

Project Fiche – IPA National programmes / Component I

1 IDENTIFICATION

| | |
|---|---|
| Project Title | Support to durable solutions of Revised Annex VII DPA Implementation Strategy |
| CRIS Decision number | 2012/23589 |
| Project no. | 9 |
| MIPD Sector Code | 7. Social Development |
| ELARG Statistical code | 63- Aid to refugees and IDPs or disadvantage groups |
| DAC Sector code | 16010 Social/welfare services |
| Total cost (VAT excluded) | EUR 8 107 500 |
| EU contribution | EUR 7 000 000 |
| Management mode | Joint management |
| EU Delegation in charge | Delegation of the European Union to Bosnia and Herzegovina |
| Implementation management | Delegation of the European Union to Bosnia and Herzegovina |
| Implementing modality | Stand-alone project |
| Project implementation type | C01 – Project-type interventions |
| Zone benefiting from the action(s) | Bosnia and Herzegovina |

2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

During the period from 1992 to 1995, more than half of the pre-war population domiciled in the country, 2.2 million persons fled from their homes in Bosnia and Herzegovina. Among them over a million left the country to seek refugee protection abroad in more than 100 countries world-wide whilst approximately 1 million persons were displaced within the country. Aside from the devastating human impact of the war nearly 500,000 homes, or almost half of all housing units in the country, were either partially or completely destroyed.

The war ended in December 1995 with the signing of the Dayton Peace Agreement leaving a long road ahead in resolving the urgent, yet complex, displacement issue across the country. Since then great strides have been made: More than one million refugees and internally

displaced persons have returned, including almost half a million so called "minority" returns; 220,000 properties have been repossessed by its pre-war owners and tenancy rights holders, which makes the implementation rate of property law by 99%; over 330,000 housing units have been re-built along with rehabilitation of communal and social infrastructure; freedom of movement is today enjoyed by everybody and the safety of returnees has been significantly improved; representation of minorities in the public sector has increased.

The domestic budgetary allocations are prevailing international funding and are in constant growth, with approximately half a billion Euros invested towards these goals between 2003 and 2011. However, the requirements are greatly in excess of the available assistance and the major problem that remains is a huge discrepancy between financing capacities and urgent needs of refugees, IDPs and returnees.

There can be no doubt that great and tangible progress has been achieved in implementing Annex VII of the Dayton Peace Agreement (DPA). Nevertheless, despite substantial achievements significant challenges do remain.

To respond to these challenges, BH Parliamentary Assembly in 2010 adopted a *Revised Strategy of Bosnia and Herzegovina for the Implementation of Annex VII of Dayton Peace Agreement* (hereinafter referred to as the Revised Annex VII DPA Implementation Strategy) which represents a joint (all state constituents) position on issues of return, local integration and related assistance.

The Strategy recognizes the urgent needs of more than 100,000 of internally displaced persons, refugees and other conflict-affected persons of concern, each one deprived of a solution. Many of these people are extremely vulnerable and traumatized, living in poverty and require particular attention due to their specific situation (old, physically or mentally challenged, ill, single parents etc.).

Therefore, improvements of conditions in support to refugees, IDPs and returnees remain an important issue. Generally referred to as 'durable and sustainable solution', such improvements go beyond the provision of housing. This aspect focuses on ensuring employment opportunities for income generation, as well as an unimpeded access to education, health, pensions and social welfare system.

In line with the MIPD objectives and pursuant to priorities identified by the Revised Annex VII DPA Implementation Strategy, this project aims to support those most vulnerable among targeted groups in achieving durable solutions.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

The project is linked to the following MIPD 2011 – 2013 sectors:

“2.1 Country challenges and needs assessment

Refugees and internally displaced persons still have problems with economic reintegration and access to health care, social protection and pensions remains the main obstacles to sustainable return.”

“3.6. Social Development

3.6.3 Sector Objectives for EU support over next three years

Improve the social protection system at all levels of governance and address the specific needs of vulnerable groups.

Indicators:

- Targeted interventions in support of e.g. Roma, refugees and internally displaced people, children and youth, women, people with disabilities, or elderly people implemented, in cooperation with civil society organisations.”

The proposed project with a comprehensive structured project approach provides durable solutions for the most vulnerable groups.

NATIONAL SECTOR STRATEGY

The Revised Annex VII DPA implementation Strategy identifies problems and sets out recommendations, including provision of measures to improve the situation of refugees and IDP thus removing the primary obstacles to a closure of the protracted displacement in a dignified, sustainable and lasting manner.

With an aim to assist the most vulnerable population in urgent need with durable and sustainable solutions, the project will contribute to implement recommendations set forth in the Strategy as it recognizes that “many challenges remain to be overcome in order to ensure access to human rights for many displaced persons and returnees, particularly the most vulnerable persons who need additional financial and social support”.

