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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX II**

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

**Action Document for EU4 Public Administration Reform (PAR) Increased Administrative Capacity**

**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**

<b>Title</b>	Action Document - EU4 Public Administration Reform (PAR) Increased Administrative Capacity Annual Action Plan in favour of Bosnia and Herzegovina for 2022
<b>OPSYS</b>	ACT-61469; JAD.1045709
<b>Basic Act</b>	Financed under the Instrument for Pre-accession Assistance (IPA III)
<b>Team Europe Initiative</b>	No
<b>Zone benefiting from the action</b>	The action shall be carried out in Bosnia and Herzegovina
<b>Programming document</b>	IPA III Programming Framework
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>Window and thematic priority</b>	Window 2 - Good governance, EU <i>acquis</i> alignment, good neighborly relations and strategic communication Thematic Priority 1: Good governance
<b>Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): <ul style="list-style-type: none"> <li>SDG 16 - Peace, Justice and Strong Institutions specific, entail the development of “effective, accountable and transparent institutions at all levels”.</li> </ul> Other significant SDGs (up to 9) and where appropriate, targets: SDG 8 - Decent work and economic growth SDG 10 - Reduce inequality within and among countries SDG 17 - Partnership for Goals

<b>DAC code(s)</b> <sup>1</sup>	15110 - Public sector policy and administrative management 15196 - Government and civil society statistics and data 15111 - Public finance management (PFM) 15117 - Budget planning			
<b>Main Delivery Channel</b>	Bilateral			
<b>Markers</b> <sup>2</sup> (from DAC form)	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition <sup>3</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Internal markers</b> <sup>4</sup>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> DAC sectors (codes and descriptions) are indicated in the first and fourth columns of the tab 'purpose codes' in the following document: <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacandrcodelists.htm>

<sup>2</sup> For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> Go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive. If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

<sup>3</sup> Please check the [Handbook on the OECD-DAC Nutrition Policy Marker](#)

<sup>4</sup> These markers have a different scope/rationale than the DAC codes. They are drawn from the level of budget allocation and emphasis given to the action in terms main objective(s) selected. The definition of objectives, results, activities in description of the action should be in line with this section.

	Digitalisation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration <sup>5</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>Amounts concerned</b>	Budget Line: 15.020101.01 Total estimated cost: EUR 6 000 000 Total amount of EU budget contribution: EUR 6 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>Implementation modalities (type of financing and management mode)</b>	<b>Project Modality</b> <b>Direct management</b> through: - Procurement (service and supply) - Twinning grant			
<b>Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans [only for the Western Balkans]</b>	<b>Priorities:</b> “Digital Transition”, “Governance, Rule of Law, PAR” <b>Flagships:</b> “VIII Digital Infrastructure”			
<b>Final Date for conclusion of Financing Agreement</b>	At the latest by 31 December 2023			
<b>Final date for concluding contribution / delegation agreements, procurement and grant contracts</b>	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			
<b>Indicative operational implementation eligibility period</b>	72 months <sup>6</sup> following the conclusion of the Financing Agreement			
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement			

## 1.2. Summary of the Action

This Action will support the further implementation of the PAR Strategic Framework and more precisely country’s willingness to respond positively to its citizens greater expectations from the public administration

<sup>5</sup> For detailed information on programming migration and forced displacement, please have a look at the [thematic guidance note](#) on migration and forced displacement; for information on the migration marker please look at annex 2 of the thematic guidance note.

<sup>6</sup> Number of months should not exceed 72 months.

regarding the quality, speed, price, transparency and accessibility of services it delivers, at the same time contributing to harmonised modernisation of public administration observing EU accession criteria. The action will develop a mechanism for online collaborative use of software tools facilitating the development of the digital economy to be utilised by society as a whole, through piloting sectors as clearly proposed in the PAR Strategic Framework. In the area of statistics, the Action will contribute to further harmonisation and modernisation of Bosnia and Herzegovina statistics with EU standards, volume and quality of data using relevant administrative sources as well as gender mainstreaming approach. In addition, the Action will improve finance statistics by digitalisation and modernisation of statistical production in Central Bank. The intervention will deliver concrete countrywide sustainable results in line with national strategies and national priorities. The Action as such is fully in line with IPA III Programming Framework (PF) and Sustainable Development Goals (SDG) 16, where both underpin strong institutions, development of modernised public administrations at all levels of government as well as strengthening statistical systems which are of utmost importance for evidence-based decision-making. Finally, the action contributes to the implementation of the key priorities<sup>7</sup> by supporting establishment of quicker, cheaper, more transparent and more accessible public services which are cornerstones for better functioning public administration.

## 2. RATIONALE

### 2.1. Context

Public administration reform (PAR) is one of a fundamental pillars of the enlargement process as well as one of the key priorities for further progress towards the opening of negotiations for accession.

Although Bosnia and Herzegovina has been implementing public administration reform since 2006, it is still at an early stage of the reform process. Public administration reform is important for overall accession process due to governments' ability to ensure coherent application of rules, procedures, standards, and human resources management across public administration at all levels directly impacting quality of sector policies, public services, and ultimately competitiveness and growth. At the same time, public administration reform is an obligation not only from the SAA (Article 111) it also contributes to meeting the Copenhagen/Madrid criteria as well as recommendations from a number of European Commission's documents which require harmonization with the SIGMA Principles of Public Administration as a minimum benchmark of good administration that Bosnia and Herzegovina needs to follow during the European integration process.

Bosnia and Herzegovina has adopted the Strategic Framework for Public Administration Reform (2018-2022) and the accompanying Action Plan in 2020-2022. The Principles of Public Administration were the basis for the development of a PAR Strategic Framework (SF) and Action plan, as the main sector strategic document, which contains indicators, including *performance indicators*.

Public administration reform involves a large number of actors, not only at State level but also at other levels of government. The Public Administration Reform Coordinator's Office of Bosnia and Herzegovina (PARCO) coordinates the public administration reform process in Bosnia and Herzegovina, including the development and implementation of a strategy in this field. For effective PAR coordination, an inter-governmental structure has been established with aim to enable the smooth implementation of PAR in various areas envisaged by the PAR Strategic Framework. This structure includes the establishment of a PAR coordinator at the level of Entities and Brčko District, as well as a number of inter-governmental bodies.

