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ANNEX VI

of the Commission Implementing Decision on the financing of the annual action plan in favour of Bosnia and Herzegovina for 2022

Action Document for EU4People (Employment and Social Protection)

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23 of NDICI - Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

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Title	Action Document - EU4People (Employment and Social Protection)
	Annual Action Plan in favour of Bosnia and Herzegovina for 2022
OPSYS	ACT-61476; JAD.1045709
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Team Europe Initiative	No
Zone benefiting from the action	The action shall be carried out in Bosnia and Herzegovina
Programming document	IPA III Programming Framework
	PRIORITY AREAS AND SECTOR INFORMATION
Window and	Window 4: Competitiveness and Inclusive Growth
thematic priority	Thematic Priority 1: Education, employment, social protection and inclusion
	policies, and health
Sustainable	Main SDG: Goal 8. Promote sustained, inclusive and sustainable economic growth,
Development Goals	full and productive employment and decent work for all
(SDGs)	Other significant SDGs:
	Goal 4. Ensure inclusive and equitable quality education and promote lifelong
	learning opportunities for all
	Goal 5. Achieve gender equality and empower all women and girls
	Goal 10. Reduce inequality within and among countries
DAC code(s)	Main DAC code – 160; Sub-code 1: - 16020 Employment creation
	Main DAC code – 160; Sub-code 1: - 16010 Social protection;
Main Delivery	Bilateral
Channel @	

(from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective		
'	Participation development/good governance		\boxtimes			
	Aid to environment	\boxtimes				
	Gender equality and women's and girl's empowerment					
	Trade development					
	Reproductive, maternal, newborn and child health					
	Disaster Risk Reduction					
	Inclusion of persons with Disabilities			\boxtimes		
	Nutrition					
	RIO Convention markers @	Not targeted	Significant objective	Principal objective		
	Biological diversity					
	Combat desertification	\boxtimes				
	Climate change mitigation					
	Climate change adaptation					
Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective		
	Connectivity					
	Digitalisation		\boxtimes			
	Migration	\boxtimes				
	COVID-19	\boxtimes				
	BUDGET INFORM	IATION				
Amounts concerned	Budget line: 15.020201					
	Total estimated cost: EUR 23 000 000					
	Total amount of EU budget contribution EUR 23 000 000					
MANAGEMENT AND IMPLEMENTATION						
Implementation modalities (type of financing and management mode)	Project Modality Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.4					
Relevant priorities and flagships from Economic and	Priorities: Human Capital Development Flagships: 8 – Digital Infrastructure and 10 – Youth Guarantee					

Investment Plan for the Western Balkans	
Final Date for conclusion of Financing Agreement	At the latest by 31 December N+1
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation [eligibility period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

The objective of this Action is to continue supporting reform efforts in the two sub sectors, namely: (i) *employment* and (ii) *social sector* - social policy and inclusion. The two sub sectors are instrumental to improving socio-economic recovery in Bosnia and Herzegovina and well-being of its citizens. The Action builds on already planned and programmed EU support in these sub-sectors, IPA 2020 and 2021, in a synergic and complementary manner. It <u>also</u> aims to further support the country in addressing the post-pandemic challenges by contributing to economic growth, job security, quality of education and a system of better social protection and inclusion, with a view of contributing to green transition and digitalisation in Bosnia and Herzegovina.

The IPA III Programming Framework (PF) calls for the post-COVID-19 economic recovery to go hand in hand with the transition to a sustainable, socially just, resilient and climate neutral economy. PF notes that these measures need to be complemented by, *inter alia*, medium term measures and actions to advance structural reforms and spur inclusive and sustainable economic growth and stimulate recovery, such as: (i) employment policies, with focus on improving employability and skills enhancement – especially amongst women and youth, but also persona in vulnerable situations, including Roma, persons with disabilities and LGBTIQ; (ii) social protection and inclusion measures related to a further development of the social protection system. PF also underlines that IPA III will continue to support reforms to improve the governance and financing systems of the social policies and the education systems with a view of fostering inter-sectoral cooperation.

In the **employment sector,** the Action will focus on support for development and implementation of a comprehensive set of active labour market measures (ALMM). Aside from these main objectives the project will also look into post pandemic challenges. In the **social sector**, the focus will be on promotion of social protection and inclusion, as well as on combating poverty. The Action aims to further build the capacities of Centres for Social Work (CSW), support establishment and strengthening of integrated model of social protection at local level, as well as non-institutional forms of social protection, all through an integrated *Social programme*. The Action will also continue supporting efforts to enhance social inclusion of persons in vulnerable situations, with focus on Roma, single mothers, persons with disabilities (PwDs) and

internally displaced people (IDPs) and returnees, through a coherent approach, while at the same time addressing gender inequality. Implementation of activities related to gender equality in employment, education and social protection, will contribute to achieving the SDGs 4- Education, 5- Gender Equality and 8- Decent Work.

2. RATIONALE

2.1. Context

Bosnia and Herzegovina economy, and hence society continues to be affected by pandemic challenges. Bosnia and Herzegovina Economic Reform Program (ERP) 2021-2023¹ projected 2021 GDP contraction of 3%. The economic fallout from COVID-19, as well as with past economic downturns, is expected to disproportionally affect young people, women and persons in vulnerable situations, including but not limited to, Roma, PwDs, disabled and displaced persons. Moreover, many on low income and grey economy earners have lost jobs, which put them at greater risk of exposure to vulnerability, poverty and reliance on social protection system. At the same time, Bosnia and Herzegovina needs to continue with structural reforms related to labour market and employment, education, social policy² and inclusion, and health.

In light of COVID-19 realities and its economic aftermath, the countries of the Western Balkans region, including Bosnia and Herzegovina, need to step up their efforts further to implement structural reforms, inter alia, in labour market and employment, education, social policy and inclusion and health, and accelerate convergence with the EU, in order to improve post pandemic recovery.

The overall objective under PF Window 4 (W4) is to strengthen economic and social development, including through education, innovation, social inclusion and employment policies. One of the four TP specific objectives is particularly relevant for this AD, namely Thematic Priority 1 in terms of fostering quality employment and access to the labour market, reducing the proportion of informal employment as well as promoting equality and non-discrimination social protection and inclusion and combating poverty. Proposed intervention under this Action is fully in line with this specific objective. The employment interventions foreseen under this action are in line with TP1, as they will support activities to foster quality employment, access to the labour market and reduce the proportion of informal employment. Moreover, interventions foreseen under this Action as a final impact, aim to promote social protection and inclusion and combat poverty.

Strategic Framework

With the Joint Socio-Economic Reforms 2019-2022 (JSER), the Bosnia and Herzegovina authorities have made strategic commitments to address the main socio-economic challenges facing Bosnia and Herzegovina, in line with the EU's 66 key short-term socio-economic priorities derived from the EC's Opinion and the Joint Conclusions, as well as those necessitated by the COVID19 pandemic. The Bosnia and Herzegovina authorities are developing the actions plans or the implementation of the JSER, and they are committed to improving economic governance and inter-governmental coordination and cooperation, recognising the interconnectedness of economic activity across the country. The upcoming countrywide JSER measures will, inter alia, aim to improve: (i) employment policies and the financial sustainability of the social protection system in the country, and (ii) provide opportunities for young people, women and persons in vulnerable situations.

¹ Directorate for Economic Planning (DEP) – Macroeconomic projections, January 2021.

² Bosnia and Herzegovina spent 18.3% of its GDP in 2019, and an estimate of 20% of its GDP in 2020 on social benefits, with social assistance accounting approximately for 4.6% of GDP. This is based on non-contributory programmes, with a majority going to war veterans. It is estimated that 1% is distributed to the most vulnerable citizens.

Bosnia and Herzegovina Economic Reform Programme 2021-2023 (Bosnia and Herzegovina ERP) contains a number of structural reforms, spread across eight structural reform policy areas/sectors composed of planned priority reform measures to increase competitiveness, employment and facilitate sustainable and inclusive, post pandemic growth. Envisaged post pandemic recovery measures are organised under the following relevant structural policy areas: (i) education and skills – 16. improving the link between education and labour market, (ii) employment and labour market – 17. improving the labour market efficiency through effective employment policies and strengthening the role of mediation, and (iii) social protection and inclusion – 18. improving the social protection system.³

Strategic Framework of Bosnia and Herzegovina outlines a medium-term development vison Bosnia and Herzegovina and serves as the basis for preparation of Bosnia and Herzegovina Council of Ministers (CoM) medium term work (two year) programmes. The Strategic Framework for Bosnia and Herzegovina presents five growth and development principles: integrated, smart, sustainable and inclusive growth, as well as governance for growth; and 14 strategic priorities/goals Bosnia and Herzegovina, with the ones relevant for this AD objectives being: (i) ensure human capital development, (ii) increasing employment opportunities, and (iii) reducing poverty and social exclusions. Bosnia and Herzegovina CoM Medium Term Work Programme 2020-2022 maintains the same five growth and development principles and 14 strategic priorities. The most relevant one is: inclusive growth – a. increasing employment opportunities, b. promoting inclusiveness in education (as well as overall education participation), c. poverty and social exclusion reduction, *inter alia*, through improvement of social protection and pension policies, and d. improving health protection.

The main policy objective of relevant authorities in Bosnia and Herzegovina is to implement a number of targeted measures to address structural problems in the sectors, namely, to address **high unemployment**, **skills and education challenges post pandemic and implement a number of targeted social sector inclusion policies.** The Action follows the national development objectives and is compliant with sectoral strategic documents and **will contribute to addressing structural problems in the sector and significant socioeconomic needs with a significant impact.** This Action aims to improve socio-economic recovery of Bosnia and Herzegovina and well-being of its citizens. By further implementation of the ALMM focusing on youth, women and hard-to-employ categories and by focusing on on addressing social and equality issues in the country it will contribute to the economy that works for all the people as stressed out under the **EC Commission's priorities for 2019-2024**⁴.

Employment

The Labour and Employment Agency of Bosnia and Herzegovina developed the 2020 Plan on guidelines for labour market policy and active employment measures in Bosnia and Herzegovina in cooperation with the Federation of Bosnia and Herzegovina, Republika Srpska and Brcko District of Bosnia and Herzegovina

³ Under SR17: *Improving the labour market efficiency through effective employment policies and strengthening the role of mediation*, priority measures entails: improving the efficiency of the labour market system through the harmonization of legislation with European legislation and international documents, as well as through the implementation of effective employment policies and strengthening the role of mediation of public services in employment. SR18 of ERP focuses on: *Improving the social protection system* through: development of an efficient, sustainable and fair system of social protection and protection of families with children that will guarantee basic and equal rights of socially vulnerable categories through harmonization of the legal framework and establishment of a fair system for social protection and protection of families and children, improving and supporting the social services system in order to reduce social exclusion [Federation of Bosnia and Herzegovina] and establishment of the Institute for Social Protection, development of the Social Protection Strategy of the Republika Srpska, and upgrading the SOTAC electronic database and networking with other sources of electronic data.

⁴ The von der Leyen Commission's priorities for 2019-2024, Briefing, p. 3 Implementing the social pillar and promoting equality.

Employment Services, and sent it to further procedure through the MCA. At the proposal of the MCA, Bosnia and Herzegovina CoM, adopted *a Decision on the Adoption of the Plan on guidelines for labour market policies and active employment measures for 2020* (18th session of 22 October 2020). The document contains fundamental guidelines for implementation of labour market policy and active employment measures planned by the relevant State and entities' institutions in the field of employment in 2020. The document's starting points were the priority goals from the work programmes of the Bosnia and Herzegovina Labour and Employment Agency, Federation of Bosnia and Herzegovina Employment Service, Republika Srpska Employment Service and Brcko District of Bosnia and Herzegovina Employment Service for 2020, which were accepted by the competent ministries and institutions.