With this view, the Strategy suggests that “it is necessary to keep the focus as well as to undertake some additional efforts towards continued support for access to the rights to safe and dignified return and full re-integration of returnees, without preferences for any group or individual, thus ensuring a standardized and harmonized implementation of the goals set out in Annex VII of the *General Framework Agreement for Peace in Bosnia and Herzegovina throughout BiH* in a way to ensure the equality of refugees, displaced persons and returnees, without questioning their right to opt for other available and preferred durable solutions, especially keeping in mind standards from the international framework for protection of displaced persons as consolidated in the *Guiding Principles of Internal Displacement*.”

Further, it states that “durable solutions to displacement issues cannot be restricted only to refugees and displaced persons who have their status formally recognized, but must also include the support for returnees and should be adjusted to actual needs of all persons affected with consequences of the conflict”.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENTS (SAA) / ANNUAL PROGRESS REPORT

Stabilization and Association Agreement

The project intervention is related to the SAA sections on: Harmonisation with the acquis, Social policy and employment: labour law; health and safety at work; social dialogue;

employment policy and European Social Fund; social inclusion; social protection; anti-discrimination and equal opportunities.

BiH Progress report 2011

“2.2. Human rights and the protection of minorities

As regards refugees and internally displaced persons, at the end of 2010, 113,365 internally displaced persons, including 7,492 in collective centres, and 7,000 refugees were living in Bosnia and Herzegovina. Some steps have been taken to implement the revised Strategy for implementation of Annex 7 to the Dayton/Paris Peace Agreement, particularly regarding funding for vulnerable groups living in collective centres. Some progress was made in the allocation of the budget for sustainability measures under the revised Strategy. However, procedures for allocating return assistance are not fully in place. Discrimination in access to employment, health care, pension rights and the slow pace of demining, remain barriers to the sustainable return and local integration of internally displaced persons.”

The proposed project is focused on non-discriminatory access to rights aiming at durable solutions.

2.4 PROBLEM ANALYSIS

Many persons are unable to return because their pre-war property is destroyed and is on the list of 45,000 housing units of returnees awaiting reconstruction. In addition, those who never owned property before the war have not had the opportunity to benefit from any project to lead towards a durable solution for them. The same applies to those *de facto* displaced without their status formally recognized who have been excluded based on eligibility criteria for selection of beneficiaries.

At the same time many people who have already returned face conditions that threaten their ability to remain in the place of return. Economic opportunities are scarce, often there is no infrastructure, including electricity, and their access to rights and services, such as health care, education, social protection and pensions, is limited. In other cases the primary obstacle to return is lack of employment opportunities. Although some interventions have included job creation schemes, as well as livestock provision and other small-scale agricultural development support for returnees, these incentives were not, indeed could not be, seen as in support of sustainable economic growth.

Not enough attention so far has been given to funding integrated and comprehensive projects and a structured approach, including the definition of relationships between state, entity/cantonal and municipal authorities responsible for the aforementioned issues on accessing rights, has not yet been developed.

This project intervention is designed to assist those belonging to most vulnerable categories of persons in urgent need of durable solutions with housing and/or employment opportunities for income generation, as well as to ensure their unimpeded access to education, health, pensions and social welfare system.

Local authorities in communities with a huge caseload of vulnerable population are facing problems to provide integrated and comprehensive durable solutions which are preconditions for social inclusion and economic development. Therefore municipalities with increased concentration of vulnerable persons should have respective capacities enhanced in order to adequately respond to their needs on a longer term.

2.5 LINKED ACTIVITIES AND DONOR COORDINATION

EU support: In the period from 1996 to 2002 return and reintegration assistance was funded by international donors according to the priorities set by the Reconstruction and Return Task Force (RRTF) and in line with the views of its two co-chairs, the Office of the High Representative (OHR) and the UN High Commissioner for Refugees (UNHCR). European Union funds have been used to rehabilitate properties, basic utilities and social infrastructure as well as to implement sustainability measures (livelihood measures and creation of employment opportunities). Over the period 1996 to 2004 the total number of properties that will have been reconstructed with EU funds (ECHO and DG ER) is approximately 30,000, ca. 4,500 jobs will have been created, approx. 1,128 technical infrastructure projects will have been successfully completed.

In 2012, the EU financed a study developing recommendations and guidelines on a systematic approach to housing needs, sustainability measures, training of project beneficiaries, local authorities' and civil society counterparts. The project supported also the process of the regulatory framework revision/drafting in relation to access to rights to social protection systems, health care and pensions. In the framework of IPA 2011 assistance a number of activities are planned which should result in strengthening social protection systems at all levels of governments.