Regional analyses showed that projects and initiatives on reducing administrative burdens and utilization of digital/e-services have been extensive, but that implementation, coordination and moving closer to well established and proven EU standards have not been addressed properly. Bosnia and Herzegovina implemented

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<sup>7</sup> [https://neighbourhood-enlargement.ec.europa.eu/opinion-bosnia-and-herzegovinas-application-membership-european-union-0\\_en](https://neighbourhood-enlargement.ec.europa.eu/opinion-bosnia-and-herzegovinas-application-membership-european-union-0_en)

a number of projects in IT area. One of the earliest included design and establishment of the Interoperability framework and standards for data exchange in Bosnia and Herzegovina, and directly pointed that complex administrative setup where different government levels provide the services will be a challenge to implementing seamless services. Although the Interoperability framework was established and adopted but its full implementation has been missing. User needs and satisfaction were not the parameters to be included in the design of services. Some institutions put great effort to reduce identified bottlenecks, digitize their public registers and try to introduce some level of interconnection between key databases. Successful ones like the The Agency for Identification Documents, Registers and Data Exchange Bosnia and Herzegovina (IDDEEA) registers and registry offices records, act as of proof of concept.

Strategic Directions of Statistics Development in Bosnia and Herzegovina until 2030 accompanying with the Statistical Program of Bosnia and Herzegovina 2021-2024 provide the common directions of countrywide statistics development in the country. The long-term goal responds to user needs and improvement of business processes by increasing the use of modern technology and administrative data, which will lead to increase the range of produced official, timely, exhaustive countrywide statistics.

The three statistical institutions, called ‘competent authorities’ in the Law on Statistics of Bosnia and Herzegovina, represent the State and Entity levels of government: The Agency for Statistics of Bosnia and Herzegovina (BHAS) at the State level; The Federation of Bosnia and Herzegovina Institute for Statistics (FIS) and the Republika Srpska Institute of Statistics (RSIS) at the level of the two Entities. The statistical office of Brčko District (BD) has been an integral part of BHAS since 2006.

The Agency for Statistics of Bosnia and Herzegovina is in charge of the overall coordination of work, monitoring and control of the implementation of activities from the countrywide Strategy, according to provisions from the Law on Statistics of Bosnia and Herzegovina and the Agreement on Implementation of Harmonized Methodologies and Standards in Producing Statistical Data of Bosnia and Herzegovina .

This envisaged Action is fully in line with specific objective of IPA III support under Window 2 which aims to modernise public administrations at all levels of government, strengthen statistical systems and economic governance, and hence contribute to sustainable growth and to improve competitiveness. It is also in line with objective which aims to address overall public governance, in particular public administration reform and public financial management at all levels of government as well as legislative and institutional alignment with the EU *acquis*. The document stressed importance of digital transformation of the government in order to ensure interoperability, trust and transparency.

Further, IPA III Programming Framework singled out that **statistics** provides the basis for evidence-based policy development and monitoring and evaluation of implementation of policies. The support to IPA III beneficiaries will be ensured in meeting the EU *acquis* requirements under chapter 18 statistics and to build capacity for administrative data and statistics production to be used in all sectors. Programming Framework confirms that the accession negotiation **statistics (chapter 18)** (together with accession negotiation chapters 5, 11, 16, taxation 32 and 23), is integrally linked to **public administration reform**.

**Strategic Response** for Window 2 also recognised the public administration reform as one of the “fundamental” pillars envisaging further support to the PAR and statistics system in several areas such as human resource management, service delivery, harmonised approach to policy development, enlarge the volume of county-wide statistical data and its harmonization with the EU *acquis*.

**Stabilisation and Association Agreement between the European Communities and their Member States and Bosnia and Herzegovina**, (Article 111) is envisaging the establishment of cooperation “*aimed at improving the development of an efficient and accountable public administration in Bosnia and Herzegovina*” and Action will contribute to mentioned Article by improving the provision of administrative services electronically.

The Action also in part of establishing a several service delivery enablers in Service delivery area of Action Plan (AP) for PAR SF is closely correlated and complementary with **Digital agenda for Western Balkans**. The document provides strategic focus on digital integration, providing directions for alignment with EU in relevant areas including e-Government and Interoperability.

The national statistical institutes will be supported to develop the methodology and ensure the production and dissemination of statistical information in various areas such as macro-economic and price statistics, demographic and social statistics, regional statistics, and statistics on business, transport, external trade, agriculture, environment, science and technology. The line institutions will be supported in building capacity for administrative data and statistics production, storage and use for evidence-based policy- making.

**Annual Eurostat** assessment for Bosnia and Herzegovina, Subcommittee on Finance, Economics and Statistics listed many uncovered topics and limited data transmission related to Government finance statistics and External Statistics, which have to be developed and transmitted to Eurostat. Thus, action is addressing data gaps and will support CBBH to apply ESA 2010 and relevant EU methodologies and concepts.

## 2.2. Problem Analysis

Bosnia and Herzegovina is at an early stage with public administration reform and the country should make strong efforts to ensure a comprehensive, harmonised and countrywide approach to public administration reform, in line with the principles of public administration.

### *Area of support 1: Implementation of PAR Strategic Framework – Public services*

In area of PAR Service delivery Bosnia and Herzegovina has to ensure a harmonised approach to modernisation, simplification and digitalisation of services fostering by user-oriented administrations. In order to do so it will be necessary to implement high volume of building blocks and investment in facilities around various Information technology solutions.

Currently, in order to get what they need, citizens are forced to join up services by themselves since a range of institutions at all administrative levels in Bosnia and Herzegovina deliver their own services separately. Except some rare cases (like IDDEEA registers using the Registry offices records during the personal document renewal process) there are no links between the different institutions from different administrative levels in this matter. Some analyses shows that services are often organised to reflect the responsibilities of institutions' departments rather than cross-government priorities. Some examples of multisector approach to service development exist (e-babies for example) but they take place within one administrative level.

Bosnia and Herzegovina has four laws regulating administrative procedures. In spite of clear provision stating<sup>8</sup> that institution is obliged to obtain data on facts from official records, no matter are they kept by that or another body, enterprise (company), institution or other legal entity, the citizens are forced to collect and provide the evidences which results with high expenses and duration of processes. Even in same institutions the inter-departmental communication is weak resulting that citizens needs to acquire an evidence from one department and provide it to other department. Although often hindered the non-efficient internal institution process greatly expands the cost and time necessary for the application being resolved, so the citizen experience and perception of public administration services are that it is slow and confusing process often impeded by subjective and discriminative opinion of bureaucrats.

There is urgent need for common and systematic implementation of several **enabling functions** that will support the linkage between the government and citizens and between institutions themselves. Since being

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<sup>8</sup> Law on administrative procedures BiH

multifunctional and cross-sectional, the implementation of requested support will need to include a several institutions in collaborative manner when building enabling functions which are: Services catalogue, CRM (citizen relationship management), Shared Services Centres and common supporting services (those services are: e-Payment, Certification authorities/trust services, Government services bus, e-Mailbox, Government cloud) at each Government level in Bosnia and Herzegovina are prerequisites for establishing a comprehensive system of providing services both physically and electronically. It is recognised in PAR Action plan as pre-condition of further digitalization of public services in Bosnia and Herzegovina.

