b> 1  <b>Baseline:</b> Weak capacities. <b>Target:</b> 10 capacity-building events for local jurisdictions; 6 for state War Crimes Chamber, witness support functioning, transitional justice strategy implem. plan done <b>Indicator:</b> No. of CSO focal points and courts' communications officers deployed in four regions <b>Baseline:</b> 0. <b>Target:</b> 4	State and entity governments, ministries and institutions: civil service agencies; Parliamentary Commission on Gender Equality, municipal authorities, local government associations, civil society organizations (CSOs) and the private sector.  Donors: Sweden, Denmark, European Community, Netherlands, Norway, Switzerland, Austria  Ministry of Justice, Higher Prosecutorial Council, Courts, Media, CSOs  Donors: Spain, Japan, United Nations Trust funds, UNDP: Bureau for Crisis Prevention and Recovery (BCPR)	Regular resources \$1,605,000  Other resources \$13,800,00
Intended UNDAF outcome 2: Social inclusion					
By 2014, Government develops and implements policies and practices to ensure inclusive and quality health, education, housing and social protection and employment services.					
<b>Strategic plan goal</b>  Achieving the Millennium Development Goals and reducing human poverty	<b>2.1</b> Government develops, coordinates, monitors, and reports on inclusive, evidence-based and rights-based social policies and social protection policies <b>2.2</b> Cultures both tangible and intangible developed as a social good underpinning local and national development, tourism and cultural industries. <b>2.3:</b> Municipal authorities, with civil society and the private sector enabled to plan and implement inclusive social policies at local level including support to youth employment	<b>2.1.1:</b> Government social inclusion strategy implemented <b>2.1.2:</b> Government delivers efficient, needs-based social services at local level with CSO support <b>2.2.</b> Government, municipal officials, civil society, media and the private sector implement national and community level initiatives to improve cross-cultural understanding  <b>2.3.1:</b> municipal policy and action plan documents adopted and implemented by municipalities and CSOs in support of sustainable local economic development and poverty reduction. <b>2.3.2</b> Private sector partners with municipalities to provide framework for economic development components and youth employment opportunities	<b>Indicators:</b> No. of policies produced at the state and entity levels linked to the social inclusion strategy. <b>Baseline:</b> to be established <b>Target:</b> to be established <b>Indicator:</b> Number of intercultural creative and cultural tourism projects implemented in local communities. <b>Baseline:</b> none <b>Target:</b> 70 projects implemented <b>Indicator:</b> No. of municipalities where authorities and CSOs practice effective human rights and gender-sensitive budgeting and project cycle management <b>Baseline:</b> 0. <b>Target:</b> 21 <b>Indicator:</b> No of youth employment resource centres (YERCs) established, equipped, staffed and operational in public employment offices. <b>Baseline:</b> 0. <b>Target:</b> 17 YERCs	State and entity government institutions and ministries, Parliamentary Commission on Gender Equality, municipal officials, civil society organizations, private sector and the media  United Nations trust funds, donors  Municipal governments, municipal management boards, national and local CSOs and private sector partners	Regular resources \$630,000  Other resources \$41,600,000

			<b>Baseline:</b> 0. <b>Target:</b> 10,000 youth		
<b>Intended UNDAF outcome 3: Environment</b> By the end of 2014, Government meets requirements of EU accession process and multi-lateral environment agreements, adopts environment as cross-cutting issue for participatory development planning in all sectors and at all levels, strengthens environmental management to protect natural and cultural resources and mitigate environmental threats.					
<b>Strategic plan goal</b>  Energy and environment for sustainable development	<b>3.1:</b> The legal framework for environment management is enacted with linkages between environment and other sectors established to institutionalize sustainable development  <b>3.2:</b> Local authorities, public , private service providers & civil society formulate and implement participatory environmental plans ensuring cleaner, safer and sustainable development	Output 3.1.1. legal and institutional framework for environmental governance aligned with international conventions and the EU <i>aquis</i>  Output 3.1.2. Ministries responsible for environment at state, entity and cantonal levels have technical knowledge and skills for the preparation of the reliable environmental indicators and for mainstreaming environmental governance for strategic planning processes  <b>3.2</b> Local authorities have awareness and knowledge to develop & implement initiatives in the area of biodiversity, water and waste water management	<b>Indicator</b> Number of enacted laws in line with EU <i>aquis</i> and int'l conventions <b>Baseline:</b> Environmental laws at entity level aligned with EU legal frameworks <b>Target:</b> All environmental legislation aligned with relevant EU legal framework and international conventions  <b>Indicator:</b> Report on national environmental action plan (NEAP) implementation and new comprehensive indicator framework established <b>Baseline:</b> NEAP indicators outdated <b>Target:</b> NEAP indicators updated <b>Indicator:</b> number of the local environmental action plans (LEAPs) <b>Baseline:</b> 46 LEAPs in 142 municipalities (20%) <b>Target:</b> 76 LEAPs (32% Bosnia and Herzegovina municipalities)	Ministry of foreign trade and economic relations, environment ministries at entity and cantonal level  Donors: Netherlands, Spain, Global Environment Facility (GEF)  Entity governments, municipalities, CSOs and local private sector  Donors: Spain, GEF	Regular resources \$395,000  Other resources \$18,200,000
<b>Intended UNDAF outcome 4: Human security</b> By 2014, Government adopts policy, regulatory, and institutional frameworks to address human security challenges, including threats posed by communicable diseases and disasters, landmines and small arms and light weapons, armed violence, and also addresses issues of migration and women, peace and security.					
<b>Strategic plan goals</b>  Crisis prevention and recovery  HIV/AIDS	<b>4.1:</b> Regulatory and institutional frameworks established by Government to mitigate risk and respond to disasters including outbreaks of communicable diseases  <b>4.2</b> Government and local communities improve management of small arms and light weapons, mine action, and reduce armed violence  <b>4.3:</b> HIV/AIDS and tuberculosis control and mitigation programmes effectively implemented by government and civil society	<b>4.1:</b> Government has the knowledge and resources to develop core policies, institutional framework, establishes risk assessment system and delivers quality disaster management services.  <b>4.2.:</b> The regulatory frame-work for small arms and light weapons and ammunition stockpile management is implemented and risks reduced.  <b>4.3:</b> State and entity Governments and CSOs have technical knowledge to coordinate and implement participatory evidence-based HIV/AIDS, tuberculosis and national strategies and standards	<b>Indicator:</b> Risk assessment system established and risk assessment for the country done and regularly updated.  <b>Baseline:</b> No. <b>Target:</b> Yes  <b>Indicator:</b> Reduction of surplus and illegal weapons and ammunition <b>Baseline:</b> 95,000 weapons destroyed <b>Target:</b> 60,000 more weapons destroyed <b>Baseline:</b> 36,000 tons ammo destroyed <b>Target:</b> 14,000 add'l tons ammo destroyed  <b>Indicator:</b> No. of medical centres and CSOs providing services for HIV/AIDS and tuberculosis <b>Baseline:</b> 33 medical and counseling centres, 9 CSOs <b>Target:</b> 60 centres, 18 CSOs	State and entity and municipal governments, state veterinary offices, Bosnia and Herzegovina Mine Action Centre Civil defence, mine action civil society organizations, international community including EUFOR, NATO, OSCE  Donors: EC, Belgium, Denmark, Spain, Sweden, United Kingdom  Ministries of Health, CSO partners, medical services  Donor: Global Fund	Regular resources \$395,000  Other resources \$7,300,000