Throughout 2020, the Bosnia and Herzegovina Ministry of Civil Affairs (MCA) has initiated and coordinated a process of developing a country-wide employment strategy that would encompass entity-level strategies⁵.

The MCA drafted a strategic document - *Priorities in the Field of Youth in Bosnia and Herzegovina 2019-2022* and sent it to the competent institutions in Bosnia and Herzegovina for an opinion. It contains six priority areas: Youth employment and entrepreneurship; Formal and non-formal education and lifelong learning; Health and preventive protection, reproductive health of young people; Social policy towards young people; Cultural and sports activities of young cultures, sports and use of free time and Youth safety. The document is in line with Flagship 10 of the Economic and Investment Plan for the Western Balkans relating to Youth Guarantee (YG) *and Declaration on sustainable labour market integration of young people*, which outlined concrete steps to gradually establish, implement and enhance the YG under EIP.⁶

Social Sector

There are no countrywide strategic documents in Bosnia and Herzegovina for the area of social protection and social inclusion. The following countrywide strategies are relevant for the sector: **JSER** stresses the measures for the implementation of policies that provide opportunities for young people, women and persons in vulnerable situations. **Disability Policy in Bosnia and Herzegovina** (2008) outlines fundamental guidelines for strengthening social inclusion of persons with disabilities in Bosnia and Herzegovina.

Roma Problem-Solving Strategy of Bosnia and Herzegovina puts stress on the non-discrimination of Roma and raising awareness of necessity for inclusion of Roma in all social processes in Bosnia and Herzegovina. Action plans for Roma in Bosnia and Herzegovina specifically target areas of education, employment, housing and health protection - Action Plan for Addressing Roma Issues in the Fields of Employment, Housing and Health Care, Framework Action Plan on the Educational Needs of Roma. Bosnia and Herzegovina Council of Ministries on its session held in April 2022 adopted Action Plan of Bosnia and Herzegovina for social inclusion of Roma men and women for the period 2021-2025 based on the regional Declaration of Roma Integration (2019). The Action plan has five relevant goals: (i) strengthening support system, coordination and monitoring in order to reduced discrimination against Roma men and women, (ii) improving employability and employment of Roma men and women, (iii) improving living conditions of Roma population in Bosnia and Herzegovina, (iv) improving availability and quality of healthcare for members of Roma population in

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⁵ The Federation of Bosnia and Herzegovina Employment Strategy 2021-2027 had been approved by the Federation of Bosnia and Herzegovina Government in May 2021 and adopted on 27 September 2021, by the Federation of Bosnia and Herzegovina House of Representatives, but was rejected by the Federation of Bosnia and Herzegovina House of Peoples on the session held on 23 November 2021. This means that the draft strategy is now returned back to the Federation of Bosnia and Herzegovina Government and the Ministry of Labour for further amendments. The strategic framework for youth is yet to be defined. In the absence of Federation of Bosnia and Herzegovina Employment Strategy, it is worth noting that the Federation of Bosnia and Herzegovina government adopted Federation of Bosnia and Herzegovina Development Strategy 2021-2027 in February 2021. Its priority 2.4. focused on reducing unemployment and employment inactivity, especially long term one, trough, inter alia, strengthening capacity and function of PES's. The Republika Srpska Ministry of Labour, War Veterans and Disabled People's Protection adopted the 2021-2027 Republika Srpska Employment Strategy. The Youth Guarantee has been incorporated under this strategy as well as the plan for its financing. Brcko District of Bosnia and Herzegovina will not develop its own employment strategy. Instead, it will include the employment sector within the Brcko District of Bosnia and Herzegovina Development Strategy.

⁶ Endorsed at the Second EU – Western Balkans Ministerial Meeting on Employment and Social Affairs, held in Slovenia in July 2021.

Bosnia and Herzegovina, and (v) improving coverage of education of Roma men and women through a more effective implementation of Framework Plan of Education Needs. Specific objectives of this Annual Action Plan are in line with the defined goals of the Action Plan of Bosnia and Herzegovina for social inclusion of Roma.

Revised Strategy on implementation of Annex VII of Dayton Peace Agreement has the overall objective to engage national authorities and civil society at all levels and across all sectors in a coordinated and prioritised plan to implement the commitments made in the Dayton Peace Agreement Annex VII, so to identify and resolve the remaining obstacles to solutions for the most vulnerable displaced and returnee families in line with the mapping recommendations.

Relevance and complementarity with EU Policy

Economic and Investment Plan for the Western Balkans (EIP) highlights that there is a need for all the Western Balkans (WBs) to improve labour market participation, especially of young people and women, disadvantaged groups and minorities, in particular Roma, as a priority so that it can strongly contribute to economic growth. More specifically, EIPs — Flagship Initiative 10: YGF targets NEETs (youth not in employment, education or training), with added focus on 25-29-year-olds, where we have higher NEET rates and skills mismatch. Within the EIP context, Western Balkans governments are expected to actively engage in the Phase 1 (mapping) of the YG Implementation Plans, where countries; task forces design implementation plans with EU support. These are then expected to be implemented first through the pilot phase (Phase 4) and then full deployment (Phase 5). Countries are expected to take the lead when it comes to implementation of the YGF measures by, *inter alia*, developing pertinent implementation plans, which should contain the plan of intervention and elaboration on how they will be implemented.

One of the objectives of the **European Green Deal** is to improve welfare and wellbeing of all citizens and future generations, through trainings for future jobs and new skills. This is best seen in an objective of the EU Green Deal under section 2.2.4., which reads: *schools, training institutions and universities are well placed to engage with pupils, parents, and the wider community on the changes needed for a successful transition.* The Youth Guarantee should be used to enhance employability in the green economy.

Envisaged activities on advancing digital education and developing digital curriculum model on education in pandemic circumstances and strengthening infrastructure in primary education are largely aligned with the European Green Deal objectives. The implementation of activities aligned with the EU Green Deal objectives is of paramount importance for Bosnia and Herzegovina socio-economic recovery, also in the context of the SDGs Framework in Bosnia and Herzegovina adopted by the Bosnia and Herzegovina Council of Ministers..

The Commission Communication of February 2018 on A credible enlargement perspective for and enhanced EU engagement with the Western Balkans⁷ stresses the challenges facing private sector development in the WB region with an emphasis on their effects on employment opportunities for younger people. It outlines Commission's support measures for enhanced growth and job creation, with a focus on youth. It also stresses that economic reforms must be pursued, and structural weaknesses, low competitiveness and high unemployment addressed.

The 2021 Commission Report on Bosnia and Herzegovina further urges BiH and relevant institutions to address serious challenges as regards employment, social inclusion and protection, and poverty reduction, especially related to coordination among the responsible institutions across the country. It

⁷ https://ec.europa.eu/info/sites/default/files/communication-credible-enlargement-perspective-western-balkans_en.pdf

also urges BiH to align legislation at all levels of government with the framework laws on education, ensure application of the common core curriculum based on learning outcomes, ensure social inclusion at all stages of education and develop and implement youth strategies across the country.

The Joint Conclusions of the Economic and Financial Dialogue between the EU and the Western Balkans and Turkey (May 2020)⁸ call upon Bosnia and Herzegovina to take immediate measures to preserve employment, and to strengthen the capacity and human resources of employment offices to ensure more active support to registered jobseekers including an increased provision of active labour market policies, especially training, upskilling and reskilling.

EU Roma strategic framework for equality, inclusion and participation for 2020 – 20309 stated that the EU has a duty to protect its Roma minority from discrimination, anti-Gypsyism and social exclusion. This document also states that by working together, real progress can be achieved by 2030, bringing about a Europe in which Roma individuals and communities, in all their diversity, have equal opportunities in all spheres of life, benefit from socio-economic inclusion and participate equally in society. Declaration of Western Balkans Partners on Roma Integration¹⁰ within the EU Enlargement Process, endorsed by the Western Balkans at the Leaders' Summit, of Berlin Process series in Poznan, is complementary to the EU Roma framework. It endeavours to improve the lives and living conditions of Roma in general. LGBTIQ persons also experience discrimination and challenges as regards participation in the labour market. As underlined in the Commission Opinion¹¹ on the application for EU membership of Bosnia and Herzegovina, protection and involvement of persons in vulnerable situations, including LGBTIO people, is still not at an adequate level in Bosnia and Herzegovina. Certain rights of LGBTIQ people, such as employment rights, are not guaranteed. Therefore, one of the 14 priorities in the pre-accession process for Bosnia and Herzegovina is to improve the protection and inclusion of vulnerable groups, in particular persons with disabilities, children, LGBTI persons, members of the Roma community, detainees, migrants and asylum seekers, as well as displaced persons and refugees in line with the objective of closure of Annex VII of the Dayton Peace Agreement. (Key Priority no. 13).¹²

Problems identified under the sector covered by this Action, as well as indicative activities, once implemented, will contribute to addressing some of the identified challenges in these EU enlargement policy documents and reports and recommendations.

The **EU-Bosnia** and HerzegovinaSAA Committee Recommendations (November 2020), under *Antidiscrimination*, *gender equality and protection of vulnerable groups* calls for Bosnia and Herzegovina to ensure the rights, adequate protection and inclusion of persons in vulnerable situations, in particular persons with disabilities, children, LGBTIQ persons, members of the Roma community, detainees, migrants and asylum seekers, as well as displaced persons and refugees in line with the objective of closure of Annex VII of the Dayton Peace Agreement. The **EU-Bosnia and Herzegovina** 5th SAA Sub-Committee Meeting on Innovation, Information Society, Social Policy (November 2020) - In its follow-up recommendations from the meeting, the EU encouraged Bosnia and Herzegovina in Employment and Social Sector to complete the policy framework, and develop a countrywide strategy on employment and adopt an employment strategy at the level the Federation entity and to provide additional administrative capacities for implementation and monitoring of employment policies. In Education

Bosnia and Herzegovina should ensure a fully functional system of (re-)accreditation of higher education institutions (HEIs) and study programmes across the country.

⁸ https://www.consilium.europa.eu/media/44029/st08101-en20.pdf

⁹ https://ec.europa.eu/info/publications/new-eu-roma-strategic-framework-equality-inclusion-and-participation-full-package en

¹⁰ https://www.rcc.int/download/docs/2019-06-roma-deklaracija-b.pdf/6c1c88584b46c9f5f43c2a5f3937fb48.pdf

¹¹ http://europa.ba/wp-content/uploads/2019/05/20190529-bosnia-and-herzegovina-analytical-report.pdf

¹² The Plan for the promotion of human rights and fundamental freedoms of LGBTI Persons in Bosnia and Herzegovina 2021-2023 reiterates these findings (https://arsBosnia and Herzegovina.gov.ba/usvojen-akcioni-plan-za-unapredjenje-prava-lgbt-osoba-u-Bosnia and Herzegovina/).

Relevance and complementarity with EU and other donors' assistance

Given the number of interventions in the employment and social sectors, which has increased during the pandemic, it will be of utmost importance to coordinate closely to ensure synergy of action between EU and other donors' assistance and agree and formalise cooperation with key donors and international stakeholder. Below are outlined the main relevant projects in this regard.