PARCO has ensured limited technical assistance, provided by ReSPA, that will provide gap analysis (institutional, organizational, infrastructure and legislative) for all administrative levels in Bosnia and Herzegovina and will deliver a roadmap for establishing conditions for further establishment and provision of e-services. Additionally, work on the establishment of CRM is envisaged in order to ensure better communication with public services users aiming to improve relation with customers.

In parallel with the introduction of new building blocks (electronic services) as a condition for an efficient service delivery system, it is necessary to maintain the development of existing systems and services for which IDDEEA is responsible. These services and infrastructure need to be developed and modernized, which leads to more efficient use of implemented systems and improvement of the overall user perception. This will at the same time act as successful precedent for all the other actions that needs to take place in this supporting program regarding the more efficient service delivery.

Since the process of issuing electronic ID cards (eID) in Bosnia and Herzegovina has started in March 2013, and these cards have also an electronic memory element which enables the establishment of a qualified digital/virtual identity which will be practically used through the functionality of digital representation and digital signing (eIDAS). IDDEEA has certified for ISO/27001 and ISO/9001 since 2012. Bearing in mind the importance of introducing e-commerce in Bosnia and Herzegovina , primarily for the purpose of facilitating and speeding up business operations, but also the necessity to implement digitalization of all IDDEEA business process and it is necessary to introduce electronic signature in Bosnia and Herzegovina . The Action also aims to improve access to digital technology and public services by monitoring innovations in the field of identification documents and improving the process of personalization of personal documents and the use of qualified digital signatures that will ultimately have full digitalization of business processes in IDDEEA in two-way interaction with citizens and the business community in Bosnia and Herzegovina through the competent authorities as a contact point.

#### *Area of support 2 – Further strengthening of statistic system*

Development of statistics in line with EU requests are at an early stage. Statistics in many areas in which Bosnia and Herzegovina has an obligation to collect, publish, and transmit statistical data is considered inadequate.

Statisticians in three statistical institutions and Central Bank of Bosnia and Herzegovina (CBBH) have made significant efforts to improve statistics in Bosnia and Herzegovina on all levels over the recent years but the development of statistics is slow and delayed (in comparison with other enlargement countries) and still cannot meet all the users' requirements and community needs.

Macroeconomic statistics are of key importance for good policy making and monitoring of imbalances in our economy. In Bosnia and Herzegovina it is still considerably behind EU standards, and many EU institutions pointed a need to make progress in this area. Current compilation is generally aligned with EU legislation, but many statistical products need to be developed and quality improved. External position of the economy and consolidated fiscal position are important areas, where the Central Bank has been undertaking endeavours over past years, but still requires further expansion. Data collection works needs advancement, and also statistical data compilation is based on traditional tools for processing, and modernization is necessary in order to make it compatible with EUROSTAT advanced databases and data exchange. The Central Bank will strive

to both expand statistics and its quality, while also introducing new technology in a work. More data, shorter deadlines and improved quality will help users have better and timely statistics.

This Action will enable continuation in this process and further development of a statistical system in accordance with EU standards and obligations from the Stabilisation and Association Agreement. The ultimate goal is to ensure reliable data for all the users, including all government levels which should base their plans on reliable statistics.

This action is fully in line with Bosnia and Herzegovina strategy document: **Strategic Development of Statistics of Bosnia and Herzegovina 2030** since the Strategy strives to promote further harmonisation of the official statistics system of Bosnia and Herzegovina with EU and other international statistical standards. This should enable comparability of Bosnia and Herzegovina official statistics with the respective EU Member States data and respecting key elements: efficiency, innovation, reliability and usefulness towards the user. As such, the Strategy is coherent with overall objective of Window 2, which envisages the compliance with Union's values and the Union's rules, standards and practices in the relevant areas. Furthermore, the strategy addresses the three main priorities - official statistics in accordance with the needs of users, efficient statistical business process and sustainable institutional environment, that will lead to strengthened of statistical system in general.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action

*Area of support: Implementation of PAR Strategic Framework*

Stakeholders in public services area: Among PARCO, this part of Action will include a number of institutions from all levels of the government, such as, Ministry of transport and communication Bosnia and Herzegovina ; IDDEEA; Service for maintenance and development of electronic business and "e-government" Secretariat General, Council of Ministers Bosnia and Herzegovina ; Ministry of Transport and Communication Federation of Bosnia and Herzegovina ; Sector for IT Secretariat General Federation of Bosnia and Herzegovina Government; Ministry of Justice Federation of Bosnia and Herzegovina ; Ministry of Scientific and Technological Development, Higher Education and Information Society RS; Ministry of Administration and Local Self-Government RS; Sector for IT Secretariat General RS Government; Office of PAR Coordinator BD Bosnia and Herzegovina ; Department for Informatics BD Bosnia and Herzegovina . At a later stage, if deemed necessary, the PARCO will expand the scope of the institution involved and consulted. All these institutions are responsible for the implementation of activities related to the establishment of the necessary conditions for further successful introduction and implementation of e-services at different government levels in Bosnia and Herzegovina . Capacity of IDDEEA and processes will be significantly strengthened through increased use of information technology in public administration in accordance with EU Directives, Regulations and standards on security features.

*Area of support – Further strengthening of statistic system*

The main stakeholders are statistical institutions: the State level Agency for Statistics of Bosnia and Herzegovina (BHAS), two from Entity level - the Institute for Statistics of Federation of Bosnia and Herzegovina (FIS) and Republika Srpska Institute for Statistics (RSIS), as well as the Central Bank of Bosnia and Herzegovina (CBBH).

For implementation of some activities and achievements of results within this action (especially IT connection between statistical institutions and relevant administrative sources obtained) a number of other institutions should be included both from State and Entity level.



### 3. DESCRIPTION OF THE ACTION

#### 3.1. Intervention Logic

The Overall Objective (Impact) of this action is to support Public Administration Reform including statistics system in alignment with EU standards and rules.

The Specific Objectives (Outcomes) of this action are:

- To improve service delivery in line with SIGMA principles
- To further harmonise official statistics in Bosnia and Herzegovina with EU standards and improve statistics in terms of volume, quality and statistical production.

If access to digital technology of public services with usage of digital signature is improved (*output 1*) then it will create the necessary conditions to build digital public services, and public administration will be further modernized and professional (outcome 1).

