



# Swiss Cooperation Strategy Bosnia and Herzegovina 2017 – 2020



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Agency for Development and Cooperation SDC

State Secretariat for Economic Affairs SECO

Title photograph:

To meet the growing demand for skilled labor, e.g. in tourism and gastronomy, Switzerland engages with companies and schools all over Bosnia and Herzegovina to introduce elements of dual education.

# Foreword

Stability and prosperity of the Western Balkan countries constitute a fundamental aim for Swiss foreign and security policy. Switzerland's engagement in the region was initiated in the 1990s, by providing humanitarian assistance and refuge for many people. Switzerland and the Balkans have developed close ties over the years, best documented by a sizeable diaspora living in Switzerland and an intensive cooperation program. More than 500,000 residents of Switzerland have family ties to the Western Balkans.

Starting with humanitarian assistance in 1996, Switzerland's Cooperation with Bosnia and Herzegovina has increasingly shifted to supporting transition processes and has developed a trusted partnership based on mutual interests. The new Swiss Cooperation Strategy 2017 - 2020 is rooted in the spirit of the agreements of cooperation between the Governments of Switzerland and Bosnia and Herzegovina. It represents a strong commitment to continue supporting the economic, social and political transition processes in Bosnia and Herzegovina, building on Switzerland's long-term presence in the country and earlier achievements. Over the years, the Swiss – Bosnian-Herzegovinian Cooperation has grown. Today, Switzerland is Bosnia and Herzegovina's fifth largest bilateral cooperation partner.

Bosnia and Herzegovina has achieved substantial progress in political and macroeconomic stability. Switzerland is determined to support the country in addressing remaining challenges in line with the priorities defined by its Government in specific sectors. The Swiss Cooperation Strategy Bosnia and Herzegovina 2017-2020 is the expression of Switzerland's renewed commitment to continue supporting the economic, social and political transition processes in Bosnia and Herzegovina.

The overall goal of the Swiss Cooperation Program is to contribute to the progress of Bosnia and Herzegovina on its path towards regional and European integration, fostering a democratic political system, a peaceful and cohesive society, providing inclusive access to essential services, the rule of law and a social market economy. The Cooperation Strategy focuses on three thematic domains, all of which complement each other and are mutually reinforcing. The foreseen financial commitments for the period 2017-2020 amount to 74 million Swiss francs.

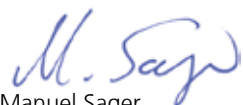
This document provides an overview of recent political and economic trends in Bosnia and Herzegovina, and develops the rationale for the Swiss – Bosnian-Herzegovinian Cooperation. On the basis of the achievements and experiences of past interventions, it draws implications for the new Swiss Cooperation Strategy 2017-2020, followed by an outline of the priorities and objectives for the upcoming period. It concludes with information about program management, monitoring and steering.

The Swiss Cooperation Strategy 2017-2020 has been developed by the Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO), in close consultation with Bosnian-Herzegovinian government offices and civil society partners. Both institutions, represented by the Swiss Embassy in Bosnia and Herzegovina, closely cooperate and coordinate in the implementation of their respective parts of the Cooperation Strategy.

We are confident that the goals and priorities set out in this strategy are particularly relevant to the sustainable development of Bosnia and Herzegovina and the well-being of its people.

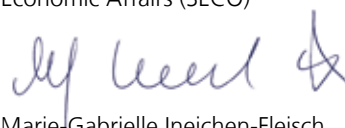
Berne, November 2016

Swiss Agency for Development  
and Cooperation (SDC)



Manuel Sager  
Director-General

Swiss State Secretariat for  
Economic Affairs (SECO)



Marie-Gabrielle Ineichen-Fleisch  
State Secretary

# Table of contents

<b>Foreword</b>	<b>3</b>
<b>Table of Contents</b>	<b>4</b>
<b>List of Abbreviations</b>	<b>6</b>
<b>Glossary</b>	<b>7</b>
<b>Executive Summary</b>	<b>8</b>
<hr/>	
<b>1 Context</b>	<b>10</b>
1.1 Political Developments	10
1.2 Socio-economic Developments	11
1.3 Environment	13
<hr/>	
<b>2 Rationale for cooperation between Switzerland and Bosnia and Herzegovina</b>	<b>14</b>
<hr/>	
<b>3 Results of Swiss Contributions in Bosnia and Herzegovina 2013-2016</b>	<b>16</b>
3.1 Local Governance and Municipal Services	16
3.2 Health	17
3.3 Economy and Employment	17
3.4 Judiciary Reform	18
3.5 Human Security	19
3.6 Migration Partnership	19

<b>4</b>	<b>Implications for the Cooperation Strategy 2017-2020</b>	<b>20</b>
<b>5</b>	<b>Strategic orientation and priorities of the Cooperation Strategy 2017-2020</b>	<b>21</b>
5.1	Overall Goal	21
5.2	Domain A: Democratic Governance, Municipal Services, and Justice	21
5.3	Domain B: Health	22
5.4	Domain C: Economy and Employment	23
5.5	Migration Partnership	23
<b>6</b>	<b>Program implementation and management of the strategy</b>	<b>25</b>
<b>7</b>	<b>Program monitoring, risk management and strategic steering</b>	<b>26</b>
	<b>Annex 1: Swiss Cooperation Strategy in Bosnia and Herzegovina at a Glance</b>	<b>29</b>
	<b>Annex 2: Results Framework</b>	<b>30</b>
	<b>Annex 3: Monitoring System</b>	<b>39</b>
	<b>Annex 4: Financial Planning</b>	<b>40</b>
	<b>Annex 5: Map of Bosnia and Herzegovina</b>	<b>41</b>

# List of abbreviations

<b>AMC</b>	Association of Municipalities and Cities
<b>ARI</b>	Aggregated Reference Indicator
<b>BAM</b>	Bosnian Convertible Mark
<b>BiH</b>	Bosnia and Herzegovina
<b>CHF</b>	Swiss Franc
<b>CSO</b>	Civil Society Organization
<b>CSPM</b>	Conflict Sensitive Program Management
<b>DDLG</b>	Democratization, Decentralization, and Local Governance
<b>DRR</b>	Disaster Risk Reduction
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EI</b>	Entrepreneurial Intention
<b>EU</b>	European Union
<b>EUFOR</b>	European Union Force
<b>EUR</b>	Euro
<b>FBiH</b>	Federation of Bosnia and Herzegovina
<b>GEM</b>	Global Entrepreneurship Monitoring
<b>IPA</b>	Instrument for Pre-Accession (to the European Union)
<b>KfW</b>	Kreditanstalt für Wiederaufbau (German Development Bank)
<b>LG</b>	Local Governments
<b>LSG</b>	Local self-government
<b>MERV</b>	Monitoring of Changes Pertaining to Development
<b>MFI</b>	Multilateral Financial Institutions
<b>MiPro</b>	Methodology for Integrated Local Development Planning
<b>MZ</b>	Mjesna Zajednica (Local Community)
<b>n/a</b>	Not applicable
<b>NPL</b>	Non-performing Loan
<b>PES</b>	Public Employment Services
<b>PHC</b>	Primary Health Care
<b>PO</b>	Perceived Opportunities
<b>PPDP</b>	Public-Private Development Partnership
<b>PPP</b>	Public-Private Partnership
<b>RS</b>	Republika Srpska
<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>SDG</b>	Sustainable Development Goal
<b>SECO</b>	Swiss State Secretariat for Economic Affairs
<b>SEM</b>	Swiss State Secretariat for Migration
<b>SPD</b>	Sector Planning Document
<b>tbd</b>	To be defined
<b>TEA</b>	Total Early Stage Entrepreneurship
<b>VET</b>	Vocational Education and Training
<b>WB</b>	World Bank
<b>WBG</b>	World Bank Group
<b>WHO</b>	World Health Organization
<b>YEP</b>	Youth Employment Project

# Glossary

- Dayton Peace Agreement** The General Framework Agreement for Peace in Bosnia and Herzegovina, also known as the Dayton Peace Agreement, Dayton Accords, Paris Protocol or Dayton-Paris Agreement, is the peace agreement reached at Wright-Patterson Air Force Base near Dayton, Ohio, United States, in November 1995, and formally signed in Paris on 14 December 1995. These accords put an end to the three and a half year-long Bosnian War, one of the armed conflicts in the former Socialist Federative Republic of Yugoslavia. The current Constitution of Bosnia and Herzegovina is in Annex 4 of this agreement.
- Democratic Governanc** The term “Democratic Governance” refers to democratic values (e.g. highlighting key governance principles such as Participation, Accountability, Equality and Non-Discrimination, Rule of Law, the concept of power sharing), and processes of democracy (e.g. elections, assembly) which are anchored in international treaties.
- i-dijaspora** The i-dijaspora association aims to build bridges between people, professions and shared interests of Switzerland and Bosnia and Herzegovina. Its main task is to coordinate, foster and provide initiatives and projects, which will contribute to the development of Bosnia and Herzegovina, with a special focus on economy, culture, science and education.
- i-platform** The i-platform ([www.i-platform.ch](http://www.i-platform.ch)) aims to improve and strengthen the collaboration between interested individuals, associations and organizations from the BiH diaspora in Switzerland based on common interests. The main goal is to give the diaspora of Bosnia and Herzegovina in Switzerland the opportunity to get involved and participate actively in the development process of Bosnia and Herzegovina.
- Migration Partnership** As an instrument of Swiss foreign migration policy, Switzerland and the Government of Bosnia and Herzegovina have been developing a Migration Partnership since 2009, with the aim of establishing coherent and effective policies in the areas of migration management. The framework strategy for the Western Balkans’ Migration Partnership (including Bosnia and Herzegovina, Kosovo and Serbia) has been extended for the period 2016-2019.
- Office of the High Representative** The Office of the High Representative is an ad hoc international institution responsible for overseeing implementation of civilian aspects of the Peace Agreement ending the war in Bosnia and Herzegovina. The position of High Representative was created under the General Framework Agreement for Peace in Bosnia and Herzegovina, usually referred to as the Dayton Peace Agreement. The High Representative is working with the people and institutions of Bosnia and Herzegovina and the international community to ensure that Bosnia and Herzegovina evolves into a peaceful and viable democracy on course for integration in Euro-Atlantic institutions.
- Peace Implementation Council** Following the successful negotiation of the Dayton Peace Agreement in November 1995, a Peace Implementation Conference was held in London on December 8-9, 1995, to mobilise international support for the Agreement. The meeting resulted in the establishment of the Peace Implementation Council. The Peace Implementation Council comprises 55 countries and agencies that support the peace process in many different ways – by assisting financially, providing troops for EUFOR, or directly running operations in Bosnia and Herzegovina.



# Executive Summary



Tourism and technology have an important economic potential throughout Bosnia and Herzegovina: Adna Žujo-Lakišić works both as a tour guide and for a programming company specialized in creative solutions for the promotion of tourism.

**Background:** At the time of writing of this Cooperation Strategy, economic perspectives for Bosnia and Herzegovina are quite promising. In 2016, Bosnia and Herzegovina's EU membership application was accepted, starting an accession path paved with opportunities for transformative investment in all relevant fields of the state, economy and society. The signing of a stand-by agreement with the International Monetary Fund has just given Bosnia and Herzegovina's two entities an important financial breather. Together, this constitutes a starting point for Bosnia and Herzegovina to catch up considerably with the rest of Europe in the midterm future.

At the same time, the political will to work towards these perspectives and to seize corresponding opportunities is less manifest than ever before in post-war Bosnia and Herzegovina. Rather, nationalist rhetoric is on the rise again, both in Bosnia and Herzegovina and neighboring countries. In addition, so far the country has not managed to translate economic growth into inclusive development based on more and better jobs. Economic and social disparities are increasing, poverty is on the rise, the urban – rural gap is widening, and young people continue to leave the country. Furthermore, the focus of the international community has shifted to other trouble spots. It is no longer as active as it used to be during the first decade after the war.

Against this background, insecurity and fear are growing amongst the population, and interest in political participation and civic engagement is decreasing. Rather, many citizens prefer seizing opportunities to emigrate, if they can. It is therefore more important than ever to provide support to those actors in Bosnia and Herzegovina who strive for positive change and development under a long-term perspective. Given the contradictory development with the EU perspective on the one hand, and the rising nationalist politics on the other hand, the next four years are particularly crucial. Bosnia and Herzegovina is at risk of missing important opportunities for economic and social development that are not likely to come back anytime soon.



Building on results achieved and previous experiences, Switzerland therefore engages in another four year period of cooperation and partnership with Bosnia and Herzegovina. The Swiss Cooperation Program supports the country's EU accession path, along which the journey is as important as the destination.