Other donors support: A number of donors contributed significantly to the return processes through join or bilateral assistance (Netherlands, Germany, Austria, Sweden, US etc. though provision of housing support and reconstruction of technical and social infrastructure).

Regional Housing Programme: At the International Donors Conference on Durable Solutions for Refugees and Internally Displaced Persons held in Sarajevo on April, 2012 more than 260 million Euros had been registered in firm pledges (230 million earmarked by the EU IPA MB funds) towards the Regional Housing Programme to be released over the estimated five-year implementation period. The Programme provides housing solutions to an estimated 27,000 households or 74,000 individuals and will be implemented in parallel in the four Partner Countries (Bosnia and Herzegovina, Montenegro, Republic of Croatia and Republic of Serbia), beginning in autumn 2012.

With the aim to resolve the issue of displacement across the region and a few of the most vulnerable IDPs, the Joint Regional Program which should ensure 101 million Euros for the respective housing project implementation in Bosnia and Herzegovina will contribute considerably to Annex VII DPA implementation. However, assistance in the form of housing alone might not be sufficient to ensure durable solutions and concomitant measures might be needed to provide for access to rights and sustainable (re)integration of beneficiaries.

In addition, issues pertaining to return of the BiH refugees from other countries and of increasing concern to authorities, a considerably larger population of internally displaced persons which could not be included in the Regional Programme need to be addressed through other initiatives.

With this regard, in parallel to the regional initiative and pursuant to a conclusion of the BiH Parliament passed to ensure necessary credits amounting to 200 million Euros for the Annex VII DPA implementation, the Ministry for Human Rights and Refugees has designed specific projects and undertakes further procedural steps with several international financial institutions for granting loans.

Loans: Finding durable solutions for 2,700 families, altogether 8,500 IDPs in collective centres is one of the Bosnia and Herzegovina's top priorities. To this end, a respective project to support the vulnerable IDPs will soon be submitted to CEB for loan that should amount to approximately 80 million Euros trusting to be approved for financing.

OPEC Fund for International Development (OFID) provided loan for reconstruction of 700 housing units (approx. EUR 6 million); Saudi Fund for Development (SFD) provided loan for reconstruction of 1,000 housing units aiming sustainable return of refugees and IDPs in BiH (approx. EUR 11 million); Turkish government granted loan under reasonable conditions to finance sustainable return, agriculture, rural development and tourism projects (EUR 100 million).

Budgetary allocations: Funds provided in the budgets of all governmental levels in BiH for the needs of refugees and IDPs in 2012 are close to EUR 20 million.

2.6 Lessons learned

The past projects tended to include supporting measures aiming to increase interest to return. These measures focused on return related housing reconstruction in returnee areas, and grants to individuals. The latter were provided because the lack of employment possibilities made returnees especially vulnerable in terms of family income generation and typically consisted of agricultural inputs for rural returnee families and small business grants for urban families. However, to support a longer term economic growth it is necessary for the delivery system to develop more integrated and comprehensive initiatives for sustainable return.

Returnees and displaced persons who choose to locally integrate, particularly those that are extremely vulnerable typically face difficulties with regard to limited access to health care, pension and social protection systems, the labour market and unbiased education. Also, returnees crossing inter-entity lines and returning to areas where their constituent people form a minority, sometimes face discrimination in respect of such access. Enabling access is therefore essential to ensuring durable and sustainable solutions for them. Although there are signs of improvement, this type of discrimination does not appear to have been eradicated. It is therefore necessary that the system comes up with appropriate solutions and measures to remove obstacles enhancing access and combating discrimination.

In that sense a new, integrated, and comprehensive approach and coordinated action is of crucial importance to be ascertained towards resolving the issues of sustainable return, social inclusion and overwhelming development of communities in Bosnia and Herzegovina.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

To contribute to the Revised Annex VII DPA Implementation Strategy goals.

3.2 SPECIFIC OBJECTIVE OF THE PROJECT

A comprehensive structured project approach to provision of durable solutions, including non-discriminatory access to rights is successfully applied in BiH.

3.3 RESULTS

Result 1:

Local capacities of municipal staff and civil society organisations enhanced to deliver services to most vulnerable groups in conformity with UNHCR vulnerability criteria in an inclusive, comprehensive manner.

Result 2:

Durable housing solutions for at least 125 families with most vulnerable individuals provided and access to rights ensured to enable sustainability of return/reintegration or local integration of targeted groups, but not limited to the housing project beneficiaries.