If IT connection between statistical institutions and relevant administrative sources (Output 2) was obtained and dissemination of statistics (Output 3) has been improved, it will lead to a modernised statistical system in Bosnia and Herzegovina (*outcome 2*). Further, if National accounts, Social statistics, Statistical Business Register, Energy, Transport and , Environmental statistics, R&D statistics and Quality management in statistics (Outputs 4-14), including Government finance statistics (Output 14), are improved and further harmonised with EU standards that will increased volume and quality of data (*outcome 2*). This will be underpinned by a gender mainstreaming approach with purpose to calculate Gender Equality Index for Bosnia and Herzegovina aiming to have available more statistical data disaggregated by sex (Output 12) what will lead to modernised statistical system across the country (*outcome 2*).The additional investment in the IT infrastructure will further support digitalized and modernized the statistical production (*outcome 2*) in Central Bank (Output 14). If all envisaged outputs (from output 2 to output 14) related to statistics area are delivered and the assumptions at this level recognised as access to administrative data and competent human resources available hold true, then official statistics in Bosnia and Herzegovina will be further harmonized with EU standards and improved in terms of volume, quality and statistical production (outcome 2).

If public administration is modernized and capable to provide digital public services and official statistics in Bosnia and Herzegovina is improved in terms of volume, quality and statistical production (*outcome 2*) then the action will contribute to overall support to good governance through country-wide public administration reform including statistics system in their alignment with EU standards and rules (*impact*). If the assumptions spelled out as strong political commitment for the continuation of reforms, government steers the implementation of the overall reform vision with clear leadership in Bosnia and Herzegovina relevant institutions competent for PAR coordination come true, then the action's contribution to desired impact will be achieved.

#### 3.2. Indicative Activities

**Output 1:** Access to digital technology of public services with usage of digital signature improved (IDDEEA) will be achieved through implementation of following indicative activities:

- 1.1. Provide technical assistance to prepare a feasibility study for the use of e-services
- 1.2. Based on feasibility study assist a promotion of cooperation between public administration authorities through implementation of rules, mechanisms and web tools to standardize the disclosure of information of public interest
- 1.3. Support the implementation of solution for usage of qualified digital signature with usage of eID in process of delivery public services
- 1.4. Provide technical assistance to increase usage of online web tools in daily communication with citizens and business sector

1.5. Support the development of mechanisms for online collaborative use of software tools for the development of the digital economy with the use of society as a whole through the use of modern ICT solutions and practically use functionality of digital representation and digital signing (eIDAS).

1.6. Assist the implementation of procedures with aim to strengthen the infrastructure for issuing electronic identity cards with a memory elements that contain qualified digital certification, including systems for electronic services and the creation of electronic signatures through procurement, delivery, installation, and configuration, commissioning and testing of the System.

### **Improvements of IDDEEA information and SDH telecommunication system will be achieved through implementation of following indicative activities**

1.7 Providing equipment: Implement all necessary infrastructure through procurement, delivery, installation, and configuration, commissioning and testing of the equipment of SDH telecommunication systems of IDDEEA.

1.8. Providing equipment: Install web tools for new equipment in the IDDEEA monitoring system in order to monitor the performance of transmission of big data sets through the telecommunications network (related to RR links and access points).

Implementation of activities planned within Output 1 are organized in two ways – one which will improve communication with citizens (G2C) and other with government (G2G). It will enable implementation of rules, mechanisms and web tools to standardize the disclosure of information of public interest such as: usage of qualified digital signature with usage of eID in process of delivery of public services and increasing of usage of on line web tools in daily communication of with citizens and business sector, as well as raise knowledge of the competent authority's staff at a new level. Process of issuing electronic ID cards (eID) in Bosnia and Herzegovina has started from 2013, and these cards have also an electronic memory element which enables the establishment of a qualified digital/virtual identity which will be practically used through the functionality of digital representation and digital signing (eIDAS). IDDEEA also has been certified for ISO/27001 and ISO/9001 since 2012. Bearing in mind the importance of introducing e-commerce in Bosnia and Herzegovina , primarily for the purpose of facilitating and speeding up business operations, but also the necessity to implement digitalization of all IDDEEA business processes, it is necessary to introduce electronic signature in Bosnia and Herzegovina .

Activities (Output 1) will also improve IDDEEA information and SDH telecommunication systems, which include supply, delivery and training for IDDEEA experts to use hardware, software and specialist telecommunication SDH equipment required for optimal functioning of information systems, applications and SDH telecommunication system of IDDEEA. Improvement of SDH network should enable increasing the quality of development and implementation of specific web modules, which need to push big load of data through the Radio SDH telecommunication network that will lead to improvement of efficiency of data exchange between relevant institutions and IDDEEA. Data exchange includes registers of identity cards (eID), registers of travel documents, voter register, etc. After the implementation of this activity, IDDEEA will expand its ability to accept new users in its information systems

### **Area of Statistics**

The main indicative non-exhaustive list of activities in the area of Statistics, grouped according to relevant Outputs are:

**Output 2** will be achieved through implementation of following indicative activities:

- Support in data analysis of administrative holders
- Provide assistance in development of IT solutions for connection between statistical institutions and relevant administrative sources
- Support in preparation of technical specification for procurement of equipment
- Providing equipment enabling functional connection between statistical institutions and relevant administrative sources

- Training of staff
- Support to establish data transmission between statistical institutions and relevant data holders
- Study visit

**Output 3** will be achieved through implementation of following indicative activities:

- Development of web-based solutions for the data dissemination
- Providing equipment: appropriate hardware, software and licenses for the development and improvement of services related to data dissemination
- Staff training related to usage of the new software
- Study visit

**Output 4** will be achieved through implementation of following indicative activities:

- Organise the methodological training related *National accounts* statistics
- Support in creating a questionnaire with instructions for reporting units
- Defining a sample for conducting survey
- Study visit

**Output 5** will be achieved through implementation of following indicative activities:

For SILC:

- Training of sampling methodologists
- Data editing and imputation
- Production of final weights on the basis of non-response analysis and calibration
- Production of SILC indicators
- Implementation and use of SM (Siena MicroSimulation model for net-gross conversion of EU-SILC income variables)
- Data analysis and preparing of four transmission files for Eurostat
- Study visit

For demography

- Identification and analysis of administrative data sources and registers (that can be used for the Census 2030 round)
- Proposal of necessary changes of administrative sources (to enable their use in the census in the Census 2030 round)
- Preparation of an action plan
- Study visits