**Main goal of the Cooperation Strategy:** The overall goal of the Swiss Cooperation Program is to reinforce Bosnia and Herzegovina's democratic political system and its social market economy. Switzerland joins its Bosnian-Herzegovinian partners in their endeavor to strengthen social, economic and political inclusion, based on accountable public and private actors as well as active and empowered citizens. As a result, this provides more and better opportunities for people, and promising perspectives for European integration. The following three domains remain the focus of the Swiss Cooperation Program:

- *Democratic Governance, Municipal Services, and Justice:* The focus of this domain is on improving access to high quality municipal services and justice for all in Bosnia and Herzegovina. To this end, the Swiss Cooperation Program joins its partners in setting up a functional and resilient governance system on the municipal level to adopt more inclusive, accountable and responsive policies. Good governance practices are introduced and applied alongside of targeted infrastructure investments which have a direct impact on people's lives.
- *Health:* Under the lead of the Ministries of Health of Republika Srpska and the Federation of Bosnia and Herzegovina, the Swiss Cooperation Program contributes to improve access to quality primary health care services for all. More and better quality nursing services, a countrywide community-based mental health care network, and the prevention of cardiovascular diseases are the main focus areas.
- *Economy & Employment:* Providing more and better economic opportunities and perspectives to all, but especially to young women and men in Bosnia and Herzegovina, is the central focus of this do-

main. This includes labor-market oriented training and vocational education, the creation of more and decent jobs, as well as high quality intermediation services delivered by professional Public Employment Services. Furthermore, programs to improve overall economic framework conditions, promote entrepreneurship, and to enable businesses to be created and to grow, are all core aspects of this domain.

In addition to this, Switzerland maintains its Migration Partnership with Bosnia and Herzegovina. This partnership concentrates on strengthening the country's capacities to deal adequately with the challenges and opportunities of migration. In particular, it aims at using the economic and social development potential of migration to the benefit of Bosnia and Herzegovina.

**Actors and modalities:** The Swiss Cooperation Strategy encompasses programs and projects financed by the Swiss Agency for Development and Cooperation, the Swiss State Secretariat for Economic Affairs, and the Swiss State Secretariat for Migration. Implementing agencies are Bosnian-Herzegovinian partners, Swiss and international organizations, development banks as well as multilateral agencies and institutions like the United Nations and the World Bank Group.

All programs and projects are managed based on results-oriented approaches. Pursued objectives and results are in alignment to those of strategies and reform agendas signed up by the different governments of Bosnia and Herzegovina. All interventions are designed to be complementary with EU programs, and in harmony with other bi- and multilateral donor agencies and institutions.

**Resources:** The Swiss Cooperation Program 2017 – 2020 is managed by the Swiss Embassy through its offices in Sarajevo and Banja Luka. The overall amount to be invested in programs and projects within the strategic domains of intervention amounts to 74 million Swiss Francs.

# 1. Context

## 1.1 Political developments

Bosnia and Herzegovina's constitution, a legacy of the 1995 Dayton Peace Agreement, defines a complex institutional structure with two entities – the Federation of Bosnia and Herzegovina which is composed of 10 cantons, and the Republika Srpska – as well as the independent Brčko District. Ethnic quota systems define political representation, which is reserved for the three constituent people: Bosniacs, Croats, and Serbs. Discriminatory election laws prevent members of all other, non-constituent peoples to stand for some executive and representative positions.

The Office of the High Representative is still in place, with its powers to implement the Dayton Peace Agreement. With the growing influence of the European Union, the leading countries of the Peace Implementation Council are divided over the High Representative using his powers boldly. As a consequence, the Office of the High Representative has lost the ability to advance significant reforms.

State institutions, particularly the judiciary, are constantly under pressure. Important decisions of the constitutional court of Bosnia and Herzegovina have not been implemented, and open contestation of the court's jurisdiction and positions continues on a regular basis. Under the umbrella of a rather weak State, political representatives have, and make use of, a range of possibilities to block democratic processes and ultimately reforms. Counter-pressure from the media is limited as most media outlets tend to be aligned with political parties, and pressure is exerted on journalists who investigate.

Bosnia and Herzegovina is still dealing with the legacy of the 1992-95 conflict. There are more than 98,000 internally displaced and 7,000 missing persons. Some 81,000 remaining landmines and unexploded ordnances hamper socio-economic development, while hundreds of cases of war crimes are still to be processed by the local judiciary. After more than 20 years, ethnic tensions persist and are instrumentalized by politicians and their parties to secure particular interests. Patronage and corruption impede credible perspectives for the people and reduce their interest in political participation and civic engagement. They hinder real reform, and nurture distrust in

institutions. In combination with a weak judiciary and fomenting impunity, these factors create an atmosphere of insecurity, disillusion and fear. In February 2014, citizens' discontent with poor socio-economic conditions led to partially violent demonstrations. Some cantonal governments resigned and engaged citizens stepped up to put forward their demands for changes in the political set-up. However, these movements soon lost their dynamic, with no lasting impact.

Bosnia and Herzegovina has become more fragile over the recent years. Given this unfavourable environment to pursue the path towards a necessary constitutional reform, the European Union has initiated a new approach to Bosnia and Herzegovina, concentrating on socio-economic reform. This has created a positive momentum, resulting in the acceptance of Bosnia and Herzegovina's membership application by the European Union in September 2016. Before Bosnia and Herzegovina is recognized as a candidate country, the application now has to be further concretized based on a questionnaire with some 6,000 questions. A lot of government resources on different levels will be absorbed in this context well into the new Swiss Cooperation Strategy period. Bosnia and Herzegovina also aspires to join the North Atlantic Treaty Organization. Further steps in this direction lead to tensions among the world's big powers, with unclear consequences for Bosnia and Herzegovina and the region.

Despite all these problems, there are committed citizens and politicians, institutions and organizations throughout the country, unflinching in their endeavour to push for positive change and development. They strive for this under a long-term perspective which can be shared and supported by the international community in general, and by Switzerland and its Cooperation Program in particular.



Tarik Limo, legal expert at the Association for Responsible Personal Finance Management “U Plusu” trains a municipal employee. She provides free of charge counselling for overindebted citizens in her municipality.

## 1.2 Socio-economic developments

With a Gross National Income per capita of USD 4,800 in 2015, Bosnia and Herzegovina is an upper-middle income country. As a small open economy, it heavily depends on exports, local consumption and transfers of diaspora remittances which account for at least 11% of its Gross Domestic Product. 60,000 persons form the Bosnian-Herzegovinian diaspora in Switzerland, transferring around CHF 75 million per year to their country of origin. Bosnia and Herzegovina still suffers from major structural problems. Growth prospects for the coming four years are promising at around 3%, albeit based on a comparatively low level. Relaunching sound privatization, improving banking regulation, reforming the labour market and containing public expenditure are among the major issues to be addressed. Furthermore, significant imbalances between an oversized public sector, which absorbs about two thirds of the country's revenues, and a weak private sector with still low investment and employment potential, have to be reduced. Additionally, as a country having the comparative advantage of close proximity to European markets, Bosnia and Herzegovina needs to further develop its infrastructure as an important precondition for stronger economic development.

According to the 2013 census, the population of Bosnia and Herzegovina decreased from 4.3 million to 3.5 million since 1991. The geographic ethnic divi-

sion has increased considerably. Most areas of the country's territory can be attributed to one main ethnic group. Even though the Human Development Index for Bosnia and Herzegovina increased by 5.2% between 2005 and 2014, social and economic disparities are increasing, and poverty is on the rise, particularly in rural areas. According to the latest estimates, 15-20% of the population live in poverty and 25% of the population are on the brink of falling into poverty. Up to 50% of the population experience some form of social exclusion, discrimination or stigma. In general, youth and the elderly are most excluded from opportunities and perspectives for a decent, better future. Roma are the largest socially, economically and politically excluded minority group, with Roma women being particularly affected. They are often victims of stereotypes, discriminatory attitudes and disrespect, as are people suffering from mental disorders as well as returnees. Exclusion from opportunities and perspectives creates an environment in which young people, particularly young men, are more susceptible to nationalist and religious extremism.

Gender inequality remains problematic: of all working-age women, only 34% are employed or actively looking for a job. With regard to men, this labour force participation rate stands at 57%. Women's political representation remains low with only 19% of all those elected in the 2014 national elections, and gender based violence is worrying: every second

woman above 15 years has experienced some kind of sexual and/or domestic violence. Although different action plans exist, they are poorly implemented due to lack of funding, capacities and political will.

Unemployment reached 25.4% in 2016 according to the preliminary results of the labour force survey. It is particularly high among youth: 54.3% for the age group of 15 - 24 years. Almost 75% of all unemployed have been out of work for more than two years. As a consequence, large parts of the population are left with few perspectives to build a decent future. The present education system is fragmented and not responsive to labour market needs. This increases outbound migration towards better economic opportunities, with almost 80,000 citizens who left the country between 2013 and 2016. "Brain drain" on this scale is a social time bomb which needs to be reversed before it further impacts the demographic balance of the country.

As a long-term impact of the 1992-95 conflict, around 450,000 people are affected by fully developed post-traumatic stress disorders, and up to 1.4 million people with such symptoms require special care. The health care system is characterized by rather low quality, fragmentation, inequitable access and high prices for medicines. Up to 35% of the population are lacking health insurance, and there is a growing rural-urban gap. Additionally, medical and

paramedical staff are poorly motivated due to low salaries, corruption, and little opportunity for career advancement.

Initiated by the European Union and backed by international financial institutions, a "Compact for Growth" initiative has laid the ground for stronger focus on reforms towards economic and social development in 2014. With the Stabilisation and Association Agreement entering into force in June 2015, and the adopted "Reform Agenda" and subsequent Action Plan in July 2015, more commitment was given to reforms regarding a business enabling environment, public financial management, labour market, social protection, rule of law and public administration. The critical financial situation of both entities in Bosnia and Herzegovina has paved the way for the signing of a stand-by agreement with the International Monetary Fund, and the agreement on a Co-ordination Mechanism to absorb pre-accession funds provided by the European Union. In recent years, real estate investors from Arab and Gulf states have increased their presence in Bosnia and Herzegovina, particularly in and around Sarajevo. While the investment is welcome, questions and concerns have emerged over the sources of such capital, non-transparent property sales procedures, and the impact of stricter Islam brought along towards local communities and society.



Young people design and produce fashion in a social enterprise, where profits are reinvested in community projects.





Children and young people in Bosnia and Herzegovina learn how to peacefully claim their rights ("naša prava").

### 1.3 Environment

Torrential rainfalls leading to the largest floods of the last 120 years, followed by thousands of landslides, affected around 1 million people in 45 municipalities in May 2014, mainly in the northern and eastern parts of the country. The recovery and reconstruction phase is projected to last 7 to 8 years. More floods are expected in the future due to climate change and environmental degradation. Contributing to higher resilience through the consequent integration of Disaster Risk Reduction measures into plans, activities and coordination mechanisms at all governmental levels is among the main challenges in Bosnia and Herzegovina.

Reforms to meet European Union standards in the environmental sector remain slow. Basic environmental legislation was developed with the support of the European Union, but their translation into by-laws and regulations is lagging behind. The existing environmental infrastructure is insufficient and often not adequately maintained. In the water and sanitation sector, water losses are rarely below 40%, and even reach 70% in certain cities. Achieving compliance with European Union directives related to drinking water and waste-water all over Bosnia and Herzegovina would cost around EUR 3.7 billion. Scarce financial resources at lower levels of government and unclearly defined responsibilities further contribute

to inadequate provision of public services. Other important challenges are the introduction of financial sustainability through cost-recovering tariffs, competencies of staff, the operational efficiency of public utilities, and rural water supply.

Air pollution affects the health of people, especially in winter, due to the use of traditional heating systems and burning coal for industries and electricity production, accompanied by high energy inefficiency. Even though 60% of the population, mainly in urban areas, are covered by organized solid waste collection, solid waste is often simply thrown in rivers or on roadsides. In recent years, regional sanitary waste landfills and recycling facilities have been established, but have not yet reached sufficient critical mass to make a difference.

## 2. Rationale for cooperation between Switzerland and Bosnia and Herzegovina



One-stop-shops, a result of efficient local planning and management, offer comprehensive and transparent municipal services for all citizens.

Bosnia and Herzegovina and Switzerland have been close partners with excellent bilateral relations ever since the declaration of the country's independence in 1992. Switzerland's engagement is based on its tradition of solidarity and its commitment to every person living free of poverty, in dignity and in security. Furthermore, Switzerland's own prosperity and security depend to a large degree on the international environment in which it operates, particularly when it comes to its closer European neighborhood. Furthermore, cooperation partnerships with Bosnia and Herzegovina create economic opportunities for both countries, and provide alternatives to regular and irregular migration.

2016 marked 20 years of bilateral partnership and cooperation between Switzerland and Bosnia and Herzegovina. During this period, close to BAM 1 billion (CHF 560 million) have been invested. In these two decades, the Swiss Foreign Policy in the Western Balkans has focused on promoting the rule of law and human rights, as well as on supporting the democratic and economic transition process towards European integration. European integration is understood in terms of European values like the rule of law, human rights, and the provision of basic opportunities and services for all.