3.4 MAIN ACTIVITIES

In relation with the expected project impact, the following types of actions are planned but not limited to the:

Activities related to Result 1

- A1.1 Draft a set of documents (i.e. criteria for identification of municipalities to be assisted, rulebook for selection of beneficiaries in conformity with UNHCR vulnerability criteria; regulatory framework for social housing units with regards to ownership, disposal, utilization and maintenance; regulatory framework for access to rights, etc).
- A1.2 Deliver a number of trainings (workshops, practise, training of trainers, etc) to municipal staff and civil society organisations to work in line with the new approach.

Activities related to Result 2

- A2.1 Construct at least 75 housing units and reconstruct or rehabilitate at least 50 housing units and connect all of them to public utilities
- A2.2 Rehabilitate pertaining infrastructure for housing connection to public utilities, as well as social infrastructure facilities (refurbishment, adaptation, restructuring, etc.)
- A2.3 Assist at least 125 families to move in re/constructed housing units and provide them with full ownership rights or security of tenure in case of social housing.
- A2.4 Assist at least 150 beneficiaries with sustainability measures (livelihood packages; employment opportunities, SMEs, self-employment, etc.)
- A2.5 Provide at least 250 persons with effective access to rights (education, health care, pensions and social welfare system), as well with access to social assets (furniture, equipment, supplies, subsidies, etc. to be provided where needed).

3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT

Non-discriminatory access to rights, with a special focus to provide durable solutions tailored to the needs of the most vulnerable will further enhance positive and productive relations among citizens of Bosnia and Herzegovina thus contributing in a crucial manner to social inclusion as a precondition for economic reconstruction and development.

The proposed IPA 2012 support will follow recommendations and guidelines to be developed under the Framework Contract for Annex VII realization which should systematically address the housing needs, sustainability measures, training of project beneficiaries, local authorities' and civil society counterparts and support the process of the regulatory framework revision/drafting in relation to access to rights to social protection systems, health care and pensions. With this view, the project will be adapted during the inception phase to accommodate these requirements.

3.6 SUSTAINABILITY

The concept of the project is based on the principles of good governance especially transparency, participation, effectiveness, efficiency, and responsiveness that apply to all dimensions of targeted direct beneficiary activities, municipal support as well as activities at other levels of government. This approach will create a sense of ownership on the part of stakeholders. The focus is on short and the longer term impact, both on direct beneficiary communities as well as on broader systems and mechanisms at the policy and implementation levels.

3.7 ASSUMPTIONS AND PRE-CONDITIONS

Prerequisite to achieve project objectives is full coordination and cooperation among all relevant stakeholders at state, entity/cantonal and municipal levels, including civil society participation representing the social safety network which should adequately address social inclusion issues. In line with their constitutional and legal responsibilities, all relevant institutions from various levels of government in BiH participated in the project preparation thus providing safeguards for the smooth project implementation with the inclusion of non-governmental organisations and representatives of civil society.

Availability of land with access to physical infrastructure (waste water, roads, other public utility services) in case of new construction is a precondition. This will be ensured through a proper planning of the implementation and developed cooperation with competent local authorities.

4 IMPLEMENTATION ISSUES

The project implementation is entrusted to UNHCR given its Annex VII DPA mandate, as well as its capacity, experience and ties with the relevant authorities at all levels, including non-governmental sector.

4.1 INDICATIVE BUDGET

Indicative Project budget (amounts in EUR) (for centralised management)¹

| PROJECT TITLE | | | SOURCES OF FUNDING | | | | | | | | | |
|--|--------|---------|------------------------|------------------|--------------|---------------------------------|----------|-----------------------|------------------------------|--------------------|----------------------|--------------|
| | | | TOTAL EXPENDITURE | IPA CONTRIBUTION | | NATIONAL CONTRIBUTION | | | | | PRIVATE CONTRIBUTION | |
| | IB (1) | INV (1) | EUR (a)=(b)+(c)+(d) | EUR (b) | % (2) | Total EUR (c)=(x)+(y)+(z) | % (2) | Central EUR (x) | Regional/Local EUR (y) | IFIs EUR (z) | EUR (d) | % (2) |
| Activity 1 | | | 8 107 500 | 7 000 000 | 86.34 | | | | | | 1 107 500 | 13.66 |
| Contract 1.1 (Direct grant to UNHCR) | - | X | 8 107 500 | 7 000 000 | 86.34 | | | | | | 1 107 500 | 13.66 |
| TOTAL IB | | | | | | | | | | | | |
| TOTAL INV | | | 8 107 500 | 7 000 000 | 86.34 | | | | | | 1 107 500 | 13.66 |
| TOTAL PROJECT | | | 8 107 500 | 7 000 000 | 86.34 | | | | | | 1 107 500 | 13.66 |

¹ Under centralised mode of implementation of IPA assistance the co-financing is implemented as parallel co-financing.