For migration

- Provide assistance in improvement and full harmonization of methodological documents (for *migration* statistics) in accordance with EU standards
- Study visits
- Provide support on IT connectivity between institutions

For calculation of labour cost index/LCI - only areas not sufficiently covered by multi-country action

- Determining the necessary variables
- Preparation of a survey questionnaires
- Support development of survey methodology
- Assist in sampling methodology preparation

**Output 6** will be achieved through implementation of following indicative activities:

- Training missions
- Study visit
- Further development of IT application for Enterprise Groups/EG
- Development of IT solution for *Business Demography production* as well

- Training staff for usage of application - Assist the implementation of new developed application in SBR

**Output 7** will be achieved through implementation of following indicative activities:

- Staff training
- Technical assistance
- Preparation of plan for pilot survey related to *energy* statistics
- Study visit

**Output 8** will be achieved through implementation of following indicative activities:

- Preparation of an action plan
- Development of methodology for *transport* statistics
- Training of statisticians, methodologists and IT staff
- Development of software
- Study visit

**Output 9** will be achieved through implementation of following indicative activities:

- Staff training
- Development of methodology for *environmental* statistics
- Preparation of activity plan including of plan for pilot survey
- Study visit

**Output 10** will be achieved through implementation of following indicative activities:

- Development of online service questionnaire (*OSQ*) for R&D statistics
- Training of staff.
- Study visit

**Output 11** will be achieved through implementation of following indicative activities:

- Staff training on the latest version of *GSBPM* for quality management in statistics
- Support in preparation of respective documentation according to the latest model of *GSBPM*
- Improvement of existing documentation following the *SIMS 2.0* standard
- Study visit

**Output 12** will be achieved through implementation of following indicative activities:

- Analysis of the current situation, data sources and missing variables
- Preparation of an Action plan which involves all stakeholders
- Staff training for producing *gender statistics* and analysis
- Development of guidelines for future work

**Output 13** will be achieved through implementation of following indicative activities:

- Training of staff
- Need analysis
- Development of appropriate methodologies for government finance statistics and external sector statistics for beneficiaries and activities not covered by multi-country action
- Study visit
- Establishing of compilation process

**Output 14** will be achieved through implementation of following indicative activities:

- Analysis of current situation related to *digitalization and modernization* of statistical production in *Central Bank*
- Preparation of specification for procurement of IT equipment
- Providing equipment
- IT connecting with other relevant institutions
- Testing process of connectivity *Central Bank* with other relevant institutions
- Study visit

### 3.3. Mainstreaming

#### Environmental Protection, Climate Change and Biodiversity

Environmental screening is not envisaged and/or required for this action. The Action and the activities deriving from the action will not have any negative impact on **the environment** nor jeopardise environment, health and security in the future. The activities deriving from this action will be delivered in the most environmentally friendly possible way. In the same time one of the results of overall digitalization of public administration should be policy coherence and promotion of green administration thought reduce use of paper which will contribute to the preservation of the environment. At the same time, one of the results of the overall digitalization of public administration will be policy coherence and the promotion of green administration with the aim of reducing the use of paper, which will contribute to the preservation of the environment and contribute to the Green Agenda. The Action will promote the greening of procurement for all activities related to the implementation of the Action which in turn should reinforce the capacities of PA to mainstream such practice.

#### Gender equality and empowerment of women and girls

Attention will be given to **gender aspect** within Action activities, ensuring benefits for both men and women, ensuring gender sensitive data. In general, a gender perspective will be maintained ensuring that the results of the Action impact positively on gender equality as well.

Gender statistics are statistics that adequately reflect differences and inequalities in the situation of women and men in all areas of life. Statistics and indicators on the situation of women and men are needed to describe the roles of women and men in society, the economy, and within the family, to provide the basis for the development of SMART policies and establish Gender sound monitoring and evaluation of their effectiveness.

The Gender Action Plan (GAP) of Bosnia and Herzegovina (2018-2022) is framework strategic document for mainstreaming gender equality in all areas of social life. GAP Bosnia and Herzegovina is aligned relevant European Union Strategy for equality of men and women and other relevant strategic documents of the Council of Europe, European Union and United Nations. Each priority area of GAP Bosnia and Herzegovina contains measures to collect, maintenance, analyse and present statistical gender-disaggregated data. Gender mainstreaming of the Action contributes to the implementation of GAP Bosnia and Herzegovina .

This is also in line with Gender Equality Strategy of European Union 2020-2025<sup>9</sup>, which emphasizes that the structural reform support programme can support Member States in mainstreaming gender in public administration, state budgeting and financial management. The Strategy also points out that the EU needs comprehensive, updated and comparable gender-disaggregated data to address particular inequalities in different policy areas. The annual reports will include relevant data, including from Eurostat and Eurofound, as well as indicators for measuring progress, building on EIGE's annual EU Gender Equality Index. EIGE will also provide data and research to feed into the evidence-based policy-making of EU institutions and Member States. So, the gender mainstreaming of the Action, and improvement of gender statistics are in full compliance with this EU policy and institutional mechanisms.

#### Human Rights

Improvement in the public service and creating preconditions for e-services as well as strengthening good governance to be gained from the Action will be beneficial for **minorities and vulnerable groups**. Publicity and better dissemination of information as well as further creation of e-services will help to empower

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<sup>9</sup>COM(2020) 152 final

minorities and vulnerable groups and ensure easier access to public administration and public services for those groups. This Action will ensure that there will be no discrimination of vulnerable categories.

Based on the fundamental principles of promoting equality and combating discrimination, participation in the Action will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

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.

### Democracy

The involvement and participation of **civil society** in the European integration process is very important and cooperation between governmental and non-governmental sectors crucial. Opportunities for dialogue and cooperation among civil society and public sector actors will be further developed through various initiatives under the proposed Action especially such as public consultations and different kinds of discussion with civil society. Planned activities related to establishment of enablers for e-services include development of better communication (CRM) with customers (citizens) as well as higher dissemination of information about public services (catalogue of services). Generally, those activities aim to adjust public services delivery to citizens needs and create better relationship with citizens.