Employment sector

EU funded (IPA 2019) and ILO implemented EU Support to Local Employment Partnerships - Phase II (LEP II) (EUR 4 million, out of which EUR 3.2 million is envisaged for grants) focuses on development of local employment partnerships to deliver activation and labour market integration programs in line with specific local needs.

The IPA 2016, EU project Strengthening the capacity of the labour market institutions by improving of labour market research methodology, Bosnia and Herzegovina aims to create a more effective labour market in Bosnia and Herzegovina by provision of assistance to strengthen the capacity of the labour market institutions.

Under IPA 2020 Action document "EU4 Social Policies, Employment and Education", the Output 2: Support to effective and targeted active labour market measures for youth, rural women and vulnerable categories of unemployed (long-term unemployed, persons with disability and Roma) was envisaged. This Action will ensure complementarity with the 2022 intervention.

The Employment and Social Affairs Platform (ESAP 2) project is a regional project financed by the EU and implemented jointly by the Regional Cooperation Council (RCC) and International Labour Organisation (ILO). The project works along the 3 main components: (i) informal Employment and Undeclared Work; (ii) employment Policies and Measures; and (iii) Western Balkans engagement in EU employment and social policies.

The assistance under this AD is complementary to the following **IPA III Multi-beneficiary Assistance 2021-2022**: (i) Action Document for **Strengthening employment**, **labour and social protection systems and policies in the Western Balkans with SOCIEUX**+ (EUR 3,000,000) (Area of support #1: Labour and Employment) - by contributing to development of quality active labour market measures targeted at certain groups; as well as to the employment and participation of persons with disabilities or illnesses, and their skills development for their better labour market inclusivity; and (Area of support #2: Social Protection) – through support to capacity building of centers for social service; (ii) Action Document for EU **Support to fundamental rights of Roma** in the WBs and Turkiye (EUR 7,000,000), by contributing to better integration of Roma, their employability and education and improved social protection; and to (iii) Action Document for EU4Youth: **Participation of the Western Balkans in International Assessments**", by contributing to better quality of higher education in Bosnia and Herzegovina.

World Bank Employment Support Project for Bosnia and Herzegovina (USD 55,8 million IBRD loan). The Project Development Objective (PDO) is to increase formal private sector employment among targeted groups of registered job seekers. The project comprises of two components. The first component, support for employment promotion objective is to help the government scale up and increase the effectiveness and efficiency of its active labour market programs (ALMPs) and job intermediation to help improve labour market outcomes. The second component, support for management systems, monitoring, and communications will support effective monitoring of the project and provide financing for strengthening management systems to monitor ALMPs and employment services and developing and implementing an effective communications strategy targeting job seekers, employers, policy makers, and the overall population.

With support of the Austrian Development Agency (ADA) the ILO is implementing a joint project with UNDP in six Western Balkans economies aimed at support to capacity building of labour market institutions

(ministries in charge for labour and employment and public employment services) to develop policies and mechanisms that will contribute to better inclusion of persons in vulnerable situations to the labour market. Project: **Promoting Inclusive Labour Market Solutions in the Western Balkans**, has started in 2018 and is in second phase of implementation. One of the core activities is creation of learning portal for the Public Employment Service staff (including management). Learning portal will contain online self-paced coursers on: Monitoring and Evaluation of PES Performance, Design of ALMS, Guide to Profiling, Client Segmentation and Sequence of Services, Career Guidance, and Cooperation with Employers. Courses will be available in B/H/S languages and available online by the end of 2021.

YEP – Youth Employment Project, is a longstanding bilateral project funded by Swiss Cooperation Office, whose objective was to support youth employment in Bosnia and Herzegovina. Going forward, the initiative is at present being implemented by impakt.ba (http://impakt.ba/eng/homestart_en/), with a view of providing sustainability of process.

Swedish assistance to Bosnia and Herzegovina is based on the Strategy for Sweden's reform cooperation with the Western Balkans and Turkey 2021–2027: A project on Integrated Employment Service is implemented by the World Bank (second phase ends October 2024) and has the objective of informing policy makers on the impact on employment outcome for both jobseekers and employers due to the private provision of employment services.

Social sector

The EU has, under the Call for proposals for Support to existing and newly established CSOs networks in various areas (published on 17/12/2019), and awarded in February 2020, decided to provide support to three NGOs in areas relevant to the assistance that will be provided under this AD: (i) Contribution of CSOs to improving entrepreneurship impact on socio- economic development of Bosnia and Herzegovina-EISE project, Federation of Bosnia and Herzegovina and Republika Srpska Association of Employers (EUR 0.5 million, 36 months duration); (ii) EMPOWER- Empowering Civil Society Organizations in the Social Inclusion of Persons with Disabilities, lead implementor CARITAS (EUR 0.38 million, 36 months duration); and (iii) Better Social inclusion through strengthened IRIS CSOs Network, LIR Civil Society (EUR0.47 million, 36 months implementation). Close cooperation should be established with these initiatives in the process of writing ToR under this Action, in order to ensure that relevant findings, recommendation and data is included where pertinent in coordination with relevant Bosnia and Herzegovina Institutions and working groups that will be organised involving CSOs

EU project: *Needs Analysis for Social Work Centers in Bosnia and Herzegovina (IPA 2016)* is being implemented. The Final Report, including recommendations was presented in August 2021, and subsequently endorsed by all key institutions in September 2021, at the project's Steering Committee. Recommendations, based on a needs-based GAP analysis of the Centres for Social Work and interviews and consultations with key institutions, focused on (i) human resource development and organisational capacities, and (ii) IT infrastructure and location aspects of the CSW. The Report was used when developing specific activities under this Action (*see Indicative Activities*).

UNICEF has an ongoing and planned activities related to social sector under this Action. The focus is on: (i) established systems of social service delivery (institutional and non-institutional) for support of vu persons in

¹³ Recommendation reports have been prepared for Federation of Bosnia and Herzegovina, Republika Srpska and Brcko District of Bosnia and Herzegovina.

¹⁴ 96% of all CSW have been assessed. In Federation of Bosnia and Herzegovina, additional nine municipality social sector departments have also been assessed.

vulnerable situations affected by the pandemic strengthened (partially EU-funded), and (ii) *child protection:* ensure continuity standardisation and licencing of child protection services; mitigate risks of all forms of violence and abuse of children; and address mental health and psychosocial support (MHPSS) and stigma prevention.

2.2. Problem Analysis

Employment

One of the key problems of Bosnia and Herzegovina economy and one of the main socio-economic consequence of the pandemic is rising unemployment.¹⁵ According to the latest data on registered unemployment in Bosnia and Herzegovina (August 2021), there are 392,551 unemployed persons in Bosnia and Herzegovina.¹⁶ As compared to August 2020, the number of registered unemployed decreased by 8,2%.¹⁷ Over 50% of job seekers are women. It is believed that 38,8% of young people in Bosnia and Herzegovina aged 15-24 were unemployed in 2018 compared to 15,2% in the EU 28. According to UN projections, by 2050, Bosnia and Herzegovina's population will have declined to 2,685,037. Low labour market participation of women and youth, including long term unemployed and Roma¹⁸ has been further exacerbated by the pandemic. In addition, women small business owners are one of the most threatened groups under the pandemic. As for the gender pay gap, despite the lack of official data, women are estimated to earn on average 78% to 85% of a man's salary for the same position, and various other aspects of gender equality and discrimination in employment are present.¹⁹ The treatment of maternity, paternity and family leave differs between entities and amongst cantons.

It is estimated that up to 30% of Bosnia and Herzegovina active labour force is employed within, **the** *grey economy*, in informal employment. The highest incidence of informal employment is found in the agriculture sector, amongst men and amongst those with low education and attainment skills. In addition, those most likely to be informally employed are the oldest and youngest workers, i.e. those who are at the margins of the labour market, having just entered it, or being about to leave it. Short term job retention measures provided under immediate COVID-19 response of Bosnia and Herzegovina authorities did not cover this group, who is likely to slip further into poverty post pandemic.

In line with 2021 Work Programme of the **Federation of Bosnia and Herzegovina Public Employment Service (PES)** active employment measures in the Federation of Bosnia and Herzegovina in 2020 were implemented based on the work programmes of the Federation of Bosnia and Herzegovina PES and cantonal employment services. Given the pandemic challenges, the priority of the Federation of Bosnia and Herzegovina PES was to ensure necessary funds for the cantonal employment services to cover for financial and social security of unemployed where these funds increased comparing to the same period last year, due to a sharp increase in the number of cash benefits. Despite such limiting circumstances, Federation of Bosnia and Herzegovina PES managed to continue financing implementation of active employment policy programmes whose implementation began earlier, and also the new programmes for encouraging employment with the employer, self-employment and training. This was done by closely monitoring trends and making timely decisions on the implementation due to the epidemic. Programmes, whose implementation started in

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¹⁵ Unemployment rate was not published for 2020 during the ERP development period.

¹⁶ Bosnia and Herzegovina Agency for Statistics (BHAS), Demography and Social Statistics – Registered Unemployment August 2021.

¹⁷ *Ibid*.

¹⁸ There are estimated 35,000 Roma in Bosnia and Herzegovina. Source: 2013 Population Census.

¹⁹ In mid-2020, the Agency for Gender Equality of Bosnia and Herzegovina under the MHRR, analysed gender-based discrimination in employment in Bosnia and Herzegovina. On a sample of 500 respondents from all over the country, 31.8% of them (almost one third of the women respondents) at least once in their life were asked questions about family plans, the number and age of children when entering into employment, i.e. questions on the grounds on which discrimination is prohibited under the Bosnia and Herzegovina Law on Labour, Bosnia and Herzegovina Law on Gender Equality, etc. This means that in the case of one third of the women in the sample, there was an intention on the part of the potential employer to discriminate against them on the stated grounds.

2020 and earlier, were characterised by particular gender and social sensitivity given that they focused on the youth, women, long term unemployed persons, and other hard-to-employ categories of the unemployed, in order to strengthen their competitiveness in the labour market, faster integration and prevention of the long-term unemployment. Despite the difficulties caused by the pandemic, by August 2020 almost EUR 10,000,000, which covered 6 500 persons, was disbursed within programmes and measures initiated in 2020. The Republika Srpska Government has adopted the Employment Action Plan for 2021 envisaging implementation of five employment programs. For its implementation the Republika Srpska Government provided funds amounting to EUR 10,000,000 for the employment of 4,118 people.

Overall, PESs in Bosnia and Herzegovina have high caseload, which is likely to increase even further post pandemic and they need to benefit from further digitalisation of its services, particularly considering that these can support PES efficiency and effectiveness in coping with potentially higher levels of clients in the future. Investing in digitalisation in PES is crucial for efficient benefit processing. Furthermore, already implemented digitalisation has enabled some PES to offer more personalised and effective services. Going forward, there is a need for discussions with all the key stakeholders on required changes in ALMM designs and budgets in the medium-and longer term. The *basket* of ALMMs needs to match the changed composition of jobseekers and their needs as well as support the speedy recovery of enterprises. In addition to increases in ALMM and unemployment benefit budgets, the budgets of PES operating costs would need to increase to ensure the staff, tools and channels are in place to cope with the higher volumes of services.

Notwithstanding, and given the outlined changes in the labour market of Bosnia and Herzegovina, development and **implementation of ALMM needs to be continued, with specific focus on youth, women and hard to employ categories.** A particular focus should be paid to incentivising youth no longer in care of public care system. Through existing databases, exchange of information needs to be improved between the PES and centres for social work in terms of active job seekers who are registered with centres for social work as users of social benefits directly financed from the budget.

