

**United Nations Development Programme – OAI, Social and Environmental
Compliance Unit**



*Empowered lives.
Resilient nations.*

ELIGIBILITY DETERMINATION:

Complainant: Confidential

Regarding UNDP's

UN Response to BiH Floods

Case No. SECU0003

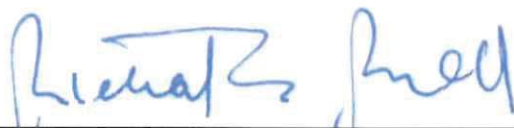
Date: 24 July 2017

Basic Data

Case No.	SECU0003
Category of Non-Compliance:	Social and Environmental
Location:	Sanski Most, Bosnia
Date Complaint received:	16 June 2017
Source of Complaint:	Confidential
Eligibility assessment conducted by:	Richard Bissell, Lead Compliance Officer
Compliance Officer assigned:	Anne Perrault, Compliance Officer
Other investigators assigned:	Paul Goodwin, Research Analyst
Related Case(s):	SRM0003

Signatures:

Prepared by:

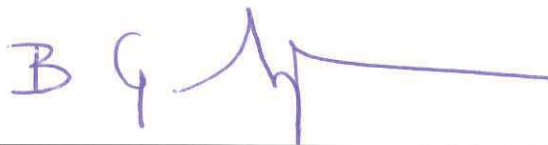


Date:

21 July 2017

Richard Bissell, Lead Compliance Officer, SECU

Approved by:



Date:

24 July 2017

Brett Simpson, Deputy Director, Head of Investigations, and Officer-in-Charge, OAI

I. Overview

1. On 16 February 2016, the UNDP OAI Anti-Fraud Hotline email address received an email that included a letter, written in English and dated 29 January 2016 from a farmer residing in the Bosnian municipality of Sanski Most detailing claims of harms he, and other farmers, suffered and continue to suffer in relation to the 'UN Response to BiH Floods' (Flood Response). The OAI Investigations Section forwarded the email to SECU on 17 February 2016. SECU shared this complaint with UNDP's Stakeholder Response Mechanism (SRM) on 18 February 2016.
2. According to the UNDP Country Office in Bosnia and Herzegovina (BiH), the Flood Response was an emergency intervention to the tremendous floods that hit the country in May 2014.¹ One aspect of the response was to provide raspberry seedlings and related technical assistance to these farmers as a means of promoting their livelihoods.
3. The complaint alleges that seedlings distributed to him and other farmers on 24 December 2015, via the Flood Response, had a bacterial infection that caused not only the death of those seedlings, but also the contamination of the soil within which the seedlings were planted and possibly nearby existing crops. He describes that the contaminated soil cannot be used for agricultural activities for three years, and asserts a belief that it will be very difficult to find new land of similar quality. He further indicates that the 'worst damage' is bad publicity that reduces purchase of the farm products. He describes that without the income derived from his crops he will not be able to pay farm-related loans. He notes that he cannot afford to disinfect the soil, and he has assumed unexpected costs related to fungicide, insecticide, fertilizers and machinery.
4. He claims UNDP was informed of the contamination on 25 December 2015, but did not officially inform the beneficiaries until 7 January 2016. He believes phytosanitary inspection procedures prior to distribution were inadequate and inconsistent with legal requirements. He claims he attempted to contact the UNDP BiH Country Office but was unable to reach anyone 'apart from the operator.'
5. The SRM mediation, including through a phone call between the UNDP BiH CO the complainant has not yet been concluded as of the date of this memo. The UNDP BiH CO stated that other measures it pursued, including efforts to contact the complainant directly and through the municipality of Sanski Most, were not successful.
6. On 16 June 2017 the complainant contacted SECU directly to pursue a compliance investigation.

¹ 17 July 2017 email from UNDP Resident Representative in BiH, Sezin Sinanoglu to UNDP SECU Lead Compliance Officer Richard Bissell, sent in response to an email query from UNDP SECU.

7. SECU registered this complaint on 21 June 2017.
8. As required by SECU's Investigation Guidelines (<http://www.undp.org/content/undp/en/home/librarypage/operations1/secu-investigation-guidelines/>), this memo provides SECU's assessment of whether the complaint is eligible for action by SECU.

II. Documentation of Concerns and Stakeholders

9. Information from the UNDP BiH CO reflects that the complainant's and possibly other community member concerns have been documented by the UNDP CO. These concerns have also been shared publicly and widely through various media. Information from the UNDP BiH CO, media sources, and the complainant also indicates that nearly one hundred individuals may have received and planted contaminated raspberry seedlings from UNDP.
10. SECU has identified an initial list of interviewees among the farmers to which SECU has ready access.