The Swiss Cooperation Strategy 2017 – 2020 is fully aligned to both the Federal Dispatch on International Cooperation, and the respective strategies, plans and policies of Bosnia and Herzegovina. Together with Bosnian-Herzegovinian and international partners, the Program continues to tackle root causes of fragility such as social, economic and political disparities and exclusion. It contributes to strengthening democratic governance, rule of law and access to quality services. Furthermore, it helps offering more and better opportunities and perspectives for all through programs stimulating economic activities both in urban and rural regions and throughout the territory of the country. The mobilization of Swiss experience and know-how, where available and appropriate, further strengthens relations between the two countries and their citizens. With this approach, Swiss support to Bosnia and Herzegovina in its transition process towards European integration continues. It is based on the country's strategic orientation and planning, and in complementarity to the European Union, International Financial Organizations, and other bilateral donor countries.

With regard to its alignment to the Sustainable Development Goals defined in the United Nations Agenda 2013, there are many direct references to goals and objectives, as for example Objective 1.4 (equal right to economic resources and basic services for all), Objective 4.4 (provision of relevant skills for employment, decent jobs and entrepreneurship), Objective 10.2 (social, economic and political inclusion of all), and Objective 16.3 (rule of law and equal access to justice for all), to mention just a few.

Through its focused domains of intervention, the Swiss Cooperation Program addresses the broad population of Bosnia and Herzegovina. At the same time, particular attention is paid to social groups experiencing some kind of exclusion, including young and elderly people, children, women, people with disabilities, and Roma. In all its undertakings, Switzerland promotes the potential of some of its core strengths: democratic, transparent and decentralized structures, based on proactive citizens and cohabitation across languages, cultures, ethnicities and religions. In meeting these aims, a whole-of-government approach is applied by all the engaged Swiss State actors in Bosnia and Herzegovina, namely the Swiss

Agency for Development and Cooperation, the State Secretariat for Economic Affairs, and the State Secretariat for Migration through its Migration Partnership.

Overall, official development assistance to Bosnia and Herzegovina has been declining in the past decade, with a gradual phasing out of bilateral donors. Switzerland ranks as the fifth largest grant-giving donor, with the European Union as the largest, followed by the United States, Sweden and Germany. Activities in joint areas, particularly employment and justice, are coordinated and adjusted as far as possible to assure mutual reinforcement. Grant aid covers areas of public administration reform, justice, environment and climate change, public sector development, employment, education and health. The largest loan-giving actors are the European Investment Bank, Germany, the World Bank Group and the European Bank for Reconstruction and Development. Loans are primarily oriented towards the environment and climate change mitigation, transport and energy infrastructure, and private sector development. There is increasing interest among donors to support economic links with the Bosnian-Herzegovinian diaspora.

The overall donor coordination in Bosnia and Herzegovina is managed by the Ministry of Finance and Treasury; Switzerland is an active member of the respective forum. Often, Swiss expertise is requested in aspects of managing and monitoring the effectiveness of donors' activities in the country. Switzerland has also taken the lead in coordinating thematic donors' groups in local governance, health, and labor market development; and it has initiated the establishment of a coordination group between donors and governmental partners for Migration and Development. Switzerland maintains close and successful cooperation with like-minded agencies, and international development actors. Co-financing partnerships have been established with Sweden (local governance and justice), Norway (justice), Germany (infrastructure investment), the World Bank Group (economic development and health) and the World Health Organization (health). Multilateral partners such as the United Nations Development Program, the World Bank Group and the World Health Organization bring along the necessary capacities to accompany government institutions in their reform endeavours towards European integration.



# 3. Results of Swiss Contributions in Bosnia and Herzegovina 2013 – 2016

Over the period 2013 – 2016, the Swiss Cooperation Program focused on three strategic domains and selected additional fields of support, namely migration and justice. Furthermore, the Human Security Division of the Federal Department of Foreign Affairs worked on humanitarian demining, transitional justice and dealing with the past processes. The following main results have been achieved:

## 3.1 Local Governance and Municipal Services

By 2016, almost half of the 145 municipalities in Bosnia and Herzegovina and 9 out of 10 cantons in the Federation of Bosnia and Herzegovina consult citizens in the planning of municipal investments and the allocation of resources. Swiss programs have significantly contributed to the increase in these numbers from the 2012 level, when only 20% of all municipalities and none of the cantons applied integrated strategic planning methods in a systematic way. Citizens feel that their concerns are better heard and trust in local government has been increasing in these municipalities. Municipal authorities which successfully implement

local development planning are open for inter-municipal and inter-entity cooperation; their projects are likely to succeed and become sustainable, without need for further donor support. A legal framework defining the overall development management system has been adopted by the Parliament of the Federation of Bosnia and Herzegovina. Improved municipal governance and utility management, combined with some infrastructure investments, have triggered a multiple of additional investments within the same sectors. 23 municipalities are far advanced in developing the Business Friendly Certification process which will attract urgently needed investments from the private sector to create jobs and to generate public revenues. Over 200,000 citizens have benefited from revitalised public service delivery disrupted by the 2014 floods. New interventions including Disaster Risk Reduction measures have been prepared for the improvement of water supply and sanitation systems in two cities with a population of over 200,000 people. Gender Equality Mainstreaming has become an underlying principle in the new Law on Strategic Planning of the Federation of Bosnia and Herzegovina: in certain fields, over 60% of direct beneficiaries are now women.



Occupational therapy helps persons with mental disorders doing their day-to-day tasks and enables them to integrate in their community.



Nurses are trained to provide safe and high quality services to the population all over Bosnia and Herzegovina.

### 3.2 Health

Swiss support has contributed to quality improvement in primary health care and to increased and more equal access to these services, particularly in the area of mental health and nursing, in direct cooperation with the Ministries of Health of both Entities. Since 2012, the geographical coverage of community-based mental health services has increased from 50% to 90% of the territory of Bosnia and Herzegovina. Care coordination in this sector has been introduced throughout the country, and over 1,800 persons with severe mental health disorders have benefited from better services. They have demonstrated significant recovery and improved quality of life. Referral rates to hospitals of persons with such disorders have decreased by 28% in 30 communities, contributing to significant savings for the health system of up to CHF 0.5 million annually per concerned municipality. Know-how provided by the Swiss Cantons of Geneva, Jura, Fribourg and Bern has significantly contributed to achieving these results. A community nursing model has been successfully introduced in a pilot region and can now be rolled out to other parts of the coun-

try. The safety and quality of nursing care has improved in 21% of health care facilities covering over 1 million patients through the introduction of standards for nursing practices. Recognizing patients and health care users' groups as partners of the health care system contributes to more responsive and patient-centred services, and thus to an improvement of the system's effectiveness. Furthermore, a law on tobacco control has been drafted in the framework of Switzerland's support to promoting healthy lifestyles in Bosnia and Herzegovina.

### 3.3 Economy and Employment

Swiss engagement has contributed to the development of new laws dealing with insolvency, corporate governance and taxation. The first ever Public Expenditure and Financial Accountability assessment was elaborated. Exports from Bosnia and Herzegovina to European markets have been enhanced, resulting in increased revenues and a higher number of employees, mainly in the furniture and metal sectors. 30 municipalities have established free-of-charge





An employee of an agriculture cooperative in Gradačac prepares locally produced apples for delivery to Konzum, one of the largest retail supermarket chains in the region.

counselling services to over-indebted citizens. This work has been complemented with activities on corporate responsibility and the certification of micro-finance institutions. Despite an underperforming labor market in Bosnia and Herzegovina, more than 3,000 young people have found employment over the last 3 years as a direct result of Swiss supported initiatives. The introduction of public counselling services for young job seekers has been part of a broader reform successfully implemented with Public Employment Services. A stronger commitment of the private sector in providing decent job opportunities along with offering spaces for the development of relevant skills has been unlocked, and over 80 employers have participated in the elaboration of curricula for non-formal trainings in different industrial fields. More and more employers are connecting to schools and are willing to offer hands-on trainings or internships for young people in their companies. The introduction of job-market oriented skills in vocational training, combined with mentorship and job mediation, has created a fertile ground for successful start-ups in promising branches like Information Technology and tourism. Furthermore, the development of social enterprises – for example to offer job options to persons with disabilities – has been tested with promising results. All these tangible results have led to new opportunities for policy dialogue with the ministries in charge, resulting in important changes to the legal and regulatory framework.

### 3.4 Judiciary Reform

The Swiss engagement has contributed to proven performance improvement in the prosecutorial system. The number of unresolved investigations has decreased by 21% in prosecutorial offices since 2012. The average investigation time in criminal proceedings has decreased by 100 days (from 295 to 195 days), and the number of unresolved old prosecutorial investigations has decreased by 25%. These efficiency gains are a result of improved coordination between prosecutorial offices and the police in criminal investigations. Important organizational reforms have resulted from a peer learning process between the prosecutor's office of the Canton of Zurich and the High Judiciary & Prosecutorial Council of Bosnia and Herzegovina. The management culture within the system has started to change through strategic planning tools, now introduced in 90% of prosecutorial offices. In the Juvenile Justice system, European standards for alternative children-sensitive treatment of minors in judiciary processes have been introduced. The legislative framework for Juvenile Justice is now in line with international standards, as foreseen in the Justice Sector Reform Strategy for Bosnia and Herzegovina 2014-2018.

### 3.5 Human Security

In the field of dealing with the past and transitional justice, Swiss support has contributed to substantive progress in the field of war crimes processing, where additional judicial staff has been hired and specifically trained. The process of the search for missing persons has been supported, notably through the discovery of new mass grave sites and the review of physical remains. Human security has improved due to demining actions. From a total of 154 km<sup>2</sup>, more than 3 km<sup>2</sup> of contaminated land have been cleared through activities financed by Switzerland. Many of these activities are complementary to projects in other domains, for example in democratic governance and justice, where expertise has been built up for respective synergies in the future.

### 3.6 Migration Partnership

Ever since 2009, Switzerland and Bosnia and Herzegovina have maintained a migration partnership. In the context of this partnership, under the lead of the Ministry of Human Rights and Refugees and the Ministry of Security, the management of regular and irregular migration in Bosnia and Herzegovina has significantly improved. Bosnia and Herzegovina's migration policy is being aligned and implemented according to standing European Union regulations. Operational and administrative structures for the effective readmission of returnees have been established, pre-admission and readmission processes are effective, and the relevant state agencies have been trained on topics relevant to immigration and asylum, safe return/deportation, escorting different migrant categories, and the proper treatment of migrants. Inter-ministerial cooperation has been strengthened, and promising models of Roma inclusion through education and employment have been piloted. The Migration Partnership has been extended to cover a period up to the end of 2019.

The quality of the prosecutorial system depends on professional prosecutors. Switzerland supports their training.





## 4. Implications for the Cooperation Strategy 2017 – 2020



Bosnia and Herzegovina is the most mine-affected country in Europe. Demining specialist and dog handler Dragan Đajić and his special detection dog "Panzer" make mined areas accessible again.

Over the past 20 years, the Swiss Cooperation Program in Bosnia and Herzegovina has achieved measurable and cost beneficial results. Nevertheless, from an overall perspective, the country is still stalling in its reform process, and citizens have lost trust in both public institutions and politicians, particularly at higher levels of government. They continue to disengage rather than to actively claim their rights and demand accountability. The new Swiss Cooperation Strategy takes these fragility driving factors into account, including measures to facilitate access to justice for every citizen and to strengthen social,

economic and political inclusion. This also requires an overall environment which is conducive to economic activities including investment from both domestic and foreign sources. The Swiss Cooperation Program contains significant contributions to this end in terms of improved municipal services, stronger local governments, a better functioning labor market, a more efficient and equitable health system, and better economic framework conditions. A stronger focus is also set on the oversight function of the legislative, and on the prevention of corruption.

All three domains in which Switzerland has been active so far remain priorities of the different governments in Bosnia and Herzegovina. Therefore, capitalizing on past results and experiences, Switzerland continues working in the current thematic fields for which relevance and potential have been repeatedly confirmed. More attention is now given to policy dialogue within the selected strategic domains. Thereby, reforms can be driven towards establishing supportive normative frameworks at all institutional levels. The Migration Partnership between Switzerland and Bosnia and Herzegovina also continues on the basis of close coordination among the concerned institutions in both countries.

The Swiss Cooperation Strategy 2017 - 2020 in Bosnia and Herzegovina is based on a whole-of-government approach which includes the Swiss Agency for Development and Cooperation, the State Secretariat for Economic Affairs, and the State Secretariat for Migration. The Human Security Division of the Federal Department of Foreign Affairs has decided to discontinue its programs in Bosnia and Herzegovina by mid-2017. Even though the Migration Partnership is on an organizational level operating in its own framework called the Migration Partnership Strategy for the Western Balkans 2016-2019, it is a de facto part of the overall Swiss strategic umbrella in Bosnia and Herzegovina. Close coordination and cooperation between different Swiss institutions has a particularly high potential to create additional value in domains where more than one institution are involved.