The EU, will, through strategic and dynamic deployment of this IPA III 2022 Action, support Bosnia and Herzegovina to **preserving jobs and increasing employment opportunities post pandemic.** Through targeted support for increasing employment opportunities, **the EU added value** will be that of both complementary with already existing, and planned, government support. This will conversely contribute to job security and growth, as well as economic recovery. The EU assistance will improve access to finance and inclusion for women and youth in particular.

Social sector According to the latest Household Budget Survey (2015)²⁰, being conducted the BHAS, over 170,000

households or over <u>500,000 inhabitants</u> in Bosnia and Herzegovina were below the <u>relative poverty line</u>. A relative poverty rate (income based) of the population in Bosnia and Herzegovina was 16.9%. According to UN data for Bosnia and Herzegovina, consumption-based share of individuals at risk of poverty is much higher, it stands at 27%, or 800,000 citizens. This means that for many citizens, having employment does not guarantee a way out of poverty. A monthly at risk of poverty threshold is estimated at Bosnia and Herzegovina is EUR 105 (just over a half of the net minimum wage). The preliminary data for 2020 seems to indicate that COVID-19 continues to affect negatively risk of poverty share in Bosnia and Herzegovina, while at the same time further increasing social exclusion of persons in vulnerable situations, including Roma.²¹ According to

UNICEF, children are among the most vulnerable, with 19% living below the relative poverty line and 26%

²⁰ The Household Budget Survey- HBS was conducted during the whole 2015 on a representative sample of about 10,000 randomly selected householders, of which about 5,500 are in the Federation of Bosnia and Herzegovina, 3,250 in the Republika Srpska and 1,200 in the Brcko District of Bosnia and Herzegovina. Due to COVID -19 pandemic, the HBS survey has not been updated yet. The 2020 HBS survey is being developed and is expected to be published soon.

²¹ MHHR estimates that 4,008 Roma families and 19,295 Roma individuals fall in the vulnerable category.

below the absolute poverty line.²² This, coupled with insufficient social protection coverage and social targeting, poses a significant challenge in the sector.

Overall, Bosnia and Herzegovina spends slightly less than 19 % of GDP on social protection, while approximately 4% of GDP is spent on social assistance, with by far the highest proportion of expenditure on war survivors and disability benefits and by far the lowest proportion spent on family and child benefits in comparison to other countries in the region. ²³ Poverty, social exclusion and insufficient coverage, need to be tackled through better policy implementation and better inter-institutional cooperation, as well as adequately targeted social spending, and better designed, standardized and licenced services in a way that takes in to account the needs of women and men, boys and girls, particularly from vulnerable categories.

In terms of institutional aspects of social protection, CSW²⁴ and other social welfare institutions do not have sufficient capacity for individual work with users and the application of specialized and multidisciplinary work, which is a consequence of the lack of specific profiles of experts, material and financial resources and program frameworks as well as relevant methodologies, trainings and capacity building options. This already challenging situation has been made even more challenged with the increased COVID-19 related pressure.²⁵ A particular problem in the field of social protection is the insufficiently developed integrated social protection model in local communities, which diminishes the possibilities of using all the available resources of the local community to detect and solve the problems that persons in vulnerable situations face. A specific support is needed for the Centres to be able to provide targeted support to vulnerable families, including single parent families, children and victims of domestic violence and of human trafficking. Further strengthening capacities of social work centres is needed, not only in terms of improving the quality of staff working with children with special needs, but also in terms of strengthening human resources of the centres in certain local communities.

<u>Institutional forms of social protection continue to dominate in Bosnia and Herzegovina</u>, which adversely affects the development and social inclusion of beneficiaries. Non-institutional forms of social protection (foster care, family models of alternative care, home help, day care centres counselling centres and other services) are insufficiently developed, despite the fact that the strengthening of non-institutional social protection has been achieved to a certain extent through the implementation of several projects in this area²⁶ and that some of the projects are still being implemented.²⁷ Centres for early childhood growth and development (EDCD), which operate in 32 locations²⁸ in Bosnia and Herzegovina within pre-school institutions, health centres or social welfare centres play an important role in preventing separation of children

²² Situation Analysis of Children in Bosnia and Herzegovina, UNICEF, March 2020.

²³ 2020 National Human Development Report for Bosnia and Herzegovina, UNDP (Source: World Bank).

²⁴ According to the BHAS data in Bosnia and Herzegovina, there are 111 CSW (59 in Federation of Bosnia and Herzegovina, 51 in Republika Srpska and 1 in Brcko District of Bosnia and Herzegovina). In the Federation of Bosnia and Herzegovina, there are additional 22 social welfare services having the role and task of the CSW, making it in total 81 CSW in Federation of Bosnia and Herzegovina. In the Republika Srpska there are eleven additional social and child protection services, making it 62 in total in the Republika Srpska.

²⁵ UNICEF Survey estimated that 13% of sample respondents expressed that they were not able to benefit from social protection services.

²⁶ In terms of deinstitutionalisation, there is a need to further develop and define models of institutions of social care based on small family communities. One such example is registered in the Una-Sana Canton for children without parental care, focusing on children with developmental difficulties and without parental care. The reforms should focus on increasing capacity of staff to support these children in small family clusters/homes. It should also entail partnership between the government and non-government sector.

²⁷ IPA 2014 Project Transformation of Institutions and Prevention of Separation of Children from Families

²⁸ This number does not include EDCD centres established by *Save the Children* in over 200 locations across Bosnia and Herzegovina. Save the Children supported services for children with disabilities and children at risk and street involved children, also exist in 7 locations. Out of the above 32 ECCD 20 in the Federation of Bosnia and Herzegovina, 11 in Republika Srpska and one in the Brcko District of Bosnia and Herzegovina.

from their families.²⁹ In the centres for early growth and development of children, numerous social services aimed at strengthening the family have been developed, including the so-called *family at risk* category, but their work is still insufficiently supported. A particular problem in the work of these centres is the insufficient scope and quality of professional training for staff who implement family-friendly programs with children. Based on the last UNICEF 2020 analysis regarding the Status of Children's rights in Bosnia and Herzegovina, 1,818 children without parental care are in institutional care in Bosnia and Herzegovina. Total of 2,748 beneficiaries are placed in institutions for social protection for children, youth and adults with disabilities, while 5,778 persons are accommodated in social welfare institutions for adults. Standardization and licencing are essential for adequate service provision but also responsibilities in monitoring and quality assurance. According to Child Rights Working Group (CRWG),³⁰ child protection services at the local level need to be reformed so as to be relieved of administrative burden and be able to provide timely prevention and support services, in order to assist families at risk and prevent family breakdown. System of cash benefits for vulnerable children and families should be needs-based, universally accessible, adequately budgeted and properly monitored.

Ongoing process of deinstitutionalization, transformation of large institutions, and development of community-based services for children without parental care and children with disabilities needs continued funding from the governments and donor community to be fully completed. Support for young people leaving care needs to be legally framed and provided. In this area, protection and support services to children victims of violence must not be forgotten. It is essential to ensure access to independent complaints mechanisms and provide appropriate remedies to victims of abuse, such as redress and adequate compensation, including rehabilitation.

In 2020, the Federation of Bosnia and Herzegovina Law on Social Services was prepared in cooperation with the line cantonal ministries, and an impact assessment and mapping of social services for the Federation of Bosnia and Herzegovina was produced. The following activities are currently underway to review the fiscal effects of regulations: present standards of social protection service providers were mapped in the Federation of Bosnia and Herzegovina, an assessment of new legal framework fiscal impact in the field of social protection was mapped, a general methodology for forming social protection prices in Federation of Bosnia and Herzegovina was defined, and support to system of SOTAC (Social Sector Technical Assistance Credit of the World Bank) data management was planned through upgrade of SOTAC tools and capacity building for public social workers. Drafting of the preliminary draft Law on Social Work in the Federation of Bosnia and Herzegovina is planned for 2021. Thus far, opinions of competent cantonal ministries on the pre-draft law were obtained. Report on Strategy for deinstitutionalisation and Transformation of Social Protection Institutions in Federation of Bosnia and Herzegovina was also produced. Further capacity building and training of staff in implementing the *Law on Social Services*, both the staff working in centres for social work and the staff working in inspectorates on controlling implementation of the law in the field of employment and social policy, is required. Federation of Bosnia and Herzegovina Inspection Agency for Social and Child Protection needs to be established, as well as in the cantons where the Inspection has not yet been established (5 Cantons).

In the Republika Srpska, social services are regulated by the *Republika Srpska Law on Social Protection*. In the Republika Srpska there are 78 children in the *Home for children and youth without parental care*. ³¹ There

²⁹ There are two accredited ECDC in Bosnia and Herzegovina – in Sarajevo and Goražde and these have been established by SOS Children's Villages Bosnia and Herzegovina.

³⁰ An informal coalition of child rights organisations in Bosnia and Herzegovina and includes *Save the Children, Hope and Homes* for Children, World Vision International in Bosnia and Herzegovina, SOS Children's Villages and the local NGO network Stronger Voice for Children.

³¹ In Republika Srpska, there is only one Home for children and youth without parental care *Rada Vranjesevic* Banja Luka where, based on last official data, 78 children and youth are placed.

are 366 beneficiaries in institutions for social protection for children, youth and adults with disabilities in RS, 651 beneficiaries are accommodated in social welfare institutions for adults in Republika Srpska. At the end of 2021, there were 1,034 persons accommodated within the system in the Republika Srpska that has a total of 1,336 available places. Number of children without parental care who are accommodated in institutions in Federation of Bosnia and Herzegovina is 330 and the number of beneficiaries in institutions for children and youth with mental and physical impairment is 2,328. ³² The elderly and those facing illnesses are often without adequate protection in particular in the form of home care assistance and centres should be strengthened to identify and provide adequate assistance.

Social exclusion of persons in vulnerable situations needs to be tackled through better policy implementation and better inter-institutional cooperation. Establishment of the mechanism for the reporting of social inclusion of persons in vulnerable situations would enable measuring the effect of social inclusion policies from a participatory perspective and proposing actions and priorities to improve access to human rights. It is important that the existing indicators that have been used so far comply with the indicators of the EU social inclusion strategy in order to adequately measure the social exclusion of persons in vulnerable situations. Furthermore, the family laws do not include a definition of single women in line with the *Istanbul* Convention, which requires divorced and separated women to initiate court proceedings to obtain alimony payment. As noted in the latest Recommendations of the UN CEDAW Committee to 6th Period Report of Bosnia and Herzegovina on implementation of the CEDAW Convention, many single mothers in Bosnia and Herzegovina receive no alimony from the fathers of their children while NGOs in Bosnia and Herzegovina state that up to 70% of single mothers do not receive alimony from the fathers of their children. Around 4,000 internally displaced and returnee households live in long-term poverty. Of these, approximately 1,000 (20%) receive social care, while 3,000 or more than 60% have no access to needed social care. Key issue is unemployment of 9,000 household members (62%), around 3,300 elderly persons in need of social care (22%) and 850 are households run by a single parent (18%). ³³

Roma: According to the MHRR, an overall employment rate of Roma is a staggeringly low 11%, and there are 3,278 unemployed Roma in Bosnia and Herzegovina in 2020. The position of Roma who are active jobseekers (registered with employment services) has been further deteriorating during the pandemic. According to the MHRR analysis of general indicators on Roma, there are additional 5,500 adult Roma, who are unemployed or involved in informal forms of work. Without accelerating and increasing the number of Roma employment programs, the social exclusion and poverty they are faced with on a daily basis is likely to increase even further. In the 2009-2020 period, EUR 3,500,000 was allocated for Roma employment by CoM, resulting in 962 beneficiaries of employment and self-employment grant. Roma employment funds are implemented in cooperation with PESs, which select the beneficiaries of employment and self-employment projects through public calls. In order to improve the employability of Roma, the new action plan defines three measures, as follows: encouraging employment and employability of Roma, providing funds for the implementation of Roma employment programs and encouraging employment of Roma in the public sector.