4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

| Contracts | Start of Tendering/ Call for proposals | Signature of contract | Project Completion |
|--------------|---|-----------------------|--------------------|
| Contract 1.1 | Q4/2013 | Q3/2014 | Q3/2016 |

4.3 CROSS CUTTING ISSUES

4.3.1 *Equal Opportunities and non discrimination*

Equal opportunities and non-discrimination principles will be respected as regarding gender as well as minorities at the programming and implementation stage. Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

4.3.2 *Environment and climate change*

The project implementation involving construction should strive to apply the highest technical building standards to maximize energy efficiency, environmental protection and ensure sustainable development. In most cases energy efficiency in the buildings must be enhanced, enriched and the relevant EU Directives have to be implemented. Given the fact that minimum living conditions through the applicable legislation and regulatory framework in BiH to a certain extent limit the issue to be covered, this has to be further supplemented with the addition of the project terms of reference to provide for constructing energy efficient buildings and houses.

4.3.3 *Minorities and vulnerable groups*

The needs of the targeted vulnerable population change with their age, gender, education, health condition, duration of displacement and living conditions and many other complex aspects of protracted “temporary” situations. It is expected that inclusion of local population in need will have a catalytic effect and enhance the social integration process of the displaced populations, the creation of a framework for prioritising, gathering, analysing and incorporating social information and the conditions for ensuring adequate participation into the design and delivery of tailor made durable solutions could be beneficial to generally improve access to rights and enhance social integration.

4.3.4 *Civil Society/Stakeholders involvement*

IPA programming process included consultations with Civil Society and Donor Community in BiH, through two consultation meetings and exchange of relevant information on the process and individual proposals. All relevant institutions from various levels of government in BiH participated in the preparation of the project proposal.

While significant benefits will flow from the economic effects of the project, there is need to also identify and evaluate the associated potential negative outcomes. The social impact of the project needs to be identified and possibly measured. This process will be managed in such a way that positive externalities are magnified and negative ones minimized. Nevertheless, overall local economies will significantly affect the magnitude of positive economic and social impacts.

In order to avoid concentration of the poor and disadvantaged, protraction of poverty and stigmatisation of the beneficiaries, tenure diversification will be particularly considered when and if possible.

ANNEXES

Documents to be annexed to the Project fiche

- 1. Log frame**
- 2. Description of Institutional Framework**
- 3. Reference list of relevant laws and regulations only where relevant**
- 4. Details per EU funded contract(*) where applicable:**
- 5. Project visibility activities**

The Project visibility activities will be undertaken according to the specific project activities implemented, in line with the EU visibility and communication rules and requirements.

ANNEX 1: Logical framework matrix in standard format

| | | | |
|--|--|--|---|
| LOGFRAME PLANNING MATRIX FOR Project Fiche | | Project title and number: | 9 Support to durable solutions of Revised Annex VII DPA Implementation Strategy |
| | | Contracting period expires: Three years following the date of the conclusion of the Financing Agreement | Execution period expires: Two years following the contracting expiry date |
| | | Total budget: | EUR 8 107 500 |
| | | IPA budget: | EUR 7 000 000 |
| Overall objective | Objectively verifiable indicators (OVI) | Sources of Verification | |
| To contribute to the Revised Annex VII DPA Implementation Strategy goals. | Comprehensive durable solutions for most vulnerable Annex VII DPA targeted groups reached. | Progress Report on implementation of the Revised Annex VII DPA Strategy goals | |
| Specific objective | Objectively verifiable indicators (OVI) | Sources of Verification | Assumptions |
| A comprehensive structured project approach to provision of durable solutions, including non-discriminatory access to rights is successfully applied in BiH. | Key actors provide comprehensive services to targeted groups who exercise their rights effectively. | Competent authorities' reports CSOs Reports on Human Rights Other relevant independent agencies' reports | The pilot project accepted as a model for provision of durable solutions in BiH. |
| Results | Objectively verifiable indicators (OVI) | Sources of Verification | Assumptions |
| Result 1: Local capacities of municipal staff and civil society organisations enhanced to deliver services to most vulnerable groups in conformity with UNHCR vulnerability criteria in an inclusive, comprehensive manner. | I.1.1 Satisfactory quantity and quality of developed documents for structured project approach I.1.2 Municipal staff and civil society organisations started independently to work in line with the new approach and deliver services in line with best practices. | Monitoring and progress reports of competent authorities, implementing agencies, EC RoM | Coordination and cooperation among all relevant stakeholders at state, entity/cantonal and municipal levels, including civil society participation. |
| Result 2: Durable housing solutions for at least 125 families with most vulnerable individuals provided. | I.2.1 At least 75 housing units constructed and at least 50 housing units reconstructed or rehabilitated; all of them connected to public utilities; I.2.2 At least 125 families, beneficiaries of housing assistance moved in their homes and provided with full ownership rights or security of tenure in case of social housing. I.2.3 At least 150 beneficiaries assisted with sustainability measures | | |