# 5. Strategic orientation and priorities of the Cooperation Strategy 2017 – 2020

## 5.1 Overall Goal

The overall goal of the Swiss Cooperation Strategy 2017 - 2020 in Bosnia and Herzegovina is as follows: *“Switzerland contributes to strengthening social, economic and political inclusion in Bosnia and Herzegovina. It reinforces the further development of a democratic political system and a social market economy, based on accountable public and private actors as well as active and empowered citizens, with the longer-term perspective of European integration.”*

Good Governance and Gender Equality remain transversal themes of the whole program, while Disaster Risk Reduction along with Migration & Development continue to be main complementary concepts. Additional focus across domains is set on activating civil society and on strengthening citizens’ engagement to make sure they are heard and participate in political decision-making processes. Conflict Sensitive Program Management is applied as a response to elements of fragility in Bosnia and Herzegovina. Besides its focus on young people and women, the Swiss Cooperation Program is set to address groups most excluded from economic, social and political opportunities. To this end, detailed analysis is carried out to identify how the Swiss Cooperation Program can reduce poverty and foster social inclusion. Furthermore, it is of key importance to actively identify and utilize complementarities and synergies within and across domains. To achieve its overall strategic goal, the Swiss Cooperation Strategy focuses on three thematic domains, and the Migration Partnership:

## 5.2 Domain A: Democratic Governance, Municipal Services, and Justice (SDC, SECO)

**Domain goal:** *Public authorities at all levels adopt and implement more inclusive, accountable and responsive policies which constitute the base of a resilient governance system. They provide efficient high quality services - particularly in infrastructure - for all, and improve access to justice, thereby restoring citizens’ trust towards institutions and within the society.*

Switzerland maintains its focus on the local level, where mechanisms of checks and balances between local governments and local assemblies are explored. To address the low level of participation in general, the empowerment of all citizens is envisaged. This requires a better understanding of the main root causes of exclusion. Using participatory approaches, a voice can be given to the needs of excluded groups. In this context, particular focus is on improving the democratic capacities of young women and men, to provide them with more and better opportunities and perspectives.

Budget support based on good governance performance can be used for municipal investments. Mayors who take the political risk of often unattractive public sector reforms can thus be rewarded. In this way, accountability between public institutions and citizens is enhanced. Municipal councils receive more space to play their role as oversight bodies, and service delivery becomes more people-oriented. This contributes to increasing trust between citizens and institutions, and the prevention of corruption. Investment in infrastructure for drinking water and waste water treatment, in parallel with institutional strengthening of public utilities, remains a focus. Furthermore, targeted interventions with the aim to lower emissions and foster climate resilience are envisaged. Learning from the 2014 floods, Disaster Risk Reduction measures in vulnerable municipalities further increase their resilience.

Cooperation between different State levels for political, administrative and fiscal decentralization shall become more effective, driven by the Associations of Municipalities and Cities and professional expert networks. Focused activities support the setting up



of functional cooperation mechanisms between local, regional and national levels of governance. Harmonization of development planning across different government levels allows for easier access to external resources including EU pre-accession funds. Thus, capacities at all relevant institutional levels are strengthened. Switzerland invests into tailor-made support for consensus-oriented citizen deliberation and civic engagement. It provides its political weight and networks to facilitate match-making between committed civic movements and parliamentary committees. Eventually, Switzerland enables citizens to be heard and politicians to pursue reforms in the interest of the majority of people.

The reduction of the prosecution backlog demonstrates improved and more efficient management of the judiciary. Furthermore, Switzerland contributes to increasing accountability of the judiciary, and to increased access to justice for all citizens. These interventions facilitate building trust between communities and governmental institutions, as a prerequisite for resilient and inclusive socio-economic development.

### 5.3 Domain B: Health (SDC)

**Domain goal:** *The population has equitable access to more efficient and responsive quality primary health care services, and has increased its health literacy.*

Switzerland continues to support authorities in Bosnia and Herzegovina in implementing their health

sector reforms and improving primary health care services. Interventions target the country's health system, focusing on its governance and accountability, as well as on the quality and accessibility of primary health care services. The domain portfolio primarily works on three aspects: nursing services, community-based mental health care, and the prevention of cardiovascular diseases. Special focus is put on multi-sectoral collaboration for the prevention and control of major non-communicable diseases, which is a high priority of the government. The role of local communities and civil society organizations in health promotion and disease prevention is strengthened. A special target group for health promotion interventions are young people, with the aim of creating healthier future generations. Further efforts are invested to strengthen the role and position of nurses in order to raise the health system's performance and cost-effectiveness. A successfully developed community nursing model and mental health outreach services are rolled out to cover the whole country, targeting socially excluded and the poor in particular. Synergies with the Economy and Employment Domain towards the development of social entrepreneurship models for persons with mental health disorders contribute to an increased quality of life for this population group. With this approach, the health care system becomes more oriented towards disease prevention and health promotion. Equitable access to primary health care services is fostered for excluded and poor populations through outreach activities. As a consequence, the population increases their health literacy as a precondition for healthier behaviors. Furthermore, framework conditions for reducing the financial and socio-economic burden of non-com-

A woman and a man guard the entrance to the Central Bank of Bosnia and Herzegovina. They symbolize the importance of fair economic framework conditions for equality and equity within society.





municable diseases are improved. Better framework conditions, services and accountability mechanisms in the health system also contribute to strengthening trust between citizens and the government.

## 5.4 Domain C: Economy and Employment (SECO, SDC)

**Domain goal:** *A well performing labour market and better economic framework conditions for private sector development improve the investment climate, and increase employment and business opportunities for all.*

The Swiss Cooperation Program engages with public and private sector actors to create a favorable economic environment for businesses and to foster new and better employment opportunities. Start-ups as well as small and medium-sized enterprises are supported by improving their access to finance. The microfinance sector is addressed by supporting banking agencies and Ministries of Finance to improve legislation. Transparency and accountability are promoted among microfinance providers through certification. Counselling services provided by municipalities to over-indebted citizens are scaled up, thus increasing financial literacy and reducing private debt.

On a regional level, Switzerland continues to work through International Financial Institutions in creating better regulatory frameworks for private sector growth and better export opportunities. Strengthening of the financial sector, together with the introduction of more transparent and efficient public financial management schemes, contributes to increase macroeconomic stability and transparency as well as to prevent and reduce corruption.

The multidimensional approach towards the complex problem of youth unemployment in Bosnia and Herzegovina has proven to be successful. Therefore, the Youth Employment Portfolio continues to work on three major aspects around the labor market: young people are given the opportunity to improve their job-market relevant skills, either through formal or non-formal education and training. In addition, they are supported through an improved intermediation system offered by Public Employment Services. Options to include particularly discriminated groups in these programs are explored through additional measures. New opportunities on the labor market, especially jobs for women, are promoted through projects on economic development in high potential value chains. These interventions are reinforced by targeted support to the development of a stronger entrepreneurship ecosystem that promotes the creation of more and decent jobs.

Policy dialogue, as an important part of most interventions, contributes to systemic changes. This relates in particular to the reform of Public Employment

Services, vocational education and training reform, the regulation of adult education, as well as the legal framework for the involvement of the diaspora.

A favorable environment for people of the Bosnian-Herzegovinian diaspora who are willing to actively support the country's development is established. This is done mainly through improved institutional frameworks, reduced bureaucracy, private sector involvement, as well as in cooperation with diaspora initiatives like, for example, the i-platform.

## 5.5 Migration Partnership (SEM)

If well managed, migration has considerable potential to contribute to economic development in Bosnia and Herzegovina. Therefore, the Migration Partnership under the lead of the State Secretariat for Migration continues to partner with relevant institutions in Bosnia and Herzegovina, mainly the Ministry of Human Rights and Refugees and the Ministry of Security. The main focus is on strengthening their capacities to deal adequately with the challenges of migration and to use the economic and social development potential of migration to the benefit of Bosnia and Herzegovina. Particular attention is given to asylum and border management, as well as to return and reintegration support for returnees and internally displaced persons. Furthermore, opportunities linked to the Global Program for Migration and Development are used to tap into the potential of migration on a regional level, for example in terms of investments, skills, know-how and networks.

In 2015 and 2016, the Western Balkans region was confronted with a massive migration movement, mainly due to conflicts in the Middle East. More than 700,000 migrants passed the Balkan route on their way from Turkey and Greece to Western Europe. Whereas migrants have bypassed Bosnia and Herzegovina in the past, the situation might change quickly, depending on decisions taken by transit and destination countries. It is therefore important for Bosnia and Herzegovina and the concerned institutions to be well prepared.



Education is a critical success factor to improve people's opportunities on the labor market. The diaspora can contribute to economic development through transfer of skills and know-how, and by investing in businesses in Bosnia and Herzegovina.



Drinking water for Zenica is extracted from Babina river and treated in this plant. The water supply system of the city is under rehabilitation in a joint project by Bosnia and Herzegovina, Germany and Switzerland.

# 6. Program implementation and management of the strategy

The Swiss Cooperation Program continues to strive for sustainable, systemic change at the level of Bosnia and Herzegovina's normative framework. At the same time, interventions must lead to behavioral change, be tangible and directly reach the population. To respond to existing elements of fragility in Bosnia and Herzegovina, a context-sensitive, results-oriented and more inclusion-positioned approach to partnership and cooperation is required. Therefore, a Conflict Sensitive Program Management approach is applied within all domains and activities. This also includes working across both Entities in order to foster constructive cooperation in all key sectors relevant for the development of a stable country. This allows for significant contributions to reduce social, economic and political disparities in all strategic domains.

Elements of fragility are addressed by working on trust issues to mobilize citizens, and to reactivate civil society particularly at the municipal level. Intensified policy dialogue and working with credible media is used as an instrument to address root causes of distrust. This particularly includes increased pressure on authorities at all levels to implement the social inclusion dimension of policies, laws and regulations. The guiding principles of gender equality and good governance, including active participation of citizens, accountability and transparency, are integral parts of all interventions throughout the Swiss Cooperation Program.

Throughout domains and programs, particular attention is placed on economic, social and political inclusion in order to facilitate ways out of poverty. One percent of the overall budget can be allocated to accompanying measures designed to specifically reach poor and excluded groups.

From the available range of implementation modalities, those most promising for the respective interventions are used, and new approaches are piloted where appropriate. Co-financing schemes developed in recent years with like-minded national and international partners and institutions continue and can be expanded depending on respective experiences. Switzerland continues to play an active role in sustaining and further developing coordination among donors and governmental partners. Focused cooperation is developed with private and public Swiss

actors that provide relevant expertise in selected projects, such as the canton of Zürich in Bosnia and Herzegovina's prosecutorial system, the cantons of Bern, Geneva, Jura and Fribourg in the project on improving mental health services, as well as the i-dijaspora association for the i-platform. Cooperation schemes with the private sector resulting in public-private development partnerships are actively pursued, and the potential of more intensively engaging with civil society organization and credible media is explored.

Swiss foreign policy objectives and interests are considered in the implementation of the Swiss Cooperation Program, and opportunities to mutually reinforce cooperation and foreign policy goals are proactively identified and used. In addition, the network of companies and nongovernmental Swiss organizations with activities in Bosnia and Herzegovina serves as a basis to further increase the overall impact and image of "one Switzerland" in Bosnia and Herzegovina.

# 7. Program monitoring, risk management and strategic steering

The Swiss Cooperation team at the Swiss Embassy in Bosnia and Herzegovina assumes the responsibility for the implementation, monitoring and steering of the Swiss Cooperation Strategy 2017 - 2020. It assures compliance of all interventions with the applicable Bosnian-Herzegovinian development plans and the present Cooperation Strategy. Furthermore, it coordinates strategies and interventions with Bosnian-Herzegovinian, international and other Swiss actors and institutions, to push for coherence, joint actions, complementarity and thus improved overall results.

The Annual Report of the Swiss Cooperation Program, including a management response provided by the Swiss Agency for Development and Cooperation and the State Secretariat for Economic Affairs, is the main strategic steering instrument. It reports on achieved results, measured and evaluated against targets defined in the overall Results Framework of the Cooperation Strategy (Annex 2). Furthermore, it analyzes the contribution of the Swiss program to country development results, as well as the implications and planning priorities for the subsequent year.

The Annual Report is based on the Cooperation Strategy Monitoring Tool, consisting of a set of sophisticated instruments which are used at different moments in time. They serve to analyze the relevant context and its changes; to steer, manage and monitor programs in a results-oriented way; to assess the risks of engaging with implementation partners prior to financial commitments; to assure administrative and financial compliance and transparency of all involved; and to analyze the cost-benefit and cost-effectiveness of interventions as part of the project appraisal work.