In the period of 2009-2020, the amount of EUR 1,400,000 was allocated for health care of Roma. According to data provided by the competent institutions and Roma NGOs, a total of **1,085 Roma** entered the health care system. Educational and preventive health care programs were conducted to raise awareness in Roma communities about the importance of health care, educating parents about the importance of immunisation and immunisation of Roma children, and about reproductive health and motherhood. Preventive programs have been implemented - screening for specific diseases (cervical cancer, breast cancer, colon cancer, prostate cancer, etc.). Every year, in accordance with the Action Plan, Roma NGOs educate the required number of new Roma mediators for health care. The process involved over 175 mediators who had previously completed general and specific training. Training of new health mediators was funded from the MHRR's funds. In order to improve access to healthcare for Roma and its quality, the new action plan defined two measures:

³² Source: Federation of Bosnia and Herzegovina Statistical Office.

³³ Source: Bosnia and Herzegovina MHRR

strengthening the capacity of Roma representatives to improve the health of Roma and reduce health risk factors in the Roma population.

Gender: Fighting gender discrimination and discriminatory gender stereotypes and violence against girls and women remains a challenge. Bosnia and Herzegovina GAP 2018-2022 (See Section on Mainstreaming) provide a sound strategic framework for advancing main gender equality issues. Discriminatory gender stereotypes are present in educational materials and the decentralized system impedes the uniform use of gender-sensitive teaching materials. Comprehensive education on sexual and reproductive health and rights and family planning services in educational system and curricula is still lacking. Barriers to accessing quality education at all levels are faced by Roma, rural, refugee and asylum-seeking girls, girls with disabilities, girls who are victims of victims of child marriage, gender-based violence and trafficking. Violence against girls in educational institutions is not systemically reported and monitored. That is why, age-appropriate education on sexual and reproductive health and rights must be introduced into school curricula throughout the State party, and curricula and education materials should be cleared of gender stereotypes and the issue of gender-based violence in schools must be addressed.

The EU will support the sector in responding to a plethora of immediate post-pandemic challenges related to social protection, poverty reduction and inclusiveness. Through targeted combined support to institutional structures in the sector, as well as direct support for persons in vulnerable situations, which have been most affected by the pandemic, *the EU added value* will be that of both complementary with already existing, and planned, government support. Moreover, the EU support will contribute to closing the financing gap for the much-needed programmes. It will moreover ensure greater efficiency, scope and speed of delivery, contributing to improving welfare and well-being of most vulnerable Bosnia and Herzegovina citizens post-pandemic.

Description of main stakeholders

Employment

At State level, the MCA is responsible for: (i) defining basic principles of coordination of activities, (ii) harmonising plans of the entity authorities, (iii) defining a strategy at the international level in the fields of health and social care, pensions, labour and employment. MHRR also has a specific role related to human rights and gender equality, persons in vulnerable situations, refugees, Roma, and LGBTIQ. Ministries responsible for employment at entity and cantonal levels as well as in the Brcko District of Bosnia and Herzegovina include: Federation of Bosnia and Herzegovina Ministry of Labour and Social Policy, Republika Srpska Ministry of Labour, War Veterans and Disabled Persons' Protection, cantonal ministries and relevant department of the Brcko District of Bosnia and Herzegovina Government responsible for labour. In accordance with existing laws and regulations, active labour market policies are developed by the Federation of Bosnia and Herzegovina Employment Institute, the Republika Srpska Employment Institute and Brcko District of Bosnia and Herzegovina Employment Institute, and implemented by the public employment services. Bosnia and Herzegovina Agency for Labour and Employment is also an important stakeholder, even though it does not work with unemployed persons. It implements international labour agreement, including integrational agreements on social insurances as it pertains labour agreements (in cooperation with MCA) and coordination of activities with entity PES and Brcko District of Bosnia and Herzegovina employment service. For social enterprise, relevant ministries from the list of key institutions as well as the two funds: Fund for the Professional Rehabilitation, Training and Employment of Persons with Disabilities of Federation of Bosnia and Herzegovina and Fund for Professional Rehabilitation and Employment of PwD of Republika Srpska, shall be included.

Social Sector

The role of State level institutions in the field of social protection is that of coordination of activities, harmonization of plans of entity authorities and defining strategies at the international level in the field of social protection (competence of the MCA). MHRR has a role related to gender issues (including domestic violence), Roma and victims of human trafficking. Institutional competencies in the field of social protection at the entity level and cantonal levels, including a sub-unit for social protection of the Government of the BD

lay with: Federation of Bosnia and Herzegovina Ministry of Labour and Social Policy, Republika Srpska Ministry of Health and Social Protection, Federation of Bosnia and Herzegovina cantonal ministries for social protection, and responsible department of the Brcko District of Bosnia and Herzegovina Government.

The main role in the implementation of social protection lies with CSWs, which are the first contact where persons in vulnerable situations seek protection and which implement laws and bylaws in the field of social protection. CSWs are tasked with meeting citizens' needs (if in category defined to need social support) within a designated area where they live. Given the trend of current reforms, the roles and responsibilities of CSW are likely to increase, and their capacity needs to be maximised. The social protection in Bosnia and Herzegovina includes inter alia these categories: (i) persons in vulnerable situations (old and incapacitated persons, children, vulnerable categories: without parental care, with disabilities), (ii) persons with disabilities, (iii) protection of civilian war victims, (iii) protection of families with children. With regard to gender related activities, Bosnia and Herzegovina Agency for Gender Equality and Federation of Bosnia and Herzegovina are the main stakeholders. Should it be necessary, other institutions and organisations relevant to the achievement of the planned activities, will be included in the implementation.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The Overall Objective (Impact) of this action is to accelerate Bosnia and Herzegovina's employment, education and social reforms and socio-economic recovery post COVID-19 crisis.

The Specific Objectives (Outcomes) of this action are to:

- 1. Increase employment opportunities for youth, rural women and hard-to-employ categories (Outcome 1-Employment sector),
- 2. Improve social inclusion of vulnerable target groups, and advance gender equality (Outcome 2-Social sector).

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Employment

1.1 Contributing to Outcome 1 (or Specific Objective 1): Facilitated transition of young from education system, rural women and hard to employ categories to the labour market;

Social Protection

- 1.2. Contributing to Outcome 2 (or Specific Objective 2): Strengthened capacities of CSW to provide better services to persons in vulnerable situations;
- 1.3. Contributing to Outcome 2 (or Specific Objective 2): Integrated model of social protection at local level and non-institutional forms of social protection established and/or further strengthened;
- 1.4. Contributing to Outcome 2 (or Specific Objective 2): Social and child protection inspection and monitoring system and services control strengthened;
- 1.5. Contributing to Outcome 2 (or Specific Objective 2): Access to social inclusion services and social inclusion of Roma improved;
- 1.6. Contributing to Outcome 2 (or Specific Objective 2): Gender equality advanced in accordance with the GAP Bosnia and Herzegovina 2018-2022 key priorities in employment, education and health and social protection.

If Outcome 1 - Employment opportunities for youth, rural women and hard-to-employ categories will be increased, and **Outcome 2 -** existing social protection services standardised and licenced and social inclusion of vulnerable target groups improved, and gender equality advanced, are all reached, **and the following assumptions hold true:** the improvement in health situation in Europe and in the rest of the world during the

second half of 2021 will allow gradual rebound in the economic activity, and the adopted COVID-19 government measures have the potential to restore the vitality of the economy and mitigate the negative socioeconomic impact of the pandemic, then the following **impact** will be accomplished: **Accelerate Bosnia and Herzegovina's employment and social reforms and socio-economic recovery post COVID-19 crisis.**

3.2. Indicative Activities

Employment

The Action focuses on fostering quality employment and access to labour market for targeted groups.

Activities related to Output 1.1: Facilitated transition of young from education system, rural women and hard to employ categories to the labour market, will be achieved by:

• Designing and implementing ALMM to increase employment for youth, rural women and hard to employ categories. It is expected that this activity will build on the existing ALMM for these target groups, in line with PESs plans and programmes (see 2.2 Problem analysis for a detailed account of this), whilst countering in the opportunities in the fields of green and circular economy (i.e. vocational training and traineeship/apprenticeship). For women and hard to employ categories, it is expected that the ALMM will specifically build on COVID-19 Social IPA 2021 AD relevant actions. Specific to youth, it is expected that ALMM will continue to follow the existing criteria: measures targeting youth have defined this target group 18-35 years old, and measures focusing on first job experience, entrepreneurship for youth, etc. Youth ALMM will additionally be focusing on NEETs - youth not in employment, education or training, with added focus on 25-29-year-olds, where we have higher NEET rates and skills mismatch. This will ensure the effective link with EIPs flagship Initiative 10 YGF. In addition, youth specific ALMM should aim to include youth being discharged from the public care system. This would require better cooperation between PESs and CSW.

Social protection

Activities related to Output 1.2: Strengthened capacities of CSW to provide better services to persons in vulnerable situations, will be achieved by:

- Further strengthening the capacities of the CSW, most notably through implementation of the key recommendations from the *Analysis of Needs of the Centres for Social Work in Bosnia and Herzegovina*. The following will be supported: (i) set of recommendations on short term proposals to improve capacities (increase in certification of case management and work with high-risk families, and structures in CSWs), programming (strategic, operational and financial management as well as development and implementation of strategic and operational plans for new services), norms and standards (promotion of the *European Framework for Quality of Social Services* and principles of implementation of social rights based on Council of Europe principles in this area) for and access to services and rights, as well as some medium to long term recommendations for structural improvements.
- Implementation of IT infrastructure component and ensuring that CSWs have adequate IT support for effective database management, evaluation of support effects and planning and programming of support. A priority has been placed on procurement of basic and/or additional IT equipment for CSW employees, and advanced training for sector specialists as well as administration staff. A costing of required IT package per CSW employee has also been prepared, as well as the content of IT package itself being defined and this has fed into the estimated cost of intervention under this Action. Initial activities related to medium to long term proposals of procurement of software for digitalisation of all processes in CSW, as well as installation and training will be initiated, based on costing per CSW.³⁴
- This will allow for an integrated approach for resolving social issues at the level of local communities; and **strengthen local service delivery capacities and** increases their effectiveness and efficiency

³⁴ A costing per CSW is EUR 30,000, or Federation of Bosnia and Herzegovina (64 CSW, a total of EUR 1,920,000), Republika Srpska (51 CSW EUR 1,530,000).

through development of social protection and inclusion strategies and action plans, new types of social services and standards, strengthened monitoring of social and child protection, transition from institutional to community-based care.

Activities related to Output 1.3: Integrated model of social protection at local level and non-institutional forms of social protection established and/or further strengthened, will be achieved by:

• Supporting the **transformation of institutions and development of non-institutional forms of social protection and standardisation and licencing services.** Particular focus is on specific categories / persons in vulnerable situations (adults and children with specific needs, including children without parental care, persons with disabilities; minorities and IDPs/returnees; people who lost jobs due to COVID-19; hard-to-employ categories, etc.).

