

This Independent Country Programme Evaluation covers all areas of the United Nations Development Programme (UNDP) support to Bosnia and Herzegovina (BiH) during the current programming cycle (2015-2019). The country has one of the world's more complex governing structures, composed of the semi-autonomous entities of the Federation of Bosnia and Herzegovina and Republica Srpska, plus the District of Brcko, and a directly elected tripartite presidency. UNDP has successfully navigated these complexities and is valued as a neutral partner providing vital strategic advice and development services.

Bosnia and Herzegovina also faces considerable economic constraints manifesting in very high unemployment rates, especially among the young. A third important factor is European Union (EU) accession, which the country has been pursuing since 2003 and includes ratification of a Stabilization and Association Agreement with the EU in 2015. The overlapping mandates for harmonization with EU legislation, while fulfilling the UN Sustainable Development Goals (SDGs), and the ramifications of the EU serving as the preeminent donor to Bosnia and Herzegovina, are key factors driving UNDP's programming and results.

During 2015-2019, UNDP has been consistently well-financed and positive across the programming areas. A funding drop in 2016 resulted from the planned wrap-up of flood recovery assistance. The budget is otherwise consistent and increasing, from \$34 million to \$47 million per year, and projected to reach \$52 million in 2020. Notably, UNDP's work in the country is now largely funded by the EU, with substantial support from BiH Government sources. There is an array of bilateral donors, led by Switzerland and Sweden, and a strong portfolio of institutional support, especially through the Global Environment Facility.

## **Findings and conclusions**

UNDP works across the four outcome areas set forth in the country programme: (i) access to justice and increased human security; (ii) reduction of regional, economic and social disparities; (iii) sustainable management of environmental and energy resources, and green jobs creation; and (iv) access to services and employment opportunities for the most vulnerable.

The organization has made an important contribution to human security by safely destroying half of the old and poorly controlled stockpiles of weapons and ammunition left over from the war, and upgrading security and handling at all five storage sites.

UNDP has worked to stimulate economic development in urban and rural areas through export promotion, entrepreneurship and ecotourism. One creative venture is Via Dinarica, which has expanded the country's hiking trail system to Slovenia, Albania and Kosovo in an effort to improve rural livelihoods. Regional offices in Mostar and Banja Luka and a project office in Bihac, in addition to the main office in Sarajevo, have contributed to strong relations with government entities also at canton and municipal levels.

UNDP has been especially active in the climate and energy sector, with a 10 percent annual increase in budgetary allocations at the entity and canton levels. In 2014, together with government and international partners, UNDP implemented the largest flood recovery programme in the country's history, aiding over 16,000 persons and repairing or rebuilding 5,000 homes. UNDP has stimulated national action on the SDGs, with broad and inclusive engagement with stakeholders in 2019 leading to the submission of the Voluntary National Review. Interventions in areas such as anti-corruption programming and social inclusion of marginalized populations were less successful. The country office has a well-established monitoring and evaluation (M&E) system, although it includes relatively generic outcome-level indicators and some projects lack baselines. The UNDP BiH office ranks among the top UNDP offices for evaluation planning, design and implementation. Programme design is generally strong and well-crafted across the outcome areas, although cross-sector coordination remains a significant challenge. Ninety percent of programme expenditures go to projects that UNDP directly implements, which is unusually high for UNDP in middle-income countries.

Bosnia and Herzegovina faces considerable challenges relating to the environment and air quality and the health and safety of its citizenry in the event of future disasters. UNDP's work, particularly in environment and energy and disaster risk reduction and response, has demonstrated an agility and competence that sets a strong foundation for support to government entities in tackling these sustainable development challenges. While the UNDP programme is notable for the breadth of its engagement in support of municipal governments, there are opportunities to further integrate its service offerings, potentially serving as a model for integrated municipal support. UNDP has delivered an array of well-conceived job creation strategies and innovative techniques. Yet, few are delivering results at the scale needed to make an appreciable dent amid the country's high unemployment and outflow of young educated talent.

Although UNDP is making progress on mainstreaming gender across all programming, more work is needed in some sectors. It has been much less successful in raising government attention and support to marginalized communities. While UNDP can make progress on such issues only in partnership with government entities, it is important that they remain on the country office agenda. These issues are fundamental to UNDP's overriding goal to 'leave no one behind' and will be pivotal to the country's EU accession aspirations.

## Recommendations

**Recommendation 1.** Further expansion of the environment and energy sector should be a major focus of the office during the next planning cycle, including maintaining UNDP's strong position in climate and energy efficiency support. UNDP should take the initiative to help government entities develop long-term strategies and financial plans for addressing the acute air pollution problems in the country.

**Recommendation 2.** UNDP should continue to advance its municipal service offerings in Bosnia and Herzegovina, with emphasis on the inclusive processes being piloted in the Sarajevo smart city effort. Creating effective 'bottom-up' approaches to smart city planning offers real opportunities within the country and elsewhere.

**Recommendation 3.** UNDP should strengthen its work with government entities and the private sector on job creation and entrepreneurship to expand youth employment opportunities in Bosnia and Herzegovina. Support to small and medium enterprises is crucial, and new ideas to expand the financial support for entrepreneurship should be tested, including ways to better utilize remittances from the Bosnian diaspora to stimulate jobs. UNDP should seek to build on its pilot entrepreneurship and vocational training efforts, so they scale nationally and make a meaningful difference to the economy.

**Recommendation 4.** Additional actions should be taken to ensure that gender aspects are mainstreamed across all outcome areas and in particular, the environment and energy portfolio. This suggests a more concerted effort during project formulation and review. In addition, continued attention by the country office, together with other UN agencies and development partners, is needed to raise public awareness on social inclusion and support for marginalized communities, especially the Roma, taking into account factors shaping social norms and behavioural aspects of change. The 2020 National Human Development Report on Social Inclusion can help to focus greater attention on this issue in the policy agenda for Bosnia and Herzegovina.

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