III. Project Details

11. The UNDP-supported activity implicated by this complaint – the provision of raspberry seedlings to farmers - occurred in December of 2015. This activity occurred after the expiration of the original project document authorizing UNDP to coordinate a response to the floods. This project document, entitled, "Floods Response and Recovery in Bosnia and Herzegovina," was signed by the UNDP BiH Resident Representative in June 2014 and updated in December 2014 with a start date of May 2014 and an end date of November 2015.² According to the BiH CO, support to floods recovery was included in the Country Programme Document (CPD) 2015-2019, as well as in the United Nations Development Assistance Framework Bi-annual Joint Workplan 2015-2016.
12. According to information located on the UNDP internal intranet at the time this memo was drafted, the UN Response to BiH Flood project indicated "Resources Required" as \$71,121,390. It lists the Implementing Partner as the UNDP, signifying the project was implemented under the Direct Implementation Modality (DIM). The donors for the project are the Government of Bosnia and Herzegovina (BiH), the Government of Norway, the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), the European Commission of Humanitarian Aid, the United States Agency for International Development (USAID), the UNDP, the Government of the Slovak Republic, the European Commission, the Swiss Agency for Development and Cooperation, the Government of

² Open.undp.org references the project as "UN Response to BiH Floods 2014" but does not include the project document. SECU obtained the project document referenced above from the UNDP BiH Country Office.

Romania, the UNOCHA Central Emergency Response Fund (CERF), and the Organization of Security and Cooperation in Europe (OSCE).

13. The “Floods Response and Recovery in Bosnia and Herzegovina” project document (May 2014-November 2015) describes project activities and outcomes as follows:

- Provide support to the floods response phase
- Provide floods recovery assistance jointly with bilaterals to help restore livelihoods, reconstruct public spaces for children and assist public service delivery
- Provide floods recovery assistance jointly with the European Union to affected local governments, public institutions and private sector representative to restore functionality, as well as reconstruct damaged homes
- Offer disaster risk reduction assistance to government stakeholders

14. The BiH Joint Work Plans for the years 2015-2016, Pillar 2 (Sustainable and Equitable Development and Employment) describe relevant activities and outcomes as follows:

- The envisaged interventions will relate to active labour market measures, quality business development services for farmers and SMEs, strengthening value chains, and facilitating access to markets.
- Strengthened Farmer Organisations. FOs and SMEs are able to meet market requirements (local and foreign) in terms of quantity and quality of produce
- Provide technical and material support to farmers / agricultural households, Producers’ Associations and Cooperatives.

IV. Summary of Process to Date

15. The Investigation Guidelines for SECU detail the process for responding to complaints.

Section 8. The Complaint Review Process – Eligibility and Terms of Reference directs SECU to register complaints within five days of receipt if they are not automatically excluded pursuant to Section 1.1 Policy basis.

16. SECU registered the complaint on 21 June 2017 and posted it on its case registry available at www.undp.org/secu.

17. **Section 8.1, Determining Eligibility of a Complaint**, indicates that within twenty business days after registering the complaint, SECU will determine if the complaint meets the eligibility criteria specified in Section 8.2. To be eligible a complaint must: (1) Relate to a project or programme supported by UNDP; and (2) Raise actual or potential issues relating to compliance with UNDP’s social and environmental commitments. Moreover, the complaint must be filed by one or more individuals potentially or actually harmed by the project.

V. Determination of Eligibility

18. **Criterion 1: Relates to a project or programme supported by UNDP.** The UNDP BiH CO acknowledges that the activity in question is supported through a UNDP project/programme. The complaint therefore relates to a project supported by UNDP and, as such, meets the first criterion under Section 8.1.
19. **Criterion 2: Raises actual or potential issues relating to compliance with UNDP's social and environmental commitments.** The complaint raises issues related to UNDP's assessment of risks, identification and adoption of measures to avoid and mitigate risks of harmful impacts, identification and implementation of measures to respond to impacts, consultations with stakeholders, and human rights. Thus, the complaint raises issues of compliance with UNDP's social and environmental commitments, and meets the second criterion under Section 8.1. It was filed by a complainant who believes he has been harmed by the project.
20. SECU has, therefore, determined that the complaint is eligible for a social and environmental compliance review.

VI. Next Steps

21. SECU will initiate the review with discussions with the Complainant and relevant UNDP Staff, including the Project Manager. A complete description of investigative steps will be available in the terms of reference for the investigation.