Activities related to Output 1.4: Social and child protection inspection and monitoring system and services control strengthened, will be achieved by:

• Improving the social and child protection system, *inter alia*, through standardisation, licencing, inspection and monitoring, and ensuring protection for the most vulnerable, persons with disabilities, children without parental care, Roma, IDPs/returnees, and fostering their inclusion. A number of social protection services of persons in vulnerable situations will be improved. These include, but are not limited to: health care system, monitoring and supervision of schooling of Roma, children from rural areas, socially challenged and underprivileged families receive only one-time aid from centres for social work, children with disabilities have a hardened approach to school, etc. This activity will be focused on vulnerable category of **single mothers**, through developing of an *Alimony fund* to be set up with the relevant ministries at State and entity levels, in order to overcome a problem of avoidance of payment of alimony. It will involve technical assistance for designing the *Alimony Fund*, including setting up processes, drafting sub-legal regulations, training the relevant staff, etc. In addition, support for drafting amendments to *family laws* to include a definition of single mothers in accordance with the *Istanbul Convention* will be carried out.

These three indicative activities will be implemented as one **Social Assistance Programme** which will be composed of technical assistance, supply and grant component.

Activities related to Output 1.5: Access to social inclusion services and social inclusion of Roma improved.

- A comprehensive Roma programme will be implemented to address pre-defined key priorities from the newly adopted *Action Plan of Bosnia and Herzegovina for Social Inclusion of Roma 2021-2025*.
- The following indicative activities closely linked to the AP goals will be implemented: *Horizontal activities:* strengthening the capacity for Roma inclusion; strengthening coordination and participation of competent authorities and local governments and improving cooperation with civil society organizations and international and regional institutions; *Improving Roma employment activities:* providing support to employment and employability of Roma; ensuring funds for implementation of Roma employment programs and encouraging employment of Roma in the public sector. *Improvement, availability and quality of health care for members of the Roma population activities:* strengthening of capacities of Roma representatives to improve the health of Roma; decreasing of risk factors for health of the Roma population; activities on improvement of housing conditions of the Roma population; legalization of all informal settlements where Roma live and provision of permanent, decent, affordable and desegregated housing for Roma; improving of living conditions in Roma housing units and Construction of social housing units for Roma (collective/individual units).

Roma intervention will be implemented as a **Roma Assistance Programme** composed of technical assistance and grant component.

Activity related to Output 1.6: Gender equality advanced in accordance with the Gender Action Plan of Bosnia and Herzegovina³⁵ 2018-2022 key priorities in employment, education and health and social protection, will be achieved by:

- Aiming at advancing gender equality by addressing key issues in the area of employment, education and social protection as identified in the Bosnia and Herzegovina Gender Action Plan of Bosnia and Herzegovina (2018 – 2022).
- A study on gender stereotypes in education will be conducted as well as a study of gender stereotypes in curricula and education materials. A survey of teaching staff attitudes towards gender equality and inclusion will be taken. Recommendations will be used for policy decisions by the relevant education authorities to remove the identified stereotypes and prepare amendments to the schoolbooks.
- Public campaign will be conducted to encourage diversification of educational choices for boys and girls, also towards STEAM education for girls.
- In the area of employment, a study on gender-based discrimination, harassment, sexual harassment and mobbing at work will be conducted that will also identify existence and implementation of antidiscrimination and anti-harassment policies.
- Activities towards developing the Gender Equality Index (GEI) for Bosnia and Herzegovina will be taken so that the GEI is used for monitoring gender policy impact at all levels and assessing progress towards gender equality in all areas.

Gender intervention will be delivered through Gender Assistance Programme and will include both a technical assistance and grant component.

3.3. Mainstreaming

The Action will aim to support structural reforms in the sector, which need to focus on the following economic challenges: (i) reform of labour market institutions and fostering employment of targeted groups, inter alia, through development and implementation of ALMM, with a specific focus on youth (including implementation of the YG). Further support is intended to ease the transition from education to employment. In education sector, an emphasis will be on advancing primary and further higher education reform and equipping educational institutions to better deliver quality education. In social sector, the focus will be on strengthen local service delivery capacities, including <u>CSWs</u>, improving and diversification of the social and child protection system, and support transformation of institutions and development of non-institutional forms of social protection and services, standardisation and licencing. Envisaged actions will contribute to addressing the economic dimension of post pandemic challenges Bosnia and Herzegovina faces.

The economic fallout from COVID-19, as well as with past economic downturns, is expected to disproportionally affect persons in vulnerable situations, including PwDs, Roma, and IDPs/returnees, elderly persons, persons at risk of poverty, as well as young people and women. There are a range of measures currently in places across skills system and labour market institutions and non-governmental sector to support young people entering the labour market, people looking to reskill or upskill and those facing the threat of redundancy, and challenges of exclusion. However, it is vital to build upon and scale up the measures currently in place, ensure coordinated and synchronised approach to the identified challenges while at the same time drawing lessons from what has worked well and experiences from past downturns to meet the unprecedented post pandemic realities. A continued focus on supporting important policy objectives such as job creation, inclusiveness, equal opportunities, sustainability and civic participation post pandemic, with the aim of 'leaving no one behind' needs to be maintained. Moreover, effects of the pandemic have been having a particularly negative effect on women and girls, and efforts in a post-pandemic recovery should aim to integrate gender-equality perspective in all the measures taken to foster employment, social protection and inclusion policies and health care.

³⁵ https://arsBosnia and Herzegovina.gov.ba/wp-content/uploads/2019/02/GAP-Bosnia and Herzegovina-2018-2022 ENG.pdf

By working to strengthen local service delivery capacities (municipal services, centres for social work, and NGO sector) increasing their effectiveness and efficiency through better design and planning of both economic and social strategies and action plans, this Action will contribute to addressing social dimension of the above identified problems in Bosnia and Herzegovina. Moreover, by indirectly increasing opportunities for employment, and improving access to public services, with focus on the most vulnerable categories of the population in target localities, the Action will enhance social inclusion and improve social status in community of excluded groups, especially Roma, PwDs, IDPs/returnees, etc.

Environmental Protection, Climate Change and Biodiversity

Environmental screening is not envisaged and/or required for this action. Notwithstanding, it should be recognised that challenges to a fostering a sustainable and green economy in Bosnia and Herzegovina are significant. This Action will aim to contribute to, wherever possible to a process of green and digital transition in Bosnia and Herzegovina. More specifically, green and circular aspects and priorities and ambitions, as identified in the EU Green Deal, have been built into employment intervention. ALMM will for example aim to include, for example, education and training of young and unemployed people in new innovative industries such as processing of plastic, recycling, etc.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality is a significant objective of this Action. This Action will contribute to Gender Equality and Women's and Girls' empowerment and EU strategic framework in this area.³⁶ It will promote their economic, labour and social rights and facilitate a process of analyses and application of gender and sound evidence-based policies. Crises such as COVID-19 affect women and men, girls and boys, in all their diversity, in different ways. Efforts in a post-pandemic recovery should aim to integrate gender-equality perspective in all the measures taken to foster better employment, social protection, inclusiveness and health care of women and girls, leading to their empowerment. Evidence shows that women are disproportionately more exposed to health and socio-economic risks and face an increase in sexual and gender-based violence due to the confinement policy and essential ecosystem services. The Action will ensure that planned interventions include an adequate response to the impact of the COVID-19 crisis on women and girls, but also men and boys in all their diversity in different sectors. Women in Bosnia and Herzegovina face multiple barriers in the labour market, such as longer waiting time for a first job, lengthy gaps in the years of service due to maternity leave or care of elderly or sick members of the family, inability to re-enter labour market due to age, etc. Especially vulnerable categories include internally displaced women, rural women and Roma women.

The Action will contribute to implementation of the Gender Action Plan of Bosnia and Herzegovina 2018-2022, as a framework strategic document for inclusion of gender equality standards in all areas of social life. By taking due consideration to the gender perspective throughout the activities and addressing specific strategic goals and priorities in the area of employment, education and social protection this Action is fully in line with the above-mentioned strategic document.

This Action will further contribute to improving employment opportunities of these groups and foster gender equality in Bosnia and Herzegovina, as well as to implementation of the *Committee* on the Elimination of Discrimination against Women (*CEDAW*) Concluding remarks.³⁷

Human Rights

Action will aim to facilitate investing in human rights in a horizontal manner in order to create more resilient and inclusive societies (**Rights based approach**). This Action will ensure that there will be no discrimination

³⁶ The Gender Equality Strategy 2020-2025 of the European Commission sets out a vision, policy objectives and actions to make concrete progress on gender equality in Europe and commitment to women's and girls' rights and the reference to the Sustainable Development Goals in particular to SDG 5 as a key framework for the Gender Equality Strategy. It, *inter alia*, focusses on closing gender gaps in labour market and achieving equal participation across different sectors of the economy.

https://arsBosnia and Herzegovina.gov.ba/wp-content/uploads/2020/06/CEDAW-C-BOSNIA AND HERZEGOVINA-Concluding-Observations-6 AsAdopted.pdf)

of vulnerable categories. In addition, it will ensure that women's rights are fostered through a dedicated use of some of the available resources. In October 2019, the Bosnia and Herzegovina CoM adopted the Information and the Guide for Taking Effective Measures to Prevent Gender-based Harassment and Sexual Harassment in the Workplace in Bosnia and Herzegovina Institutions. In addition, the Bosnia and Herzegovina CoM has requested that relevant institutions adopt a Decision on Zero-Tolerance Policy for Sexual Harassment and Gender-based Harassment, as well as to adopt advisors who should tackle these issues. In total, 46 State-level institutions (70%) have fulfilled this request. The remaining institutions are expected to comply by mid of 2021.

Disability

As per OECD Disability DAC codes identified in *Section 1.1*, this Action is labelled as D1. **This implies that disability is a significant objective of this Action**. This will be achieved through the promotion of rights and status of disabled persons, having in mind that the CSW and social protection services are first levels to which a disabled person, as a member of special vulnerable category group, turns for assistance and support. These institutions have significant tasks and responsibilities to perform, often without corresponding and unified standards, trainings, and defined cooperation with other competent sectors. Building institutional capacities is therefore indispensable to better responding to specific needs of disabled persons, and this Action will aim to do so. Overall, by the enhancement of social and child protection system, through all activities related to the social component, a range of social protection services of vulnerable groups, including disabled persons, will be improved.

3.4. Risks and Lessons Learned

Category	Risks	Likelihoo d (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External environment	Inability to implement some activities because of the worsening situation caused by the COVID-19 reoccurrence	M	M	If the COVID-19 pandemic further threatens society and business community in Bosnia and Herzegovina, as well as governmental and non-governmental sector, an alternative to an already designed activities to continue appropriate interventions under this Action will be considered. Regarding delivery of the technical assistance, including training, if deemed necessary, an online delivery will be ensured.
People and the organisation	Limited number of staff in beneficiary government institutions and heavy workload, evident throughout 2020 due to additional activities caused by pandemic.	М	M	Ensure that a dedicated department (including staff) is identified in all beneficiary and coordinating institutions during the process of ToR drafting, and that they are made aware of their roles in the implementation.
People and the organisation	Lack of absorption capacity of key beneficiaries across the three sectors	L	L	Project activities will be carefully planned and paced. Furthermore, to make the beneficiaries capable of absorbing the assistance, the action foresees capacity building trainings. The selection criteria for non-governmental beneficiaries will also consider their capacities to for implementing the support measures.
External environment	Unfavourable macroeconomic trends and incidents at Bosnia and Herzegovina and global level negatively affect private sector in Bosnia and	M	M	All Action's internal M&E systems will closely monitor all relevant economic and political developments that make have an impact on its results as measured through indicators. Any critical trend will be reported to the Contracting Authority for consideration, and mitigation measures will be decided

Herzegovina, as			
well as envisaged			
grant beneficiaries			
and prevent full			
achievement of			
Action indicators			

Lessons Learned

In the area of **employment**, LEP Phase 1 project (EU) developed and implemented 19 local employment initiatives in the period 2016-2019. In total, 1600 persons have been trained and upskilled and 512 persons have found jobs. The outcomes, results and findings such as the importance of development of partnerships and programs at the local level, in line with specific needs on the ground, need to build further and foster capacities of employment offices, have been considered during the design process for this action.