Finally, a zero-tolerance approach continues to be applied when it comes to fraud, corruption, collusion and nepotism. A more detailed description of the overall monitoring system is provided in Annex 3.





Almedina Osmanović (l.) and Amira Babić (r.) are seventh-grade students. They have been close friends ever since Almedina has joined school in the context of a project to integrate Roma children in regular school classes.



Displaced during the war, Hasiba and Ahmet Musić have returned to their destroyed home in Foča in 2011. Their house was reconstructed in 2016 by the Regional Housing Program, a joint initiative of Bosnia and Herzegovina, Croatia, Montenegro and Serbia.



# Annex 1

## Swiss cooperation strategy for Bosnia and Herzegovina at a glance

Synopsis of the Swiss Cooperation Strategy for Bosnia and Herzegovina 2017 - 2020		
<p><b>Overall goal:</b> Switzerland contributes to strengthening social, economic and political inclusion in Bosnia and Herzegovina. It reinforces the further development of a democratic political system and a social market economy, based on accountable public and private actors as well as active and empowered citizens, with the longer-term perspective of European integration.</p>		
Domains of intervention: Objectives and Outcomes		
<p><b>A – Democratic Governance, Municipal Services, and Justice</b> (SDC and SECO, committed budget: CHF 41m )</p> <p><b>Objective:</b> Public authorities at all levels adopt and implement more inclusive, accountable and responsive policies which constitute the base of a resilient governance system. They provide efficient high quality services - particularly in infrastructure - for all, and improve access to justice, thereby restoring citizens' trust towards institutions and within the society.</p> <p><b>Outcome 1:</b> Local Governments provide inclusive efficient quality services and improve their performance management within the public policy cycle.</p> <p><b>Outcome 2:</b> Government actors on all levels harmonize their development planning and successfully participate in funding schemes including the EU pre-accession funds.</p> <p><b>Outcome 3:</b> Citizens forge alliances with political representatives and civil servants, demand for reforms and engage in initiatives to improve living conditions.</p> <p><b>Outcome 4:</b> The judiciary becomes more efficient and effective, thus combating impunity and better serving the needs of juveniles who are in touch with the justice system as victims or perpetrators.</p>	<p><b>B – Health</b> (SDC, committed budget: CHF 14m)</p> <p><b>Objective:</b> The population has equitable access to more efficient and responsive quality primary health care services, and has increased its health literacy.</p> <p><b>Outcome 1:</b> Primary Health Care institutions deliver evidence-informed and better quality services that are gender sensitive, affordable and accessible to all, particularly to socially excluded and/or poor populations, and oriented towards health promotion and prevention of non-communicable diseases.</p> <p><b>Outcome 2:</b> Population has improved their health literacy, enjoys improved conditions for healthier lifestyles, and increased its demand for accountability in the health system.</p>	<p><b>C – Economy and Employment</b> (SECO and SDC, committed budget: CHF 17.2m)</p> <p><b>Objective:</b> A well performing labour market and better economic framework conditions for private sector development improve the investment climate, and increase employment and business opportunities for all.</p> <p><b>Outcome 1:</b> Women and men have employment and access to entrepreneurship opportunities facilitated by business service providers and effectively intermediated by public employment services.</p> <p><b>Outcome 2:</b> Employers (incl. diaspora) and training providers contribute to increased market-oriented skills development and improved VET system, thereby enhancing young people's employability.</p>
<p><b>Transversal themes: Gender Equality and Good Governance</b></p>		



# Annex 2

## Result framework

<b>Domain of intervention A: Democratic Governance, Municipal Services and Justice (SDC, SECO)</b>		
<p><b>Domain objective:</b> Public authorities at all levels adopt and implement more inclusive, accountable and responsive policies which constitute the base of a resilient governance system. They provide efficient high quality services - particularly in infrastructure - for all, and improve access to justice, thereby restoring citizens' trust towards institutions and within the society.</p> <p><b>Impact Hypothesis:</b> Low levels of trust among communities and of citizens towards their institutions is a key driving factor of fragility. By promoting wider inclusion, stronger accountability and better access to justice, civic engagement essential to amplify the pace and quality of reform will be nurtured, and fragility will be reduced. Strengthened public utilities in which municipalities assure their oversight role deliver better services, remove drains on municipal budgets, and generate revenues for investments. Better services and a more enabling business environment attract additional investors. Documented better service delivery by local governments, and effective advocacy by the municipal associations for the interests of local governments may start to generate the bottom up pressure for more fiscal decentralization and a better regulatory environment. Citizens' voices are represented in (local) parliaments and heard by (local) government, and they regain trust and start to actively participate in political life.</p>	<p><b>(2) Contribution of the Swiss Program</b></p> <p>Swiss interventions focus on improving municipal governance by strengthening the public policy cycle, fostering quality service delivery and increasing municipal investments based on introduced integrated municipal development strategic planning, performance management and strengthened implementation capacities, prioritising the environment and economy sectors.</p> <p>In advanced partner municipalities, municipal budget support for development projects, based on a good governance performance and service provision, shall reward mayors who take the political risk of public sector reforms. Infrastructural investments and reform of public utilities may incorporate DRR measures for strengthened climate change resilience.</p> <p>Swiss interventions will systematically promote good governance principles in the work of municipal administrations and councils to enhance accountability (to citizens) and performance, thus increasing institutional legitimacy.</p> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Partner local governments facing budget deficits may not be able to match the funds provided by Swiss Cooperation.</li> <li>Changing allocation of competences and finances within and among governance levels will affect power relations and can meet resistance.</li> </ul>	<p><b>(3) Country Development Outcomes</b></p> <p><b>Outcome 1:</b> (i) Constant improvement of quality and cost effectiveness of services provided by local governments in order to meet citizens' needs; (ii) Key management instruments (strategic city/municipal planning, local development plans, environmental plans) are progressively designed and implemented in all local units of the country. <i>(LSG Development Strategy BiH 2006-2020)</i></p> <p>(i) Contribute to a higher quality performance of local authorities in executing the tasks within their responsibilities; (ii) Improved quality of services provided to citizens by their LGs; (iii) Support to harmonized strategic local planning by promoting the MIPRO methodology and improved LG capacities <i>(AMC-Strategy RS 2015-19; AMC-Strategy FBiH 2015-22)</i></p> <p><b>Fields of Observation and Indicators</b></p> <ul style="list-style-type: none"> <li>% of underdeveloped LGs Baseline: 50% of LGs in RS (2013) and 37% of municipalities in FBiH (2014) retain the status of poorly and under developed Target: decreased % of underdeveloped LGs</li> <li>% LG apply integrated local strategic planning Baseline: 45% LGs, 90% cantons Target: country wide <i>(Sources: country statistics)</i></li> </ul>
<p><b>(1) Swiss Portfolio Outcomes</b></p> <p><b>Outcome 1:</b> Local Governments (LG)<sup>1</sup> provide inclusive efficient quality services and improve their performance management within the public policy cycle.</p> <p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>% of LGs countrywide increase revenues for investments according to integrated strategic planning. <i>Baseline SDC:</i> 35 LGs (25%) have increased revenues by 2015. <i>Target SDC:</i> 50 LGs (35%) countrywide.</li> <li>In target municipalities (with a total of approx. 1,000,000 persons) citizens, also excluded ones, use improved quality services. <i>Baseline SECO:</i> 0 citizens in SECO target municipalities use improved quality services <i>Target SECO:</i> 211,000 citizens <i>Baseline SDC:</i> 500,000 citizens in SDC target municipalities use improved quality services <i>Target SDC:</i> 700,000 citizens (50% women, 10% excluded groups)</li> <li>Proportion of operation and maintenance costs covered through charges. <i>Baseline SECO:</i> tbd in 2017 <i>Target SECO:</i> tbd in 2017 <i>Baseline SDC:</i> tbd in 2017 <i>Target SDC:</i> tbd in 2017</li> </ul>	<p><b>(1) Swiss Portfolio Outcomes</b></p> <p><b>Outcome 1:</b> Local Governments (LG)<sup>1</sup> provide inclusive efficient quality services and improve their performance management within the public policy cycle.</p> <p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>% of LGs countrywide increase revenues for investments according to integrated strategic planning. <i>Baseline SDC:</i> 35 LGs (25%) have increased revenues by 2015. <i>Target SDC:</i> 50 LGs (35%) countrywide.</li> <li>In target municipalities (with a total of approx. 1,000,000 persons) citizens, also excluded ones, use improved quality services. <i>Baseline SECO:</i> 0 citizens in SECO target municipalities use improved quality services <i>Target SECO:</i> 211,000 citizens <i>Baseline SDC:</i> 500,000 citizens in SDC target municipalities use improved quality services <i>Target SDC:</i> 700,000 citizens (50% women, 10% excluded groups)</li> <li>Proportion of operation and maintenance costs covered through charges. <i>Baseline SECO:</i> tbd in 2017 <i>Target SECO:</i> tbd in 2017 <i>Baseline SDC:</i> tbd in 2017 <i>Target SDC:</i> tbd in 2017</li> </ul>	<p><b>(1) Swiss Portfolio Outcomes</b></p> <p><b>Outcome 1:</b> Local Governments (LG)<sup>1</sup> provide inclusive efficient quality services and improve their performance management within the public policy cycle.</p> <p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>% of LGs countrywide increase revenues for investments according to integrated strategic planning. <i>Baseline SDC:</i> 35 LGs (25%) have increased revenues by 2015. <i>Target SDC:</i> 50 LGs (35%) countrywide.</li> <li>In target municipalities (with a total of approx. 1,000,000 persons) citizens, also excluded ones, use improved quality services. <i>Baseline SECO:</i> 0 citizens in SECO target municipalities use improved quality services <i>Target SECO:</i> 211,000 citizens <i>Baseline SDC:</i> 500,000 citizens in SDC target municipalities use improved quality services <i>Target SDC:</i> 700,000 citizens (50% women, 10% excluded groups)</li> <li>Proportion of operation and maintenance costs covered through charges. <i>Baseline SECO:</i> tbd in 2017 <i>Target SECO:</i> tbd in 2017 <i>Baseline SDC:</i> tbd in 2017 <i>Target SDC:</i> tbd in 2017</li> </ul>

<p><b>Outcome 2:</b> Government actors on all levels harmonize their development planning and successfully participate in funding schemes including the EU pre-accession funds.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>% of local and cantonal governments with harmonised development planning and management frameworks <i>Baseline:</i> 28% of LGs and 10% of cantons in 2016 <i>Target:</i> 50% of LGs and 70% cantons.</li> <li>Number of supported local governments which have benefitted from increased budget resources including EU pre-accession funds. (ARI 25, SDG 16) <i>Baseline:</i> 22 local governments <i>Target:</i> 50% of targeted local governments.</li> </ul>	<p>Cooperation between different government levels (from state level to local community) within the decentralization processes will be promoted. Institutional strengthening and capacity building of the entities' AMCs to articulate and lobby for municipal interests in the interplay with higher institutional tiers will be ensured.</p> <p>Swiss interventions will enhance harmonization of strategic planning and financial management schemes between municipalities and higher governmental structures. Swiss actions should contribute to decreasing the disparities between weak and strong municipalities, and enhancing strategic partnerships among municipalities for joint lobbying in the vertical dimension.</p> <p>Swiss Cooperation engages in well-coordinated policy dialogue with the aim to set a conducive regulatory framework for decentralisation and local governance.</p> <p><u>Risks</u></p> <ul style="list-style-type: none"> <li>Difficulties to get new legislation adopted, particularly when challenging the existing balance of power between government levels.</li> </ul>	<p><b>Outcome 2:</b> Based on an accomplished decentralisation process, a harmonized development of LGs leads to a constant improvement of quality of life for citizens. (<i>LSG Development Strategy BIH 2006-2020</i>)</p> <p><u>Fields of Observation and Indicators</u></p> <ul style="list-style-type: none"> <li>Effective cross-governmental (vertical) interaction and regulatory environment on local governance and decentralization <i>Baseline:</i> Fiscal decentralisation reform at initial stage, gaps in LG regulatory framework at all levels <i>Target:</i> Status of LGs improved through enhanced decentralisation processes and laws relevant for local development (e.g. Law on LSG funding FBiH, Law on PPPs in RS)</li> <li>Level of successful realisation of AMC Strategies in RS and FBiH<sup>2</sup> <i>Baseline:</i> Still limited exercise of strategic guidance, performance, service provision to LGs and funds for operations of entity AMCs <i>Target:</i> Strategic objectives predominantly reached till 2019/2022</li> </ul>
<p><b>Outcome 3:</b> Citizens forge alliances with political representatives and civil servants, demand for reforms and engage in initiatives to improve living conditions.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>% of citizens (disaggregated by sex) in target municipalities engaging in the definition, development and realisation of the "MZ vision", and/or other community relevant processes. <i>Baseline:</i> Citizens' participation in public endeavors is low; the process of MZs' revitalization is at an early stage. <i>Target:</i> 15% of citizens in target municipalities engage in the definition, development and realization of a "MZ vision" and/or other community relevant processes.</li> <li>Citizens articulate common demands for reforms in an organized way. <i>Baseline:</i> Civic activation and interaction with institutions happens on an occasional base. <i>Target:</i> tbd in 2017.</li> </ul>	<p>The Swiss Cooperation Program will contribute to wider inclusion and stronger accountability, accompanied by improved and more citizens-centered service provision and awareness that positive changes are possible, to regenerate trust among communities and of citizens in their institutions, and nurture civic engagement essential to amplify pace and quality of reform. Processes with a focus on checks and balances between local administrations and councils and their interaction with citizens will be supported. Communities with strengthened capacities will engage in local decision-making and apply participatory mechanisms. Citizens and their representatives (MZs, councils, citizens groups, CSOs) will be enabled to voice and responsibly take part in planning and decision-making processes.</p> <p><u>Risks</u></p> <ul style="list-style-type: none"> <li>Lack of citizens' interest to productively engage in local initiatives and political processes.</li> <li>Party politicisation concerns a large number of potential civic activists, and may interfere with democratic public engagement.</li> </ul>	<p><b>Outcome 3:</b> (i) Citizens increasingly participate in public affairs at all governmental levels; (ii) Citizens' participation in public affairs thus increasingly contributes to public decisions and to citizens quality of life (<i>LSG Development Strategy BIH 2006-2020</i>)</p> <p>(i) Contribute to improved basic operations (e.g. citizens participation in decision-making processes); (ii) Raising awareness of LG employees and citizens about EU accession processes and LG status and responsibilities (<i>Strategy of the AMC RS 2015-2019; Strategy of the AMC FBiH 2015-2022 - paraphrased</i>)</p> <p><u>Fields of Observation and Indicators</u></p> <ul style="list-style-type: none"> <li>LGs maintain efficient mechanisms for direct citizens' participation and support pro-active CSOs <i>Baseline:</i> Motivation for and level of citizens participation in decision making is low <i>Target:</i> Sustainability of and continuously upgraded citizen participation mechanisms country-wide.</li> </ul>