### 3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
Legality and regularity aspects	Lack of sufficient political support for implementation of public administration reform	M	H	Connection with coordinating body for PAR at political level established
Planning, processes and systems	Lack of will to ensure uniform progress of public administration in the whole country	M	H	Connection with coordinating body for PAR at political level established
Planning, processes and systems Communication and information	Insufficient political support for digitalisation of administration and introduction of e-services	M	M	Include high-level meetings to address strategic issues and themes in implementation activities. Establish a clear high-level project management structure through a project steering committee, composed of decision makers and key representatives (ministers, advisors or deputy prime ministers, etc.)
	Impossibility to coordinate and	M	H	

Planning, processes and systems	implement all activities necessary for development of services simultaneously at all administrative levels.			Identify clear implementation structures with clear tasks and responsibilities towards the Project Steering Committee.
Legality and regularity aspects Planning, processes and systems	Unsatisfactory legislative and institutional bases for the implementation of activities for the development of building blocks for e-services.	<b>H</b>	<b>M</b>	Clear communication of results and implementation of Feasibility Study recommendations.
Communication and information Legality and regularity aspects	Lack of trust of the users entitled to access qualified digital signed documents related to functionality of e-services requested by a citizen on web portals of competent authorities.	<b>L</b>	<b>M</b>	Training of IDDEEA and competent authority's staff in the area of qualified digital signed documents in e-services environments to spread right information and motivate authorities to use it.
People and the organisation	Resistance of staff to apply the latest web standards and trends in the field of usage of big data technology	<b>M</b>	<b>M</b>	Mitigation measures: timely planning the trainings on technical capacity of big data technology
Statistics				
Communication and information People and the organisation	Risk for activities related to statistics - insufficient human resources to participate and handover the Twining outputs	<b>M</b>	<b>M</b>	Management of statistical institutions should communicate this problem to the relevant authorities (on Entity and State level). Sufficient finance support for engagement of more statistical staff should be ensured accordingly.
Communication and information	Risk for activities related to statistics - administrative data holders not willing to cooperate with statistics	<b>M</b>	<b>M</b>	The owners/holders of administrative sources should enable access to their administrative data in accordance with laws on statistics (both on Entity and State level). Management of statistical institutions should intensively work in providing

				good cooperation between relevant institutions and statistics.
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**Lessons Learned:**

The action in part of **statistics** will be implemented after completion of two big Twinning projects (IPA 2017 and IPA 2019) and technical assistance foreseen within IPA 2019.

IPA 2015 Twinning “Support to public administration reform and the reform of a statistical system” was successfully completed and number of lessons learned have been drawn out. In general, statistics institutions in Bosnia and Herzegovina must continue to pursue and improve harmonization with EU and other relevant international standards on statistics. Based on particular experience in implementation of IPA 2015 Twinning the following could be concluded: the development of Bosnia and Herzegovina statistics is progressing slowly but the most visible results and improvements are achieved throughout the implementation of the IPA national assistance that have been complemented by activities of IPA multi-beneficiary projects. The additional benefits of Twinning assistance were the extensive learning, a joint work and unavoidable collaboration of working teams from three statistical institutions. Implementation of EU *acquis in* statistics requires (for enlargement countries) continuous work and technical support provided by EU (for more efficient transfer of knowledge). Also, the success of assistance is determined by good cooperation within the Statistical system in Bosnia and Herzegovina (between the three institutes: BHAS, FIS, RSIS) and with other stakeholders involved in the statistics system. Furthermore, the success of twinning and technical assistance will largely depend on the beneficiary ownership of the project deliverables. Therefore, this Action embedded all identified lessons learned from previous interventions to ensure the success and sustainability of the planned assistance.



### 3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines 2020	Target 2026	Sources of data	Assumptions
<b>Impact</b>	To support public administration reform including statistics system in alignment with EU standards and rules	Progress made towards meeting PAR related assessing criteria	Early stage	Moderately prepared	Commission reports on Bosnia and Herzegovina EC OPSYS / DG NEAR Reports; PARCO reports.	<i>Not applicable</i>
<b>Outcome 1 PAR</b>	Improved service delivery in line with SIGMA principles	Principles of digital public services introduced	Early stage	Significant progress in pilot areas	SIGMA monitoring report Number of digital public services being provided	Government steers and co-ordinates implementation of the overall reform vision. Clear leadership in Bosnia and Herzegovina relevant institutions competent for PAR coordination.
<b>Outcome 2 Statistics</b>	2 Official statistics in Bosnia and Herzegovina further harmonized with EU standards and improved in terms of volume, quality and statistical production	2.1 Value of “Index of BA data” sent to Eurostat increased	2.1 2,9 (2018)	2.1 50 (2024) 60 (2027)	Eurostat sources	Access to administrative data from relevant sources ensured, i.e. effective cooperation between all relevant institutions in Bosnia and Herzegovina at all levels.
<b>Output 1 related to Outcome 1</b>	<b>Output 1:</b> The wider use of digital signature improving access to digital technology of public services	1.1 Increased delivery of digitally signed documents	0	1.000.000	1. Report on Monitoring and Evaluation of IDDEEA Development Strategy 2. Number of qualified digital signed documents required to be delivered by IDDEEA upon filing of the e services request by a citizen on	Qualified human resources available

					web portals of competent authorities for issuing personal eID documents	
		1.2 Increased amount of data processed through the SDH network	200/850	250/1000	Report on Monitoring and Evaluation of IDDEEA Development Strategy Number of Radio Relay links/access point for push big load of data through the SDH network increased	ICT conditions/requirements in place
<b>Output 2 Related to outcome 2</b>	IT connection between statistical institutions and relevant administrative sources obtained	Increased level of automatization and amount of indicator in statistical production	Holders of administrative sources not connected with statistical institutions <b>IT solution</b> for connection between statistical institutions and holders of administrative sources not available	More than two administrative sources connected with statistical institutions Efficiency and quality of statistical data production improved IT solution for data transmission developed	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 3 Related to outcome 2</b>	Dissemination of statistics improved	Increased number of on-line users and up to date dissemination tools in use	Limited dissemination tools  Digital Library not available	Increased number of on-line users and up to date dissemination tools in use  Digital Library available for users	Web: BHAS, FIS, RSIS  Digital Library	Access to administrative data available IT conditions/requirements in place Competent human resources available

<b>Output 4 Related to outcome 2</b>	National accounts statistics improved	Increased amount of details on structures of output and intermediate consumption of business entities in Bosnia and Herzegovina available	supply and use and input output tables (SUT/IOT) not available	Detailed data on structures of output and intermediate consumption of business entities in Bosnia and Herzegovina collected for the reference year	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 5 Related to outcome 2</b>	Social statistics improved	Increased amount of data for demography, migration, labour and data on poverty	Limited quantity or no data from listed areas available	Data for demography, migration, labour statistics available; data on poverty and social inclusion available from SILC All produced data sent to Eurostat	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 6 Related to outcome 2</b>	Statistical Business Register further improved	Increased amount of indicators/variables for group of enterprises and business demography made available	Limited quantity or no data for group of enterprises and business demography available	new indicators/variables available for group of enterprises and business demography sent to EUROSTAT	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 7 Related to outcome 2</b>	Energy statistics improved	More and better quality of indicators related to energy statistics produced	Limited quantity or no disaggregated data needed for reporting to Eurostat	Implementation of the requirements of Updated Regulation (EC) No 1099/2008 on energy statistics:  Final consumption disaggregation in services, in transport, and others	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 8 Related to outcome 2</b>	Transport statistics improved	More and better quality of indicators related to transport statistics produced	Road transport statistics not harmonised with the EU <i>acquis</i>	Road and transport statistics further improved and	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available