Findings form the upcoming studies and assessments, such as ILO's *Rapid Assessment of the Employment Impacts and Policy Responses*; analytics for the 2021-2027 Employment Strategy of Federation of Bosnia and Herzegovina, and rapid-STED analysis in the IT sector focusing on skills needs, company capacity gaps and actions to reduce skills mismatches, have not been ready as final documents in time for design of this Action, but should be used for definition of specific activities under employment interventions. The EC Project: *Strengthening capacity of labour market institutions by improving the methodology of labour market research* is due to be completed in October 2022. It would be of utmost importance to ensure that key deliverables of this project, at present defined to be those related to labour market research (based on surveying employers), including education specific reports, sport for re-design of ALMM based on evaluation thereof, training and capacity building of PESs that would take place, support to for Bosnia and Herzegovina in joining the EURES, ³⁸ as well as support for a countrywide employment strategy are fully integrated in activities planned under this Action's employment activities.

The ongoing Word Bank Project supporting PES was due to be completed in October 2021. However, in light of COVID-19 realities, both Federation of Bosnia and Herzegovina and RS governments have initiated a process of requesting a two-year extension of the project (to October 2023)³⁹. The original Results Framework will be followed, with a new category to benefit from ALMM added: *jobless due to COVID-19*. World Bank Results Framework is in line with envisaged activities planned under IPA III – 2021 assistance to employment sector, as well as this Action. More specifically, ALMM are aligned, and World Bank activities related to software solutions focus solely creating on an application/job portal to facilitate job search. As such, this activity is a specific one-off activity that will be completed under the World Bank project.

Over the past years **social sector** has received substantial EU and other donor (bilateral and multilateral) assistance, particularly aimed at building social inclusion and social protection mechanisms. In the field of social welfare, two projects financed under the IPA have been implemented: IPA 2011 Project: *Support to social services providers* and IPA 2014 project *Transformation of institutions for child care and prevention of separation of families*. Implementation of the projects has contributed to strengthening of extra-institutional forms of social protection and thus to the process of deinstitutionalization of social protection for various categories of beneficiaries. Considering that the deinstitutionalization process is very complex and requires gradual changes in the social protection system, the said projects marked the start of the process and it is very important to continue the activities that would ultimately lead to limiting the institutional protection to the

³⁸ A European cooperation network of employment services, designed to facilitate the free movement of workers. The network has always worked hard to ensure that European citizens can benefit from the same opportunities, despite language barriers, cultural differences, bureaucratic challenges, diverse employment laws and a lack of recognition of educational certificates across Europe.

³⁹ A loan contract for the new project between Bosnia and Herzegovina and the World Bank is expected to be concluded by the end of 2021.

level that is necessary. The projects have provided specific recommendations that should be taken into consideration when developing indicative activities from this Action further.	

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators at least one indicator per expected result	Baselines 2020/2021 (unless otherwise indicated)	Target 2027 (unless otherwise indicated)	Sources of data	Assumptions
Impact	To accelerate Bosnia and Herzegovina's employment, education and social reforms and socio-economic recovery post Covid-19 crisis	Composite indicator on the readiness of candidate countries and potential candidates on fundamental areas of the economic criteria (functioning market economy and competitiveness) Global Competitiveness Index (score) GDP per capita in Purchasing Power Standards (PPS) expressed in relation to the European Union average	TBA 1 2 3	TBA 1 2 3	European Commission Eurostat	Not applicable
Outcome 1 Employment	Employment opportunities for youth, rural women and hard-to-employ categories increased	1.1 Number of implemented programs (disaggregated by type and taking due regard to opportunities in the field of green and circular economy) 1.2 Number of unemployed youth, rural women and hard-to-employ categories who benefited from the assistance (disaggregated by each category)	1.1 - 0 1.2 - 0	1.1 - 7 1.2 - 1000	Administrative data BHAS (youth data) Public Employment Services data Project report on conducted analyses	The improvement in health situation in Europe and in the rest of the world during the second half of 2021 will allow gradual rebound in the economic activity. The adopted COVID-19 government measures have the potential to restore the vitality of the economy and mitigate the negative socioeconomic impact of the pandemic.
Outcome 2 Social Protection	2. Social inclusion of vulnerable target groups improved, and gender equality advanced	2.1 Number of standardised and licenced community-based social services, such as prevention, family models of care, support to youth leaving public care, Roma, minorities improved 2.2 Number of social measures of Action Plan for Roma 2021-2025 supported	2.1 -0 2.2 -0 2.3 -0	2.1 - 25 2.2 -5 2.3 -5	Available reports on social standards quality (Inspection reports), licences issued Project reports	Relevant authorities in Bosnia and Herzegovina committed to improve social inclusion of vulnerable

		2.3 Number of policy initiatives towards eliminating gender discrimination/bias at work, gender stereotyping in the textbooks and education materials and towards amending family laws.			Report on implementation of Roma Action Plan Report on Implementation of the Gender Action Plan of Bosnia and Herzegovina	groups and promote gender equality Local authorities and NGOs engaged in the implementation of social inclusion and social protection programs
Output 1 related to Outcome 1 Employment	1.1 Facilitated transition of young people from education system, rural women and hard to employ categories to the labour market	1.1.1 Number of young people with skills required by the labour market, gender balanced, and inclusive for hard-to employ categories (incl. persons with disabilities) 1.1.2 Number of further developed and introduced active labour measures for specific groups: young people, women from rural areas, hard to employ categories (among else, countering in the opportunities in the field of green and circular economy 1.1.3 Number of employed youth school graduated and employed on tasks matching their qualifications	1.1.1 - 0 1.1.2 - 0 1.1.3 - 0	1.1.1 - 1500 1.1.2 - 20 1.1.3 - 200	Administrative data and reports from Employment Institutes Labour Inspections reports Competent Ministries	ALMM interesting and lucrative enough to attract applicants
Output 1 related to Outcome 2 (Social Protection)	1.2. Strengthened capacities of Centres for Social Work (CSW) to provide better services to vulnerable groups	1.2.1 Number of developed strategic documents/action plans addressing new types of social services in local communities/municipal social protection services/CSW 1.2.2 Number of new standards of social protection based on real needs developed and implemented in local communities/municipal social protection services/CSW 1.2.3 Number of professional staff in the system of social and child protection trained in modern social protection services provision	1.2.1 -0 1.2.2 -0 1.2.3 -0 1.2.4 -0	1.2.1 - 5 1.2.2 - 5 1.2.3 - 300 1.2.4 - 51	Competent institutions reports (ministries and CSWs); official statistical data, Social and child protection system databases; Project reports	Competent human resources in place

Output 2 related Outcome 2 (S Protection)	d to Social	1.3 Integrated model of social protection at local level and non-institutional forms of social protection established and/or further strengthened	1.2.4 Number of CSWs and other institutions of social protection with improved infrastructure and equipment 1.3.1 Number of local integrated models/action plans of social protection developed and implemented 1.3.2 Level of implementation of developed local integrated models action plans of social protection 1.3.3 Number of professional staff in the system of social and child protection whose capacities have been strengthened regarding non-institutional forms of social protection 1.3.4 Number of alternative social protection services/facilities established and with improved infrastructure and equipment 1.10.5 Number of beneficiaries in non-institutional forms of care (foster care and family model of care) 1.10.6 Number of young people leaving public care supported through social protection services/facilities/activities 1.10.7 Number of Alimony Funds established	1.3.1 -0 1.3.2 -0 1.3.3 -0 1.3.4 -0 1.3.5 -0 1.3.6 -0 1.3.7 -0	1.3.1 - 40 1.3.2 -70% 1.3.3 - 150 1.3.4 -50 1.3.5 -300 1.3.6 -200 1.3.7 -4	SOTAC database reports/data; Project reports; Annual Reports from Centres for social work; Reports on Child rights situation in Bosnia and Herzegovina	Good co- operation and co-ordination among key stakeholders
Output 3 related Outcome 2 (S Protection)	d to Social	1.4 Social and child protection inspection and monitoring system and services control strengthened	1.41 Number of new inspectors in the field of social and child protection;1.4.2 Number of trainings provided to inspectors	1.4.1 -0 1.4.2 -0	1.4.1 -20 1.4.2 -10		Competent human resources in place
Output 4 relate Outcome 2 (S Protection)	d to Social	1.5 Access to social inclusion services and social inclusion of Roma improved	1.5.1 Rate of universal health care insurance coverage among Roma 1.5.2 Rate of Roma discrimination (decrease %) 1.5.3 Rate of legalized informal settlements where Roma live (decrease%) 1.5.4 Number of raising awareness activities among Roma communities of harmful effects of child/forced marriage on the education, health and development of girls	1.5.1 -30% 1.5.2 -0 1.5.3 -0 1.5.4 -0	1.5.1 -95% 1.5.2 -9% 1.5.3 -30% 1.5.4 -2	Improvement of the quality of the monitoring and supervision system The rate of legalized informal settlements where Roma live (decrease %)	

Output 5 related to Outcome 2 (Social Protection) 1.6 Gender equality advanced in accordance with the GAP Bosnia and Herzegovina 2018-2022 key priorities in employment, education and health and social protection	1.6.1 Number of policy initiatives aimed at strengthening monitoring and reporting on gender-based discrimination, harassment, sexual harassment and mobbing at work. 1.6.2 Recommendations for textbooks and education materials revision and amendments to eliminate gender stereotyped contents included in the relevant authorities' policy initiatives. 1.6.3 Public campaigns to encourage further diversification of educational choices for girls and boys conducted. 1.6.4 Amendments to the family laws to include a definition of single mothers in accordance with the Istanbul Convention drafted. 1.6.5 Number of activities towards the developing of the Gender Equality Index for monitoring gender policy impact at all levels and assessing progress towards gender	1.6.1 -0 1.6.2 -0 1.6.3 -0 1.6.4 -0 1.6.5 -1	1.6.1 -3 1.6.2 -75% 1.6.3 -4 1.6.4 -75% 1.6.5 -4	Report on implementation of Roma Action Plan Reports of the implementation of antidiscrimination and anti-harassment policy. Relevant education authorities' reports. Project reports.
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4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with Bosnia and Herzegovina.

4.2. Indicative Implementation Period

The indicative implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the Financing Agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Methods of implementation applicable for Project modality

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁴⁰.