| | | | |
|---|--|--------------------------------------|---|
| | I.2.4 At least 250 persons provided with effective access to rights, as well with access to social assets. | | |
| Activities to achieve results | Means / contracts | Costs | Assumptions |
| <p>Activities related to Result 1:</p> <p>A1.1 Draft a set of documents (i.e. criteria for identification of municipalities to be assisted, rulebook for selection of beneficiaries in conformity with UNHCR vulnerability criteria; regulatory framework for social housing units with regards to ownership, disposal, utilization and maintenance; regulatory framework for access to rights, etc).</p> <p>A1.2 Deliver a number of trainings to municipal staff and civil society organisations to work in line with the new approach.</p> <p>Activities related to Result 2:</p> <p>A2.1 Construct at least 75 housing units and reconstruct or rehabilitate at least 50 housing units and connect all of them to public utilities</p> <p>A2.2 Rehabilitate pertaining infrastructure for housing connection to public utilities, as well as social infrastructure facilities (refurbishment, adaptation, restructuring, etc.)</p> <p>A2.3 Assist at least 125 families to move in re/constructed housing units and provide them with full ownership rights or security of tenure in case of social housing.</p> <p>A2.4 Assist at least 150 beneficiaries with sustainability measures (livelihood packages; employment opportunities, SMEs, self-employment, etc.)</p> <p>A2.5 Provide at least 250 persons with effective access to rights (education, health care, pensions and social welfare system), as well with access to social assets (furniture, equipment, supplies, subsidies, etc. to be provided where needed).</p> | Contribution Agreement with UNHCR | <p>IPA 2012</p> <p>EUR 7 000 000</p> | Readiness of local authorities to cooperate |

ANNEX 2

Description of Institutional Framework

In the framework of the EU strategy in the return sector, and in line with a *Strategy of Bosnia and Herzegovina and the RRTF for the implementation of Annex VII with regard to the return of refugees and displaced persons and building capacity for a transfer of responsibilities to domestic institutions* developed by the BiH Ministry for Human Rights and Refugees (MHRR), UNHCR and OHR in late 2002, the responsibility for the return process in BiH had been transferred to the local authorities.

With this view and as prescribed by law the MHRR is responsible for all activities related to Annex VI and Annex VII of the General Framework Agreement for Peace in Bosnia and Herzegovina. At entity level, Federation Ministry of Displaced Persons and Refugees and Ministry of Displaced Persons and Refugees of Republika Srpska, including Department for Displaced Persons, Refugees and Housing Issues in Brcko District of BiH, are responsible authorities for all issues related to internally displaced persons and returnees.

The project's Steering Committee will comprise the responsible authorities listed above, and they will decide on their representatives upon the project commencement.

ANNEX 3 - Reference list of relevant laws and regulations

KEY REGULATIONS AND BASIC COMPETENCIES

| |
|--|
| Provision on Ratification of International Conventions (R BiH Official Gazette no. 5/92) |
| General Framework Agreement for Peace in Bosnia and Herzegovina Annex 4 - Constitution Annex 6 - Human Rights Annex 7 - Refugees and Displaced Persons |
| F BiH and RS Constitutions and BiH Brcko District Statute |
| Law on Ministries and Other Bodies of Administration of Bosnia and Herzegovina (BiH Official Gazette nos. 5/03, 42/03, 26/04, 42/04 and 45/06), entity laws governing competencies in F BiH, RS and the BiH Brcko District Statute |
| BiH Law on Refugees from BiH and Displaced Persons in BiH (BiH Official Gazette nos. 23/99, 21/03 and 33/03) |
| F BiH Law on Displaced-Expelled Persons and Refugees-Returnees (F BiH Official Gazette no. 15/05) |
| RS Law on Displaced Persons, Returnees and Refugees (RS Official Gazette no. 42/05, 15/12) |

ANNEX 4 - Details per EU funded contract

Grant scheme: Contribution Agreement with UNHCR

Introduction

Many of those with vulnerabilities within UNHCR's population of concern have difficulties in accessing their rights and efforts to return are often thwarted by their not having been selected for adequate and individualised assistance. Therefore, given its protection capacity, its experience and its ties with the relevant authorities at all levels, the participation of UNHCR will lend needed transparency to the project implementation process.