<sup>1</sup> LGs include all public functions in a municipality: executive and legislative function, local administration and public utilities.

<sup>2</sup> (i) AMCs advocate in the best interest of the LGs (their members) and provide services to them; (ii) Improve legal framework for the work and functioning of local self-government; (iii) Advocate for fiscal decentralization and clear regulation of financing of LGs; (iv) Develop and strengthen capacities for the implementation of regulations aligned with the EU acquis; (v) Support LGs in implementing strategic planning measures. (*Strategy of the AMC RS 2015-2019; Strategy of the AMC FBiH 2015-2022 - paraphrased*)

# Annex 2

## Result framework (cont.)

<p><b>Outcome 4:</b> The judiciary becomes more efficient and effective, thus combating impunity and better serving the needs of juveniles who are in touch with the justice system as victims or perpetrators.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Number of open pre-investigations and unresolved old (two years and more) cases. <i>Baseline:</i> 15,593 open pre-investigations and 3,477 unresolved old cases in 2015. <i>Target:</i> No cases older than 2 years. Number of pre-investigations reduced by 10%.</li> <li>Increase of measures<sup>3</sup> in the area of justice for children in accordance with international standards. <i>Baseline:</i> In 2016, 57% increase in use of diversion measures as compared to 2012. <i>Target:</i> Continued increase in application of diversion measures at country and local level.</li> </ul>	<p>Swiss interventions will contribute to increased performance of the judicial-prosecutorial system and efficient processing of cases, thus improving management and coordination within the judicial-prosecutorial system and relevant legislative and policy frameworks.</p> <p>Through a specific focus on increased interaction between civil society and the judiciary, the Swiss program will contribute to a justice system that is more accountable and responsive to the needs of its end users.</p> <p><u>Risks</u></p> <ul style="list-style-type: none"> <li>Lack of political will, financial resources and commitment to continue coordinated and harmonized efforts in implementing reforms in the justice sector</li> <li>Political elite capture and pressure on the independence of the judiciary</li> <li>Judicial reform processes in fragile contexts require comprehensive-long term approaches</li> </ul>	<p><b>Outcome 4:</b> An efficient, effective, coordinated justice system, accountable to all BiH citizens, fully aligned with EU standards and best practices, guaranteeing the rule of law. <i>(Justice Sector Reform Strategy BiH 2014-2018)</i></p> <p><u>Fields of observation and Indicators</u></p> <ul style="list-style-type: none"> <li>Independence, accountability, efficiency, professionalism and harmonization of the BiH judicial system is further strengthened and maintained. <i>Baseline:</i> no. of backlog of cases in BiH judicial institutions is around 2 million, mostly related to small claims enforcement cases. Effectiveness and efficiency of judicial institutions need improvement. <i>Target:</i> a) reduction of backlog will increase the possibility of BiH judicial institutions to resolve other cases, besides enforcement procedure cases; b) increased efficiency of BiH judicial institutions through continuation of reconstruction and computerization, as well as greater consistency in management; c) increased efficiency contributing to citizens' better perception of BiH judicial institutions.</li> </ul>
<p><b>(4) Lines of intervention (Swiss Program)</b></p>		
<ul style="list-style-type: none"> <li>Improving regulatory framework conditions for effective DDLG processes and development of local economy in both entities as well as on the level of the central state; policy dialogue and up-scaling of validated experiences from a bottom-up perspective for the integration of best practices into relevant legislations.</li> <li>Enhancing effective capacity building, networking and interplay between key actors at all governmental tiers to achieve a functional and effective vertical integration of DDLG in BiH. This mainly aims at the vertical anchoring of financial/fiscal results-oriented policies.</li> <li>Further strengthening of capacities of municipal organisms to enhance their performance management systems, delivery of services, public resources management, environmental and economic management; piloting and providing models of municipal budget support to selected municipalities.</li> <li>Co-financing municipal investments in increasing the quality and availability of municipal services and infrastructure, with focus on environmental and economic sectors.</li> <li>Strengthening the institutional and professional capacities of the two entities' AMCs, in line with the shaping of their strategies. This will reinforce their role as moderators in the vertical dimension of DDLG development and elimination of constraints in the regulatory framework for municipal service delivery.</li> <li>Strengthening the institutional and professional capacities of local communities (MZs), municipal councils, selected civil society organisations and community based organisations, to reinforce their role as key drivers of DDLG processes at the local level.</li> <li>Promoting the inclusive participation and more responsible role of citizens in decision-making processes within their communities and in playing a proactive (responsive) role in local development ventures as well as in inter-municipal/inter-entity cooperation.</li> <li>Enhancing capacities of the judicial-prosecutorial system for improved performance and efficiency (incl. reduction of backlog of cases and case processing).</li> <li>Enhancing the judicial and juvenile justice legal and policy environment, as well as coordination and the strategic management system.</li> <li>Strengthening the institutional and professional capacities of the prosecutorial offices in BiH in line with the Justice Sector Reform Strategy.</li> <li>Strengthening capacities of civil society and enhancing access and service provision (incl. juvenile justice alternative measures) to citizens/juveniles in the area of justice/juvenile justice.</li> </ul> <p>Regional SECO programs focus on the following areas:</p> <ul style="list-style-type: none"> <li>Advisory services to governments in view of the preparation, tendering, contracting and implementation of public-private partnerships in infrastructure.</li> <li>Fostering access to finance for municipal infrastructure projects through commercial banks.</li> </ul>		



<p><b>(5) Resources, partnerships (Swiss Program)</b></p> <ul style="list-style-type: none"> <li>Financial resources: The planned budget for the domain is CHF 41m.</li> <li>Human Resources: The domain will be managed by a Swiss Program Officer (50%) and three National Program Officers (190%) with support provided by the Director of Cooperation and the Deputy of Cooperation.</li> <li>Municipalities and local communities (MZ) are the main partners and owners of the DDLG processes which are enhanced through Swiss contributions. AMCs and other selected civil society organisations are key partners in the implementation of the main initiatives, incl. in the vertical integration of DDLG processes. Relevant Ministries at entity and cantonal levels are the key counterparts in the strategic orientation of DDLG endeavours and in the corresponding policy dialogue.</li> <li>The Swiss support in this domain is tailored to the needs of partners at all relevant levels for DDLG promotion. Integrated intervention approaches encompass both demand and supply side of local governance processes. Switzerland applies a countrywide approach in supporting DDLG in BiH, taking actions progressively through clusters on municipal levels in close interaction and coordination with other cooperation agencies working in these fields.</li> <li>Key counterparts in the policy dialogue and steering of the program of justice are the High Judiciary and Prosecutorial Council BiH, relevant Ministries at state, entity and cantonal levels. The program is closely aligned with relevant government strategies and facilitates their effective implementation. In this area strategic and co-donor partnerships are established with the Governments of Sweden and Norway, and donor coordination is actively promoted. Technical assistance, including expert support from Zurich Prosecutors Office, is balanced with targeted support for the rehabilitation or upgrading of judiciary/juvenile justice infrastructure.</li> <li>Key partners also include the Kreditanstalt für Wiederaufbau (KfW) and potentially also the European Bank for Reconstruction and Development (EBRD) for infrastructure projects. Furthermore, utilities (e.g. water companies) of partner cities are important counterparts in this context.</li> <li>In the water sector, SDC and SECO instruments and approaches have proven to work along each other in harmony (in terms of infrastructure investment, corporate development measures on the utility level, and local governance approaches) which translate these principles also to other areas where municipalities deliver services.</li> </ul>	<p><b>Domain of intervention B: Health (SDC)</b></p> <p><b>Domain objective:</b> The population has equitable access to more efficient and responsive quality primary health care (PHC) services, and has increased its health literacy.</p> <p><b>Impact Hypothesis:</b> Under the leadership of the health authorities, the focus of PHC services towards disease prevention and health promotion will be strengthened, and the system's governance and the accountability mechanisms improved. Nurses will gain more responsibilities and competencies in service provision, the safety and quality of care will be enhanced, and the system's cost-effectiveness will be raised. By fostering development of health outreach services, primarily by community nurses and mental health teams which are targeting socially excluded and/or poor population groups, more equitable and affordable access to PHC services will be secured. The government will improve the framework conditions for reducing the burden of non-communicable diseases through multi-sectoral cooperation, and local communities and civil society will foster health promoting environments. All these interventions will contribute to increased health literacy of the population, leading to adoption of healthier lifestyles, and to improved health status of the population in the longer term.</p>	<p><b>(1) Swiss portfolio outcomes</b></p> <p><b>Outcome 1:</b> PHC institutions deliver evidence-informed<sup>4</sup> and better quality services that are gender sensitive, affordable and accessible to all, particularly to socially excluded and/or poor populations, and oriented towards health promotion and prevention of non-communicable diseases.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>% PHC facilities providing gender-sensitive services by applying evidence-based standards of care for non-communicable diseases, incl. nursing care.</li> </ul> <p><i>Baseline:</i> 0% of PHC facilities applying standards of care in team-based delivery of care and 21% for nurses' care alone.  <i>Target:</i> 50% of PHC facilities applying standards of care: for team-delivered and for nurses' care.</p> <ul style="list-style-type: none"> <li>Referral rate to hospitals related to cardio-vascular diseases and mental health disorders.</li> </ul> <p><i>Baseline:</i> tbd in 2017  <i>Target:</i> Reduction of rates 10% for cardio-vascular diseases and 10% for mental health diseases</p> <p><b>(2) Contribution of Swiss Program</b></p> <p>Swiss interventions are provided at the public health system level, focusing on improvement of the PHC system governance, development of human resources in health (more flexible, multi-skilled and team-oriented workforce), quality of services and their accessibility to the whole population. Efforts are invested in strengthening the role and position of nurses in the system, including their education, expected to contribute to the cost containments of the public health system. Important cost-effective benefits are also created by investing in strengthening health promotion and prevention of non-communicable diseases, particularly cardio-vascular diseases and mental health problems which are on the rise.</p> <p>Special emphasis is provided to development of gender-sensitive services based on evidence and responsive to the population's needs and aiming at reduction of health inequalities in the country. Roll-out and scaling-up of the community nursing model and mental health outreach services which are affordable and sustainable will be enabled beyond pilot areas and contribute to improved access and use of public PHC services by excluded and/or poor population groups.</p> <p><b>(3) Country development outcomes</b></p> <p><b>Outcome 1:</b> PHC is equally accessible for all citizens and ensures reduction of health inequalities. It provides evidence-based and cost-effective services, resolving the majority of health problems and health needs of the population with the active involvement of individuals, families and communities.</p> <p><i>(Sources: The PHC Strategy of RS, 2006, and Strategy of PHC Development of FBiH, 2006 – paraphrased)</i></p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Coverage by health insurance  <i>Baseline:</i> 86.4% in FBiH, 72% in RS (2014)  <i>Target:</i> Universal coverage</li> <li>% of healthcare funding by Health Insurance Funds which goes for PHC  <i>Baseline:</i> 26% (2014)  <i>Target:</i> 35%</li> <li>% of services provided at PHC level which are health promotion and disease prevention services  <i>Baseline:</i> &lt;20% (2014)  <i>Target:</i> 40%</li> </ul>
---	---	--