4.3.1. Direct Management (Grants)

(a) Purpose of the grant(s)

If negotiations with the entrusted entity fail, part of the action "Outcome 1 – Employment - Employment opportunities for youth, rural women and hard-to-employ categories increased" may be implemented in direct management through the Grant Call for Proposals in amount of EUR 3.8 million;

The Outcome 2 of the action will be implemented through the Grant Call for Proposals (indicative amount of EUR 6 million for Output 1 and 2, EUR 4 million for Output 3, EUR 6 million for Output 4 and EUR 2 million for Output 5), with the main purpose to further build the capacities of Centres for Social Work (CSW), support establishment and strengthening of integrated model of social protection at local level, as well as non-institutional forms of social protection. The Action will also continue supporting efforts to enhance social inclusion of persons in vulnerable situations, with focus on Roma, single mothers, persons with disabilities (PwDs) and internally displaced people (IDPs) and returnees, through a coherent approach, while at the same time addressing implementation of the Bosnia and Herzegovina Gender Action Plan.

(b) Type of applicants targeted

The eligible applicants will be international organisations or NGOs or non-profit organisations that have had experience in working at local community level, and have managed similar size of grant contracts as the one subject of this Action outputs mentioned under point (a).

(c) Justification of a direct grant

⁴⁰ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

N/A

(d) Exception to the non-retroactivity of costs N/A

4.3.2. Direct Management (Prize(s))

N/A

4.3.3. Direct Management (Procurement)

If negotiations with the entrusted entity fail, part of the action "Outcome 1 – Employment - Employment opportunities for youth, rural women and hard-to-employ categories increased" may be implemented in direct management through the technical assistance service contract in amount of EUR 1.2 million;

4.3.4. Indirect Management with a Member State Organisation, and/or international organisation

It is envisaged that the following Outcomes are implemented through an indirect management with international organisation or Member State Organisation:

$\label{eq:come} \textbf{Outcome 1} - \textbf{Employment - Employment opportunities for youth, rural women and hard-to-employ categories increased}$

• Output 1 – Facilitating transition of young people from education systems, rural women and hard to employ categories to the labour market (**EUR 5 million** – technical assistance and grants that will be distributed)

Outcome 2 - Social protection: Existing social protection services standardised and licenced and social inclusion of vulnerable target groups improved, and gender equality advanced

- Output 1 Strengthening capacities of CWS to provide better services to vulnerable groups;
- Output 2 Integrated model of social protection at local levels and non-institutional forms of social protection established and/or further strengthened and
- Output3

 — Social and child protection inspection and monitoring system and services control strengthened and standardised (technical assistance and grants 10 million)
 — Social Assistance Programme
- Output 4 Access to social inclusion services and social inclusion of Roma improved: **Roma Assistance Programme** technical assistance and grant EUR 6 million
- Output 5

 Gender equality advance in accordance with GPA 2018-2022 key priorities in employment, education and health and social policy Gender Assistance Programme technical assistance and grant EUR 2 million

The Commission's services will be using the following criteria: a) financial and operational capacity of the applicant; and b) technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects; c) extensive experience in managing large and complex programmes or projects related to the results, d) extensive experience in the implementation of similar projects, e) expertise in the field of EU negotiations and documented capacity to mobilise relevant networks in the EU Member States, Bosnia and Herzegovina and the region, etc. f) Criteria related to the quality of the Concept Note, including relevance;

consistency with the objectives, results, and activities of the Action, g) expected impact; h) sustainability and cost-effectiveness.

If negotiations with the entrusted entity fail, that part of this action may be implemented in indirect management with other alternative entity which shall be selected by Commission services using the same selection criteria. In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same selection criteria given above. If the entity is replaced the decision to replace it needs to be justified. If negotiations with the entrusted entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in sections 4.3.1 and 4.3.3

4.3.5. Indirect Management with an IPA III beneficiary

N/A

4.3.6. Contribution to <name of the relevant Regional Investment Platform>

N/A

4.3.7. EFSD+ operations covered by budgetary guarantees

N/A

4.3.8. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances (one alternative second option)

Implementation under Direct management (service contracts for technical assistance and grants) may be used as an alternative modality for the part of this action that is planned to be implemented in indirect management, in case this preferred modality cannot be implemented due to circumstances outside of the Commission's control. If negotiations with the entrusted entity fail, that part of this action may be implemented in direct management as follows:

- 1) Outcome 1 Employment Employment opportunities for youth, rural women and hard-to-employ categories increased; If negotiations with the entrusted entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in sections 4.3.1 Grants and 4.3.3 Direct Procurement (technical assistance service contract): Output 1 Facilitating transition of young people from education systems, rural women and hard to employ categories to the labour market: EUR 3.8 million for grants and EUR 1.2 million for technical assistance service contract;
- 2) Outcome 2 Social protection If negotiations with the entrusted entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.3.1 Grants (indicative amount of EUR 6 million for Output 1 and 2, EUR 4 million for output 3, EUR 6 million for Output 4 and EUR 2 million for Output 5).

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution, in currency identified
Methods of implementation – cf. section 4.4		
Outcome 1 - Employment opportunities for youth, rural women and hard-to-employ categories increased, composed of		
Indirect management with international organisation or Member State organisation cf. section 4.3.4	5 000 000	N/A
Outcome 2 - Social protection: Existing social protection services standardised and licenced and social inclusion of vulnerable target groups improved, and gender equality advanced, composed of		
Indirect management with international organisation or Member State organisation cf. section 4.3.4	18 000 000	N/A
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another Decision	N/A
Communication and visibility – cf. section 6	will be covered by another Decision	N/A
Contingencies	N/A	N/A
Total	23 000 000	

4.6. Organisational Set-up and Responsibilities

This is a multi-sectoral action, composed of sub sector targeted assistance in the following three areas of support: (i) employment, (ii) education and (iii) social sector. The implementation arrangements need to made across the three sectors, with responsibilities clearly defined in order to ensure full achievement of Action's indicators. For all three sectors, please refer to *Description of main stakeholders in section 2.2*. for a detailed outline of the coordinating system. In essence, the Action will use *the inter-institutional working method* to steer the delivery of support.

Other relevant competent institutions, in addition to the main beneficiaries will be included in implementation of the proposed activities. Should it be necessary, additional institutions and organisations relevant to the achievement of the planned activities, will be included in the implementation. In line with the standard practice, in the initial stage of project implementation, a *Steering Committee* will be established to oversee progress in the implementation of activities. Furthermore, if deemed necessary, additional technical *Working Groups of experts:* representatives of institutions or organisations, will be established for a specific tasks and activities. Given a large number of institutions in the sector, as well an extensive number of activities, *Steering Committees* will be at the centre of ensuring efficiency, effectiveness of implementation of this Action. The role of each structure defined above will be identified in order to avoid overlapping of the leadership and avoid potential conflict.

Employment sector: The coordination systems, as outlined in *Section 2.2*. are the same coordination systems that will used for coordination on activities envisaged under this Action. It will be instrumental to ensure that all activities are implemented in a harmonised and consistent measures all levels throughout Bosnia and

Herzegovina. **Social sector:** Coordination in social sector remains a challenge, but some coordination exists as outlined in *Section 2.2*. Further efforts will need to me made to improve this coordination in time for it to allow it to be used for the successful implementation of this Action. As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission shall participate in the above governance structures set up for governing the implementation of the action.

4.7. Pre-conditions

N/A

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner's responsibilities and that of the EU operational manager. Both types of internal monitoring will be undertaken in an inclusive way, involving key stakeholders. The different responsibilities for this dual internal monitoring are the following:

- Implementing partners' monitoring will aim at collecting and analysing data to inform on progress towards planned results' achievement to feed decision-making processes at the action's management level and to report on the use of resources.
- EU operational manager monitoring will aim at complementing implementing partners' monitoring, especially in key moments of the action cycle. It will also aim at ensuring a sound follow-up on external monitoring recommendations and at informing EU management. This monitoring could take different forms (meetings with implementing partners, action steering committees, on the spot checks), to be decided based on specific needs and resources at hand.

The Action's <u>internal result-based monitoring system(s)</u> will be set up and will be us to facilitate systemic and close monitoring of all defined indicators to ensure full achievements *thereof*. The internal monitoring needs to be carried out by staff with <u>certified competencies</u> in the domain of monitoring and evaluation. Given the specific nature of the assistance to be provided under this Action, i.e. *to accelerate Bosnia and Herzegovina's employment, education and social reforms and socio-economic recovery post Covid-19 crisis*, particular attention will also be paid to closely monitoring all relevant economic and political developments, that may have an impact on results as measured through indicators. **Basis for the monitoring system is the Action's LFM with its underlying indicators for specific Outcomes and Outputs**. LFM will be used as a management tool. The purpose of the monitoring, will, *inter alia*, be to <u>adjust and revise Outputs</u>, activities and indicator level, should there be need, in order to effectively achieve the expected Outcomes.

It is expected that the <u>implementing partners for the Outcomes 1 and 6</u> will be responsible for monitoring the implementation of action, in close cooperation with the stakeholders. Furthermore, a number of structures to facilitate monitoring of success of grants schemes that will be provided, may be set up. Field visits are seen particularly important in this respect. For the Outcomes 4, and 5 the institutional beneficiary structure, will be responsible for monitoring. A role of the Steering Board will also facilitate coordination of monitoring efforts, as well as strategic guidance, should any issues arise related to Action's results, as measured through indicators. The members will be nominated by the respective ministries as sector lead stakeholders.

The Commission can rely on on statistical systems, official data and existing monitoring frameworks to feed into policy dialogue and inform decisions on general conditions and variable tranche indicators (including sex-disaggregation and other relevant degrees of granularity), **to a limited extent**, given the prevailing situation in Bosnia and Herzegovina.

5.2. Evaluation

Having regard to the importance of the Action, **mid-term and final evaluations will be carried out for this Action's** all three components via independent consultants of via an implementing partner, contracted by the Commission. A mid-term evaluation will be carried out for learning purposes in particular to complement with specific aspects that can be highlighted such as the intention to launch a second phase of the action. A final evaluation will be carried out for accountability and learning purposes, including for policy revision.

The Commission shall inform the implementing partner at least 3 months in advance of the dates envisaged for the evaluation missions. The EC shall form a Reference Group composed by representatives from the main stakeholders at both EU and national levels (representatives from the government, from civil society organisations, etc.). If deemed necessary, other donors will be invited to join. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. Evaluations will be financed under another decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this Action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements. Audit and verifications will be financed under by another decision.

6. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force. In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully

informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

7. SUSTAINABILITY

The long-term extent of sustainability benefits, such as the level of ownership of the beneficiaries, their institutional management capacities, will be assessed as feasible, and further details will be developed in the process of terms of references definition. Furthermore, given that the Action has partially been designed to address a massive financial gap that Bosnia and Herzegovina faces, Bosnia and Herzegovina authorities are not in a position to provide any additional resources for the Action. It is uncertain whether the beneficiary institutions themselves will be in a position to commit any substantial resources for the maintenance of the results once the Action is completed.

It is therefore, of utmost importance to revisit the sustainability issues during monitoring of the implementation of the Action, ideally already during the first mid-term evaluation. Notwithstanding, there are a number of envisaged Outputs under Outcomes where sustainability of the Action will be ensured. More specifically, **Output 1 under Outcome 2,** *inter alia*, focuses on building the capacities of the public employment services that will by default improve their medium-term institutional capacities. **Outputs 1 and 2 under Outcome 6** focus on further building capacities of social service provides to be in a position to support the most vulnerable groups in society following the pandemic, while also strengthening and improving their institutional management capacities and ownership in medium term. **Outcome 3** is focused on further strengthening of capacity building of the institutions competent for harmonising the *acquis* in the field of health and safety at work, so that further corresponding harmonisation and participation in the process of European integration is ensured.