R1. UNHCR will in the inception phase of the project develop a methodology which will support government structures at all levels to utilise more effective and efficient mechanisms of policy setting, definition of vulnerability criteria and prioritisation of areas of implementation. It will seek to make effective use of data that has already been made available through various surveys, assessments and studies. In addition to assuming responsibility for a number of databases currently maintained by ad-hoc bodies, there is a need to revalidate the Database of Displaced Persons and Refugees (DDPR), and to ensure that it incorporates, or is systematically complemented by, vulnerability assessments that allow cases to be prioritized on the basis of need as defined by objective criteria. This will render the DDPR once again fully functional as the most comprehensive and systematic collection of data on DPs within BiH, an indispensable tool for streamlined priority-setting based on hard data. UZOPI (Union for sustainable return and integrations) survey of returnees in BH can be a basis to distil UNHCR data available as a result of the experience in the process of identification of beneficiaries through field monitoring and assistance activities (implemented in over 45 municipalities in the country in 2011 alone). Data collection and management are a critical function, since the efficient and quality-focused provision of quantitative analysis is an important basis of any transparent prioritisation of needs; without reliable and uncontroversial data, any prioritisation will be open to political challenge.

Through a Programme Consultative Group (PCG) UNHCR will work closely with the BiH authorities at all levels in identifying potential beneficiaries and in drafting rules and procedures for project implementation as well as in designing eligibility criteria for identification of municipalities to be assisted, together with the instruction for selection of beneficiaries in conformity with UNHCR vulnerability criteria (both, for durable housing solutions and socio-economic support measures and access to rights). This will help to avoid any overlap or differences of approach when it comes to two EU funded projects in the country which will be implemented almost in parallel (RHP and Support to durable solutions activities of Revised Annex VII DPA implementation Strategy). UNHCR with its implementing partners will be in a position to steer the process of resolving any potential ambiguity or concerns so as to ensure the fairness of

beneficiary selection. The Steering Committee of the project will confirm the methodology developed and support the implementation.

R.2. The Project will ensure systematic and coordinated identification of prioritized vulnerable families in need of solutions, ensuring more proactive involvement in this process of the national actors that need to assume responsibility for alleviating vulnerability in future, namely the municipality social welfare centres, the civil society organizations that are active in the area, and the development programmes that have potential to adopt a more inclusive approach towards the most vulnerable households. The project will then demonstrate a coordinated approach to more proactively including the identified vulnerable families in existing developmental and social welfare structures and plans. This will ensure that the impact of the project is amplified by greater assumption of responsibility and more concerted action by national actors for Annex VII beneficiaries, and will better equip the same national actors to identify and respond to such needs of this population as will remain in future.

This component of the project will be coordinated with the relevant state, entity, cantonal and local authorities, including through the high-level consultative mechanism currently being established to oversee and support the implementation of the Annex VII revised strategy across the country. Local capacity enhancement will be implemented through close cooperative work with targeted municipalities thus sharing information and experience. Representatives of municipalities will be consulted on the potential beneficiaries, their capacities and expected impacts. They will participate in the selection of beneficiaries and targeted communities. UNHCR will insist on their full cooperation and facilitation of the project implementation in each of the targeted clusters of municipalities with the aim of maximizing the impact and catalytic effect of the inputs provided. Fuller participation in the provision of assistance with rights and livelihoods to extremely vulnerable beneficiaries will be sought from the municipal social care institutions, whose assistance is currently limited to the payment of allowances to pre-defined groups, thus providing them with valuable direct experience of fostering self-sustainability and economic independence.

Drawing on the skills and knowledge developed by the officials in over 70 municipalities in the country through UNDP's Integrated Local Development Programme (ILD) and Reinforcement of Local Democracy (LOD) project, and through UNICEF's Social Protection and Inclusion System for Children (SPIS), which had each created necessary implementation structures at the local level, it is expected that the dissemination of the methodology to be developed for the Annex VII Project will be able to be done through already existing bodies, thus avoiding duplication and contributing to more streamlined coordination and planning. This Project also represents a cross-cutting issue which encompasses all aspects of the provision of services and assistance to the vulnerable individuals. It is necessary to work together and ensure vertical coordination (bottom-up and top-down) among various development planning levels and various groups of beneficiaries in the country so that they assist the most vulnerable in line with the responsibility of each level of government for implementing and coordinating policies within its own competencies.

R.3 The hurdle standing in the way to developing a self-sustaining social housing programme in BiH is the lack of relevant laws, regulations and strategies. In their absence it has been necessary to conduct constant advocacy campaigns building on the achievements of the projects completed to date in the field of social non-profit housing. Equally importantly, it has been vital to sustain the momentum and capacity generated so far by the institutions and CSOs involved in these projects.