# Annex 2

## Result framework (cont.)

<ul style="list-style-type: none"> <li>Number of socially excluded and/or poor persons<sup>5</sup> benefitting from the PHC outreach services and their satisfaction with these services. <i>Baseline:</i> Services not available <i>Target:</i> At least 20,000 persons; high satisfaction</li> <li>Number of people reached through health education sessions to the prevention of non-communicable diseases (ARI 34, SDG 3). <i>Baseline:</i> 0 <i>Target:</i> tbd in 2017</li> </ul>	<p><u>Risks</u></p> <ul style="list-style-type: none"> <li>The financial constraints and related under-staffing in the health sector might jeopardize the sustainability of the reform.</li> <li>The capacities of PHC providers are overstretched.</li> <li>Trained people, e.g. nurses, emigrate (brain drain).</li> </ul>	<ul style="list-style-type: none"> <li>Out of pocket expenditure as a share of the total health expenditure <i>Baseline:</i> 28.4% (2013) <i>Target:</i> Reduction</li> </ul> <p>(Sources: National Health Accounts, country statistics)</p>
<p><b>Outcome 2:</b> Population has improved their health literacy, enjoys improved conditions for healthier lifestyles, and increased its demand for accountability in the health system.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>% of general population and % of youth are aware of behaviour-related health risks. <i>Baseline:</i> 25.9% of population (8.1% youth) <i>Target:</i> 40% general population and 25% youth</li> <li>Existence of regulatory framework (for tobacco and alcohol control, salt, sugar and trans-fats intake regulation, physical activity) for reducing the health risk factors with a multi-sectoral approach, and its implementation. <i>Baseline:</i> Regulatory framework is not in place <i>Target:</i> Regulatory framework is set and implemented</li> <li>Level of patients' involvement in development of their treatment plans in targeted PHC facilities and a demand for quality of health care. <i>Baseline:</i> Patients' participation in treatment planning introduced only in mental health services; lack of mechanisms for demanding accountability <i>Target:</i> Patients are actively involved and increase their demand for quality of care</li> </ul>	<p>The Swiss program supports the enhancement of population's health literacy and encouraging people to exercise control over their health determinants and live healthier. The promoted core value is about the health system recognizing patients as a resource and as partners. This will contribute to better and more cost-effective care and improved health.</p> <p>Support is provided to development of a new working culture that fosters cooperation between health and other sectors for securing positive effects of policies in various sectors on population's health. Improved framework conditions, services and accountability will also contribute to strengthening the trust between citizens and the government.</p> <p>Synergies with the Economy and Employment Domain in development of social entrepreneurship models for persons with disabilities will contribute to an increase in the quality of life for this population group.</p> <p><u>Risks</u></p> <ul style="list-style-type: none"> <li>Potential lack of resources for enforcement of the multi-sectoral policies.</li> <li>The change of population's behaviour requires a long-term perspective.</li> <li>Preventing non-communicable diseases among mid-age population is particularly challenging as this group is already heavily affected by these diseases.</li> </ul>	<p><b>Outcome 2:</b> Health system empowers patients to make informed decisions about their health and perform self-care, and promote health literacy. Multi-sectoral activities and policies are implemented by addressing social determinants of health, promoting healthy choices through formulating and designing products, regulating marketing, excise duties and taxes and educating consumers, promoting active living and healthy nutrition, safe physical and social environment, with an aim to protect and promote health and well-being and prevent disease and disability.</p> <p>(Sources: The PHC Strategy of RS, 2006, and Strategy of PHC Development of FB/H, 2006 – paraphrased)</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Prohibition of smoking in public places and excise taxes on tobacco and alcohol <i>Baseline:</i> Smoking is not prohibited; taxes are low <i>Target:</i> Smoking is prohibited and excise taxes are raised</li> <li>Behavioural risk factors of the population: <ul style="list-style-type: none"> <li>Exposure to tobacco smoke: (<i>Baseline:</i> 35%)</li> <li>Smoking rate (<i>Baseline:</i> M 28.4%, F 25.4%)</li> <li>Physical inactivity rate (<i>Baseline:</i> M 32%, F 39%)</li> <li>Overweight (<i>Baseline:</i> M 46.5%, F 25.5%)</li> </ul> </li> </ul> <p><i>Target:</i> All risk factors are reduced</p> <p>(Sources: WB surveys, WHO statistics)</p>

<sup>4</sup> Evidence informed practice is using best available local and international evidence to identify the potential benefits, harms and costs of any intervention.

<sup>5</sup> Ethnic minorities, poor, unemployed, elderly, persons with disabilities

<p><b>(4) Lines of intervention (Swiss Program)</b></p> <ul style="list-style-type: none"> <li>Improving framework conditions for reducing the main risk factors and preventing non-communicable diseases through a whole-of government approach.</li> <li>Providing technical support to and facilitating the reform activities led by health authorities and health institutions.</li> <li>Strengthening public health systems and PHC governance, by stimulating its accountability, evidence-based management, and cost-effective interventions.</li> <li>Strengthening human resources in health by investing in improvement of their education and continuous training for improved quality, scope and gender-sensitiveness of service provision.</li> <li>Empowering users' groups and civil society organisations, i.e. associations of health professionals and service users/patients, as partners of the health authorities.</li> <li>Rolling-out PHC community outreach models to reach excluded and/or poor population groups and targeting specifically young people.</li> <li>Introducing WHO's "best-buy" instruments in controlling and preventing non-communicable diseases.</li> <li>Developing mechanisms for multi-sectoral cooperation for addressing social determinants of health.</li> </ul>	<p><b>(5) Resources, partnerships (Swiss Program)</b></p> <ul style="list-style-type: none"> <li>Financial resources: The planned budget for the domain is CHF 14 m.</li> <li>Human Resources: The domain will be managed by a National Program Officer with support provided by the Director of Cooperation and the Deputy Director of Co-operation.</li> <li>Key counterparts in the policy dialogue and steering of the program are the two entity Ministries of Health and the Ministry of Civil Affairs of BiH. The program is closely aligned with relevant government strategies and facilitates their effective implementation. Switzerland's leverage as a partner of authorities in health sector reform is further enhanced through cooperation with WHO and WB in a joint policy dialogue with the health authorities. Partnership with cantons of Bern, Jura, Fribourg, and Geneva and their technical support in area of mental health will be continued.</li> <li>Concerning aid modalities, and as opportunities for contribution projects are limited in the sector, the domain mainly consists of mandate projects. Technical assistance is balanced with targeted support for the rehabilitation or upgrading of health infrastructure. Local co-financing of interventions shall be stimulated whenever possible.</li> </ul>
<p><b>Domain of intervention C: Economy and Employment (SECO, SDC)</b></p>	
<p><b>Domain objective:</b> A well performing labour market and better economic framework conditions for private sector development improve the investment climate, and increase employment and business opportunities for all.</p> <p><b>Impact Hypothesis:</b> Public and private investors will create more employment opportunities, in particular for young job-seekers, thanks to better regulatory frameworks in the finance and microfinance sector as well as for businesses and investors. Working through the International Financial Institutions will lead to more transparent and efficient public financial management schemes. Young people will improve their job-market relevant skills, either through formal or non-formal education and training, and will be supported through an improved intermediation system within Public Employment Services PES. Policy dialogue will contribute to sustainable systemic change, in particular related to the reform of Public Employment Services, vocational education and training (VET) reform and the regulation of adult education.</p>	<p><b>(1) Swiss portfolio outcomes</b></p> <p><b>Outcome 1:</b> Women and men have employment and access to entrepreneurship opportunities facilitated by business service providers and effectively intermediated by public employment services.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Number of start-up/growth and (social) enterprises supported and/or created.</li> </ul> <p><i>Baseline SDC:</i> 3  <i>Target SDC:</i> 57 enterprises (30 enterprises + 27 youth related social enterprises + 20 targeting excluded and/or poor groups<sup>6</sup>; overall 35% women)</p> <p><i>Baseline SECO:</i> n/a  <i>Target SECO:</i> 84 (35% women)</p> <p><b>(2) Contribution of Swiss Program</b></p> <p>The Swiss cooperation program embodies the idea of a three-dimensional approach to promoting (youth) employment and a better functioning of the labour market: (I) Enhancing the employability of young unemployed people (II) Improving the mediation system; (III) Supporting job creation and new employment models, e.g. (social) entrepreneurship, self-employment.</p> <p>Implementation of the 'PES Reform Package'<sup>7</sup> developed in the framework of the youth employment portfolio intervention highly contributes to the fulfilment of the country development outcome 1.</p> <p>Start-ups develop and further grow by use of improved and sustainable services from supported organizations (accelerators, incubators, mentors and investors) and</p> <p><b>(3) Country development outcomes</b></p> <p><b>Outcome 1:</b> Increased efficiency of the labour market in BiH, strengthened labour and employment institutions and developed labour market policies.</p> <p><i>(Sources: Sector Planning Documents -SPDs; IPA II programming document)</i></p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Unemployment rate  <i>Baseline:</i> 27,2%  <i>Target:</i> 22% (by 2020)</li> <li>% of certified case workers within PES offices according to new profiling/counseling methodology  <i>Baseline:</i> 0  <i>Target:</i> 90% (by 2020)</li> </ul>



# Annex 2

## Result framework (cont.)

<ul style="list-style-type: none"> <li>Number of new jobs created in the supported and/or created enterprises. <i>Baseline SECO:</i> n/a <i>Target SECO:</i> 400 new jobs created</li> <li>Number of people employed through social enterprises and PES intermediation. <i>Baseline SDC:</i> 140 people employed in social enterprises; 2,665 intermediated by PES <i>Target SDC (disaggregated by gender, youth and excluded groups):</i> additional 570 people employed in social enterprises; additional 3,900 intermediated by PES (40% women, at least 60% youth and 10% excluded persons)</li> <li>Amount of mobilized private investment (including diaspora) in start-up/growth of enterprises. <i>Baseline SDC:</i> n/a <i>Target SDC:</i> At least BAM 7,000,000 private investment (Angel investment and diaspora) <i>Baseline SECO:</i> n/a <i>Target SECO:</i> At least CHF 1,200,000 private investment</li> </ul>	<p>program activities. Promotion of female start-ups at early stages and entrepreneurship education will enhance women participation.</p> <p>Private sector in BiH and diaspora interact effectively through knowledge and skills transfer, networking and investments, thus leveraging job creation and economic growth.</p> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Private investors and diaspora reluctant to engage in politically instable environment.</li> <li>Changing business environment with unclear regulations for business registration.</li> </ul>	<ul style="list-style-type: none"> <li>Profiling methodology for unemployed persons developed <i>Baseline:</i> n/a <i>Target:</i> Methodology approved and adopted by PES management</li> <li>Improved Global Entrepreneurship Monitoring (GEM) indicators (i.e. Total Early Stage Entrepreneurship (TEA) Activity, perceived opportunities (PO), Entrepreneurial Intention (EI)) <i>Baseline 2014:</i> TEA 7.4%, PO 20%, EI 20%] <i>Target:</i> tbc</li> </ul>
<p><b>Outcome 2:</b> Employers (incl. diaspora) and training providers contribute to increased market-oriented skills development and improved VET system, thereby enhancing young people's employability.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>Number of public pilot VET schools with reformed training and apprenticeship schemes offering their students competences in line with the employers' requirements. <i>Baseline:</i> Very few of the 206 schools (tbd) <i>Target:</i> 40 schools (of the 206) (20%)</li> <li>Number of persons, disaggregated according to gender and young people, who have new access to improved vocational skills training contributing to increased employability (ARI 12, SDG 4+8). <i>Baseline:</i> n/a <i>Target:</i> 1,600 students (50% women, 80% youth)</li> </ul>	<p>The Swiss program is contributing to improved employability of job-seekers, VET students and employees in need of skills enhancement. This is being done through initiated systemic changes in the formal VET education towards more practical education of the students, additional training for teachers in new technologies and improved communication of the stakeholders in the sector, in particular schools and companies. Active participation of the private sector incl. diaspora knowledge is very important for the improvement of the formal VET education, but also for the establishment of a demand-driven and responsive non-formal training system.</p> <p>Development of an adequate legal framework for adult education and VET reform is of the crucial importance; it is part of the efforts related to the policy dialogue, which is also linked with the support to the state for developing the strategic and institutional framework for cooperation with the BiH diaspora.</p>	<p><b>Outcome 2:</b> Reform of education in the service of employment. <i>(Sources: Sector Planning Documents - SPDs; IPA II programming document)</i></p> <p>Mobilizing Human Resources, know-how and skills of diaspora for the country's development. <i>(BiH Strategy on Cooperation with diaspora 2017 – 2021)</i></p> <p><u>Indicator</u></p> <ul style="list-style-type: none"> <li>Youth unemployment rate <i>Baseline:</i> 62 % (2015) <i>Target:</i> 40% (by 2020)</li> </ul>

<sup>6</sup> These groups include young and elderly people, children, women, people with disabilities, Roma, etc.