			Limited number of transport statistics available	harmonised with the EU Regulation All produced data sent to Eurostat		IT conditions/requirements in place Competent human resources available
<b>Output 9 Related to outcome 2</b>	Environmental statistics improved	Reporting on forest account	Food waste data are not available	Format established for reporting on food waste data Data sent to Eurostat	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 10 Related to outcome 2</b>	Improved R&D statistics	Improved data on R&D through data collection online survey	Limited response rate and poor data on R&D	Better response rate and improved data quality for reporting on R&D	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 11 Related to outcome 2</b>	Quality management in statistics further improved	Better quality surveys with GSBPM process documentation produced published	Statistical surveys not properly documented	Increase of 50% properly documented statistical surveys with GSBPM process documentation and quality reports observing SIMS 2.0 standards	Web: Eurostat; BHAS, FIS, RSIS	Access to administrative data available IT conditions/requirements in place Competent human resources available
<b>Output 12 Related to outcome 2</b>	Gender statistics improved and further applied in Bosnia and Herzegovina statistical I system	More statistical data disaggregated by sex and reflect gender issues	Limited statistics disaggregated by sex	Gender Equality Index for in Bosnia and Herzegovina regularly calculated over time	Web: Eurostat; BHAS, FIS, RSIS, Agency for Gender Equality of Bosnia and Herzegovina, GC RS, GC FBosnia and Herzegovina	

<b>Output 13 Related to outcome 2</b>	Government finance statistics and external sector statistics improved	More data on GFS, DI and IIP available and delivered to Eurostat	Limited quantity of data on GFS, DI and IIP available Tables for IIP no available	More data on GFS, DI and IIP available delivered to Eurostat	Web: Eurostat; BHAS, FIS, RSIS	
<b>Output 14 Related to outcome 2</b>	Digitalization and modernization of statistical production in Central Bank achieved	Improved IT infrastructure for modernized statistical compilation	Non-automated compilation process	Appropriate IT infrastructure for modernized statistical compilation available and functional		Human resources available

## **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 operational 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 measures<sup>10</sup>.

#### **4.3.1. Direct Management (Grants)**

##### **(a) Purpose of the grant(s)**

Part of the action will be implemented through Twinning grant (EUR 1 000 000), in particular the area of statistics aiming in further harmonisation of official statistics in Bosnia and Herzegovina with EU standards (*Outcome 2*). With regard to improve volume, quality and statistical production across the country (*spelled out in Outcome 2*), the peer to peer activities will be implemented through institutional cooperation between Public Administrations of selected EU Member State(s) and the administration of statistics in Bosnia and Herzegovina.

Choosing Twinning grant as an implementing method in the area of statistics is due to already proven pathway of successful implementation of this type of intervention many times in previous actions implemented with IPA support. The part of the action related to Output 2 up to Output 14 will be based on learning by doing principle and sharing of EU best practices in the most sustainable way.

##### **(b) Type of applicants targeted**

The applicants will be EU member state administrations or their mandated bodies with relevant references and hands-on experience in area of the statistics. Engaging this type of applicant is the best way to spread the EU best practice and new trends in area of statistics as well as to deepen knowledge and skills to statistics administration in Bosnia and Herzegovina.

##### **(c) Justification of a direct grant**

N/A

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<sup>10</sup> [www.sanctionsmap.eu](http://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.

**(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)**

Part of the action will be implemented under **direct management** by the EU Delegation in Bosnia and Herzegovina, in particular the activities under Outcomes 1 and 2., which would provide continuity of the EU assistance in the areas of PAR and Statistics.

**The Outcome 1** related to the intervention in the PAR area will be implemented through procurement of services and supply contracts (EUR 3 000 000). Under **Outcome 2** procurement for supply contracts will contribute to the full achievement of Statistics (EUR 2 000 000).

**4.3.4. Indirect Management with a [Member State Organisation] [third donor country] [EU specialised (traditional/regulatory) agency] [international organisation]**

N/A

**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 Indirect management with entrusted entity may be used as an *alternative modality* for this action that is planned to be implemented in **direct management**. Entrusted entity(es) will be selected by the Commission's services using the following criteria:

- Financial and operational capacity of the applicant.
- Technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects;
- experience in managing programmes or projects related to the results, extensive experience in the implementation of similar projects in the area of PAR and/or Statistics, and documented capacity to mobilize relevant networks in the EU Member States, Bosnia and Herzegovina and the region, etc.
- Criteria related to the quality of the Concept Note, including relevance;
- consistency with the objectives, results, and activities of the Action, expected impact;
- 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 section 4.3.3

#### 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

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>	<b>Indicative third-party contribution, in currency identified</b>
Methods of implementation – cf section 4.3:		
<b>Outcome 1: PAR</b> , composed of	<b>3 000 000</b>	N/A
Procurement (direct management) – cf. section 4.3.3	3 000 000	N.A
<b>Outcome 2: Statistics</b> , composed of	<b>3 000 000</b>	N/A
Grants (direct management) – cf. section 4.3.1	1 000 000	N.A
Procurement (direct management) – cf. section 4.3.3	2 000 000	N.A
<b>Grants</b> – total envelope under section 4.3.1	<b>1 000 000</b>	
<b>Procurement</b> – total envelope under section 4.3.3	<b>5 000 000</b>	
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	will be covered by another Decision <sup>11</sup>	N/A
<b>Communication and visibility</b> – cf. section 6	will be covered by another Decision	N/A
<b>Contingencies</b> <sup>12</sup>	0	N/A
<b>Totals</b>	<b>6 000 000</b>	

<sup>11</sup> Where the action is not covered by a financing agreement (see section 4.1), put 'will be covered by another decision' as it is unlikely that evaluation and audit contracts on this action would be concluded within N+1. These contracts have to be authorised by another Financing Decision.

<sup>12</sup> Consider that contracts where no financing agreement is concluded, contingencies have to be covered by individual and legal commitments by 31 December of N+1.