All activities implemented under this section of the project will be based on the lessons learned from a small number of pilot social housing projects. UNHCR has directly supported various operational programmes providing non-profit social housing to vulnerable IDPs in collective centres. In 2009-11, such facilities were opened in: Fojnica, Jablanica, Srebrenica and Zenica. These projects provide examples to other municipalities of the type of assistance that is required – and possible – in order to provide IDPs in collective centres with the decent living conditions that they urgently require.

Beyond these innovative initiatives at the local level, much more remains to be done. UNHCR will continue with the joint efforts underway with the Government, led by the Ministry for Human Rights and Refugees (MHRR) with the support of OSCE and CSOs (such as CRS and Hilfswerk International), to develop a social housing policy and legislative framework for BiH. UNHCR also is working with the Government to address the resource gap for social housing programmes. In a joint project with the Council of Europe Development Bank (CEB), UNHCR has provided technical assistance to the Government to develop a loan application for a total of EUR 80 million to fund the closure of 70 collective centres by replacing them with social housing facilities that will provide assisted living or similar forms of care and support to 7,000 of the more than 8,600 remaining collective centre residents in BiH. Moreover, by supporting the Government to develop a state-level program for providing non-profit social housing to vulnerable IDPs, the joint UNHCR-CEB project also should contribute to the future development and, it is to be hoped, prompt finalization of a state-level social housing policy in BiH. This will benefit not only vulnerable displaced persons but all persons in the country who require support to access their right to dignified housing. Most of the recommendations from the EU funded “Social housing in Bosnia-Herzegovina: needs assessment study” are still pertinent and will be further utilised.

In the course of 2012 UNHCR will continue with specific actions such as: the promotion of the “Recommendations for the development of social non-profit housing in BiH” developed by Catholic Relief Services from the experience of its pilot programmes, development of 2 cantonal laws in Zenica-Doboj and Gorazde and municipal strategies of social housing, continue with the research on housing needs of the remaining Collective Centers and coordinating peer-to-peer study visits of the government stakeholders. That will be continued in the process of implementation of the “Support to durable solutions activities of Revised Annex VII DPA Implementation Strategy”. The project takes a bottom-up approach (supporting individuals directly) combined with the top-down approach (advocating with relevant authorities), which should reap the best results and maximum impact to the beneficiaries.

R4. Keeping in mind the economic environment in the country, this project will aim to achieve its objective of providing the most vulnerable families with sustainable durable solutions by supporting the self-employment initiatives proposed by the families themselves in response to their specific circumstances and capacities. Immediate assistance will come by way of small-scale interventions that will support livelihood measures. Each intervention will be designed to match the needs, abilities and interests of the beneficiaries. The form of assistance chosen will include both agricultural and livestock breeding and non-agricultural income generating activities. It could also provide job-creating grants to small or medium-sized entrepreneurs for the employment of returnees for periods of at least two years. Under no circumstance will interventions take the form of a cash grant. The project will endeavor to use locally available renewable resources and appropriate technologies, thus supporting the overall economic wellbeing of the targeted communities.

Furthermore, the project will aim to establish links between vulnerable families and existing development programmes, facilitating their admission to cooperatives, extension programmes, employment bureaus or other economic schemes and initiatives present in the area. This step will improve the longevity of the project's impact. Linking beneficiaries to local cooperatives or other markets will increase product demand and revenue. Moreover, it will facilitate positive interaction between beneficiaries and the domicile community and reduce the isolation of returnees / locally integrating IDPs, thus minimizing the potential for a secondary displacement. Lastly, the linkages will help the economic recovery process in supported communities.

Since persons of concern are spread throughout the country, five Teams will be created based on UNHCR's five current Areas of Responsibility (AoR) and will each include a team leader and at least two implementing partners. They will support a selected cluster of municipalities in each AoR once the methodology is adopted and implemented. The AoR focal points within UNHCR's field unit will act as team leaders and will provide guidance and expertise to beneficiary selection and project implementation. Implementing partners Hilfswerk Austria International (HWA), BH Humanitarian Logistical Services (BHLS), and Vasa Prava BiH (VPBiH) will use their in-depth knowledge of needs in the field to develop stakeholder relationships and coordination mechanisms and to design and deliver appropriate assistance to the beneficiaries. HW and BHLS will be in charge of durable housing solutions and sustainability measures, and Vasa Prava BiH will cover access to rights. Social housing local experts, experts for the development of the methodology and training-of-trainers will also be included in the project.

Staff and support costs of UNHCR, and other staff and support costs of the implementing partners, will be borne by UNHCR from other sources of funding, thus ensuring a co-financing that will make a significantly larger share of the EU funding under this project available for direct assistance to the most vulnerable persons.

UNHCR with the partners will attract additional co-funding from local authorities and other potential donors to supplement the project with infrastructure reconstruction and small-scale reconstruction of houses or agriculture premises.