<sup>7</sup> The '**PES Reform Package**': (I) defining the institutional goals and measurements indicators; (II) new internal task division; (III) triage of unemployed people; (IV) focusing mediation services on the 'most active' job seekers; (V) re-engineering of the processes and procedures to support an efficient job mediation service; (VI) introduction of counseling services; (VII) introduction of the Performance Management System (PMS); (VIII) the refurbishment of offices to ensure that the premises also support the efficient delivery of the services in accordance with the YEP proposal.



<ul style="list-style-type: none"> <li>• Number of young people gainfully employed six months after training or graduation from school. <i>Baseline:</i> 750 young people <i>Target:</i> 7,500 young people (50% women)</li> <li>• Number of new jobs created as a result of diaspora's contribution and business to business exchange. <i>Baseline:</i> n/a <i>Target:</i> At least 320 new jobs (30% women)</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Not reaching critical mass of employers willing to engage actively in cooperation with the schools.</li> <li>• Unfavourable framework conditions for the functioning of the non-formal training centres</li> </ul>	
<p><b>(4) Lines of intervention (Swiss Program)</b></p> <ul style="list-style-type: none"> <li>• Financial system: support municipalities to establish services for debt counselling and financial literacy of population. Promotion of sustainable standards for micro-finance institutions.</li> <li>• Private sector development: support entrepreneurship development by strengthening ecosystem's services and developing new investment opportunities.</li> <li>• Contributing to an effective intermediations system within the public employment services.</li> <li>• Improving the employability of VET students and young unemployed people through the reform of practical education in schools and labour-market oriented trainings offered by different training centres.</li> <li>• Creation of new employment opportunities for young people on the labour market.</li> <li>• Establishment of a favourable environment for the diaspora willing to contribute to economic development: development of M&amp;D policies and institutional framework, providing supportive structures and approaches, and promoting interaction with the diaspora, with regard to investments and knowledge transfer.</li> </ul> <p>Regional SECO programs focus on the following areas:</p> <ul style="list-style-type: none"> <li>• Support to the BiH financial sector (banks and MFIs) in developing capacities to implement best practices in risk and NPL management, as well as more transparent and cost effective transfer of remittances.</li> <li>• Improving the macroeconomic framework, in particular public revenue collection and development of internal rules and procedures by strengthening capacities of tax administrations, the Central Bank, the Ministries of Finance, and statistical offices.</li> <li>• Support to private sector development through assistance in finding buyers in European markets for products and services in targeted sectors, and through more effective debt resolution and insolvency procedures.</li> <li>• Promote climate-resilience through private sector based catastrophe risk insurance.</li> </ul>		
<p><b>(5) Resources, partnerships (Swiss Program)</b></p> <ul style="list-style-type: none"> <li>• Financial resources: the planned budget for the domain is CHF 17.2 m.</li> <li>• Human Resources: the domain will be managed by three National Program Officers with support provided by the Director of Cooperation and the Deputy Director of Cooperation.</li> <li>• The main implementing partners in economic development are: the WB Group including IFC, Swisscontact, European Bank for Reconstruction and Development, International Monetary Fund (IMF), the Graduate Institute of International and Development Studies, Geneva.</li> <li>• The main national counterparts are: Ministries of Finance (state and entity level), Ministry of Human Rights and Refugees (diaspora department), Ministries of Education (entity and cantonal level), public employment services (cantonal and entity level), VET schools, local municipalities, business incubators, financial institutions and business support organizations.</li> <li>• Synergies across domains and coordination with other donors will be ensured.</li> </ul>		

# Annex 2

## Result framework (cont.)

<b>Management Performance Results: (valid for all domains)</b>	
<b>Outcomes</b>	<b>Indicators</b>
<p>The Swiss Cooperation Program strives for inclusiveness, builds bridges to overcome boundaries, and fosters connections both in BiH and beyond.</p> <p>Partners (both national and international ones) adopt values and approaches promoted by Switzerland, and space for corrupt practices is reduced.</p> <p>Switzerland promotes donor coordination, domain-wise and at the country level, to strengthen cooperation results.</p> <p>The Swiss Cooperation Program is managed in a conflict sensitive manner by Swiss Embassy staff and key personnel in partner organizations.</p>	<ul style="list-style-type: none"> <li>• Reform processes are designed in an inclusive way wherever Switzerland is engaged at the policy level.</li> <li>• An information and exchange platform (i-platform) and network for the BiH diaspora in Switzerland is facilitated.</li> <li>• Minority, social inclusion and human rights aspects are systematically addressed.</li> <li>• Legislative bodies at state, entity, cantonal and municipal levels are increasingly informed and involved in programs and projects.</li> <li>• Aspects of good governance, gender equality, inclusion, rule of law and corruption are more systematically addressed by national and international partners.</li> <li>• Increased cost-effectiveness thanks to synergies on project and portfolio level.</li> <li>• Commonly agreed donor positions taken up by local authorities on all levels.</li> <li>• A national tool for the monitoring of the Paris Declaration matters, managed by the DCF (Ministry of Finance) is established and functioning through substantial support by the Swiss Cooperation in BiH.</li> <li>• Swiss positions are regularly presented and discussed in the EU's coordination platform for cooperation among its member states agencies, active in BiH.</li> <li>• A more institutional dialogue with Arab donor countries is established.</li> <li>• Partners' days are proactively used to disseminate not only rules but also values, to gather plurality of views, to connect projects across domains and to allow for mutual learning. Representatives of target groups / beneficiaries are included in these discussions whenever possible.</li> <li>• Learning events such as "Brown Bag Lunches" are proactively used to disseminate knowledge within the Swiss Embassy Team and to embrace external views, criticism and encouragement in areas of the Swiss Cooperation Program's interest.</li> </ul>
<b>Lines of intervention</b>	
<ul style="list-style-type: none"> <li>• Capacity building through targeted training on CSPM for the staff of the Swiss Embassy, and for key personnel of implementation partners.</li> <li>• Conflict sensitive context analysis carried out for all domains of intervention, participatory elaboration of MERV.</li> <li>• Partners' days held at least twice a year.</li> <li>• Learning events organized at least once per 3 months.</li> <li>• Beneficiary assessments within projects.</li> </ul>	
<b>Resources, partnerships</b>	
<ul style="list-style-type: none"> <li>• All outcomes will be achieved with the available human and financial resources.</li> </ul>	

# Annex 3

## Monitoring System

### Purpose of the Cooperation Strategy Monitoring Tool

The Swiss Cooperation Program is committed to strengthen the effectiveness of its interventions, based on results-oriented management of projects implemented in the frame of the Cooperation Strategy 2017 - 2020. The main purpose of the Cooperation Strategy Monitoring Tool is to steer the Swiss Cooperation Program in a coherent way in relation to the set strategic objectives.

### Objectives of Cooperation Strategy Monitoring

Cooperation Strategy Monitoring is an integral task of the Swiss Cooperation management scheme. The Cooperation Strategy Monitoring Tool serves three main monitoring purposes:

- 1) *Steering* – to ensure that the Swiss Cooperation Program is and remains relevant, efficient, effective, results-oriented and produces sustainable effects.
- 2) *Reporting* – to maintain a high level of accountability and transparency of Swiss interventions in Bosnia and Herzegovina based on systematised results at different levels of observation (primarily outcomes). Facts and figures are regularly collected and analysed for reporting to different target groups; mainly to Swiss decision makers, national partners, the Swiss and Bosnian-Herzegovinian public, cooperation agencies and other interested parties.
- 3) *Learning* – to contribute to a structured exchange and joint learning based on validated experiences and best practices within the Swiss Cooperation Program, with partners and members of technical networks. Furthermore, it delivers references for policy dialogue and advocacy in selected domains of intervention.

### Levels and Instruments of Cooperation Strategy Monitoring

	Instrument	Purpose	Frequency
Strategic	Annual Report	Results-based, cumulative reporting as a basis for the steering and planning of the subsequent year.	Once a year (October)
	Midyear Review	Stock taking and identification of necessary short term adaptations of the annual program.	Once a year (June)
	Midterm Review	Review of results achieved under the Cooperation Strategy, confirmation of the strategy's relevance based on sector and actor analysis, identification of possible adaptations to the strategy.	February 2019
Operational	External Project Reviews	Evaluation of projects for reporting, steering and definition of subsequent project phases.	Once in two project phases
	Steering Committee Meetings	Steering and/or advisory bodies providing strategic assistance on project level.	At least once per year in each project
	End of phase / end of project reports	Internal review with main conclusions regarding achieved results, and recommendations in view of subsequent project phases.	As required
	Project visits	Visits to project partners, participation in project events, discussions with implementers and beneficiaries, etc.	At least once per month / project
	Internal Project Committee	Discussion of new entry and credit proposals in operational committees.	As required
	Internal Control System	Periodic financial and procedural audit done by the Embassy's Finance and Administration team	3-5 projects per year
Context	Embassy Management Team Meetings	Permanent context monitoring and discussion.	Weekly
	MERV	Context development analysis to identify changes relevant to the Cooperation Program.	Once a year (September)

In the 2017 – 2020 period the Cooperation Strategy Monitoring Tool and instruments will be further elaborated enabling clear focus on domain results. This has implications on all monitoring instruments and levels, including implementing partners. As a consequence, awareness for sector development objectives increases and translates into program and project design working towards stronger impact on policies.

# Annex 4

## Strategic Budget Allocation

### Cooperation Strategy Bosnia and Herzegovina 2017-2020

Domain	Disbursements planned 2017 - 2020					
	SDC m CHF	in % of total	SECO m CHF	in % of total	Total SDC & SECO m CHF	Total SDC & SECO in %
A - Democratic Governance, Municipal Services and Justice	28.0	41%	10.0	14%	38.0	55%
B - Health	12.5	18%	-	-	12.5	18%
C - Economy and Employment	12.7	18%	4.0	6%	16.7	24%
*Other Interventions	1.8	3%	0.0	-	1.8	3%
<b>Total budget allocation 2017-2020</b>	<b>55.0</b>	<b>80%</b>	<b>14.0</b>	<b>20%</b>	<b>69.0</b>	<b>100%</b>

\* Including small actions / Global Credit but without office management costs.

### Cooperation Strategy Bosnia and Herzegovina 2017-2020

Domain	Commitments planned 2017 - 2020					
	SDC m CHF	in % of total	SECO m CHF	in % of total	Total SDC & SECO m CHF	Total SDC & SECO in %
A - Democratic Governance, Municipal Services and Justice	29.0	39.5%	12.0	16%	41.0	55.5%
B - Health	14.0	19%	-	-	14.0	19%
C - Economy and Employment	13.2	18%	4.0	5%	17.2	23%
*Other Interventions	1.8	2.5%	-	-	1.8	2.5%
<b>Total budget allocation 2017-2020</b>	<b>58.0</b>	<b>79%</b>	<b>16.0</b>	<b>21%</b>	<b>74.0</b>	<b>100%</b>

\* Including small actions / Global Credit but without office management costs.



# Annex 5

## Map of Bosnia and Herzegovina







Editors and Publishers:

Federal Department of Foreign Affairs  
**Swiss Agency for Development and Cooperation (SDC)**  
3003 Bern  
Switzerland  
[www.deza.admin.ch](http://www.deza.admin.ch)

Federal Department of Economic Affairs, Education and Research  
**State Secretariat for Economic Affairs (SECO)**  
3003 Bern  
Switzerland  
<https://www.seco.admin.ch/seco/en/home.html>

Contact:  
Embassy of Switzerland in Bosnia and Herzegovina, Sarajevo  
[www.eda.admin.ch/bosnia-and-herzegovina](http://www.eda.admin.ch/bosnia-and-herzegovina)

Layout:  
Mark Manion, Communication Arts

Pictures:  
Embassy of Switzerland in Bosnia and Herzegovina

Print:  
3DownŠtampa – 3DownPrint, [www.3dp.ba](http://www.3dp.ba), Sarajevo

Available at:

[info@deza.admin.ch](mailto:info@deza.admin.ch)  
This publication is also available in Bosnia and Herzegovina (in English and b/s/c) at:  
[www.eda.admin.ch/bosnia-and-herzegovina](http://www.eda.admin.ch/bosnia-and-herzegovina) or [sarajevo@sdc.net](mailto:sarajevo@sdc.net)

Organisational Units in Charge:

Swiss Agency for Development and Cooperation (SDC)  
Cooperation with Eastern Europe

State Secretariat for Economic Affairs (SECO)  
Economic Cooperation and Development

SDC / SECO / 2016