#### **4.6. Organisational Set-up and Responsibilities**

The key sector policy document in this sector is PAR Strategic Framework 2018-2022 and related Action Plan (adopted by government of Bosnia and Herzegovina , Federation of Bosnia and Herzegovina , Brcko District of Bosnia and Herzegovina and Republika Srpska) but due to the complexity and scope of the sector, there are several other State or Entity strategies which are determine policy orientation towards different areas of sector (State level strategic document in statistics area, PFM related strategies, etc.).

The sector coordinating institution is Public Administration Reform Coordinator's Office that is responsible for preparation, coordination and implementation of common countrywide policy in the area of PAR. PARCO managed to build inter-governmental and inter-institutional cooperation and coordination in the sector that has been ensured through the PAR structure (prescribed by Common Platform for coordination and implementation of the PAR Action plan). The PAR Co-ordinators of the Entities and the BD are responsible for co-ordinating reform efforts at their respective administrative levels, while the PARCO is responsible for overall co-ordination of PAR. Inter-governmental and inter-institutional cooperation and coordination takes place through different working bodies related to each reform area and that structure will be used for the implementation of planned activities under this Action. Having in mind that activities under this Action are also activities from PAR Action plan, solid number of institutions (marked in PAR Action plan as responsible institutions for implementation of related activities) will be included in implementation of activities under this Action in line with their responsibilities from the PAR Action plan.

There is also some sub-sector institutional cooperation. In statistics area, the Agency for Statistics of Bosnia and Herzegovina is in charge of the overall coordination of work, monitoring and control of the implementation of activities from the statistics strategy, according to provisions from the *Law on Statistics of Bosnia and Herzegovina* and the *Agreement on Implementation of Harmonised Methodologies and Standards in Producing Statistical Data of Bosnia and Herzegovina* . Implementation of activities related to the area of statistics under this Action will be organized according to mentioned legal framework.

The Steering Committee(s), consisting of all relevant stakeholders involved in a specific AD Component/Outcome (related outputs), will be established at the beginning of the Action implementation.

Steering Committee(s) will oversee the implementation of activities under this Action. Apart from Contracting Authority, Steering Committee(s) will include representatives from main stakeholders from all levels of authorities in Bosnia and Herzegovina . The composition of the Steering Committee(s) will ensure equal representation of the interest of all key actors highlighting the effectiveness and efficiency of such body.

The role of the EU Delegation will be to ensure alignment of the provided assistance with the EU Agenda for Bosnia and Herzegovina .

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission will 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 day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of

implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the log frame matrix (for project modality).

#### *Roles and responsibilities for data collection, analysis and monitoring*

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 must 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, meeting with beneficiaries etc.), to be decided based on specific needs and resources at hand.

With regard to PAR, Public Administration Reform Coordinator's Office as a key coordinating institution in the sector regularly collects information about implementation of all actions in related IPA sector. Key beneficiaries are included in process of collecting information and preparation of monitoring report. Bearing in mind that majority of activities are related with PAR Strategic framework and some indicators from Action plan are used in log-frame of this Action, PARCO will use system for monitoring of implementation of PAR Action plan for collecting information about progress in achievement of those indicators. Additional sources of information will be key beneficiaries from different projects, documents (outputs) produced during the implementation of projects, as well as Steering committee meetings.

Progress will be presented through regular IPA monitoring reports together with Directorate for European Integration, as well as at monitoring committees' meetings.

Regarding PAR outputs linked with national strategic document and Action plan, national administration will use its regular monitoring system for measurement of indicators which have been transferred from the Action Plan to the logical framework. PARCO will share national monitoring reports with EU Delegation in Bosnia and Herzegovina.

As far as intervention in the area of Statistics, Sector Steering Committee will be established to monitor implementation of the Action and will be composed of the main beneficiaries and relevant institutions in Bosnia and Herzegovina . The Action will be regularly monitored by the EU Delegation to Bosnia and Herzegovina .

The action will be regularly monitored by EU Delegation to Bosnia and Herzegovina. Monitoring will be implemented through steering committees' meetings, EU Delegation quarterly Implementation reviews, on-the-spot checks, meetings with beneficiaries and consultant companies/contractors.

To ensure adequate monitoring of the implementation of the Action, two mid-term and one final assessment of the Action results may be carried out. Each of the mid-term analyses will be carried out following the first and the second year of Action's implementation, appraised against mid-term goals (milestones). The final assessment will be based on the targets defined for year 2025/6 presented in the log frame. Results of these appraisals will be presented to EU Delegation and to the Sector Steering Committee upon the approval of the Programme Manager at the EU Delegation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews). So, the

Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement

## **5.2. Evaluation**

Having regard to the nature of the action, a mid-term and/or final evaluation will not be carried out for this action or its components.

In case an evaluation is not foreseen for some action's components, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The financing of the evaluation shall be covered by another financing 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 audits or expenditure verification assignments for one or several contracts or agreements.

It is foreseen that audit services will be financed under 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 PAR), contractors and twinning grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, procurement and twinning 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 action EU4 PAR Increased Administrative Capacity is two-pronged action, targeting public administration and its integral part statistics. The envisaged interventions are related to improvement of IT

infrastructure aiming to deliver better service to citizens (digitalised services). Having regard to the statistics, it is to be targeted improvement of number of statistical domains (improve volume, quality and statistical production) observing sector approach main principles.

Developed capacities and skills of the stakeholders benefiting from this Action will enable them to carry on their tasks in an effective manner after the Action ends. Strong ownership among the project beneficiaries for the implementation of the public administration reforms as well as further development and modernisation in statistics area will be ensured by active involvement of competent civil servants in the Action implementation.

As this Action foreseen to develop information system in both areas, PAR and statistics, in order to ensure sustainability, development of management information systems and other IT systems will respect the national Bosnia and Herzegovina standards for interoperability if needed. In cases when these are missing, consultations with the relevant authorities in the field of Information and Communication Technology (ICT) will be a prerequisite before launching any tenders. As well, the competent institutions will take an appropriate care of the newly established information systems ensuring adequate financial support for planned necessary maintenance.

Capacity building foreseen through training measures shall be designed and implemented in cooperation with the respective institutions responsible for training in the public sector, ensuring that such training(s) can be replicated in the future as needed. Reports about the key statistics related to the capacity building exercises will be sent to the beneficiaries and the contracting authority for the action as well as to the training institutions.

Taking into account all aforementioned, this Action will produce sustainable results since it is designed to support the already existing beneficiary institutions and structures that are already in place, but which require additional assistance in the complex process of the harmonisation with the *acquis* and the latest international standards in the field of public administration and statistics. All outcomes related to this action are linked to already structures and procedures established at all levels of the government and will result in sustainable outcomes underpinned by beneficiary's strong ownership.