**United Nations Development Programme**

**Country: Bosnia and Herzegovina**

**Project Document**

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| --- | --- | --- |
| **Project Title:** | ***Electrification of Areas of Accomplished Return (EAAR)*** | |
| **UNDAF Outcome(s):** | |
| **Expected CP Outcome(s):**  *(Those linked to the project and extracted from the CP)* | |
| **Expected Output(s):**  *(Those that will result from the project)* | |
| **Executing Entity:** | |
| **Implementing Agencies:** | |

**Brief Description**

The unavailability of electricity in the areas of return has been recognized by the Bosnia and Herzegovina (BiH) authorities as one of the major obstacles hindering the implementation of the state strategy for return as well as Annex VII of the Dayton Peace Agreement. Today there are close to 3,000 households in over 100 municipalities all over BiH where pre war inhabitants had returned to their homes at least five years ago but have been living deprived of electrical power ever since. The plans created in 2008 estimated that the forthcoming years will see the reconstruction of additional 40,000 returnee households out of which 18,300 are situated in the areas without a functional electrical network. The overall financial needs for the re-establishment of the electricity supply in the priority returnee areas are estimated at approximately 40,000,000 KM. To fully deal with the problem this figure would need to be doubled. On the other hand, the current pace of the reconstruction of the electric network is slow. A report issued by the BiH Council of Ministers indicates that if the current tempo is not enhanced some households will need to wait as much as 30 years from now to be connected to a source of electrical supply. UNDP BiH decided to address the problem by providing necessary assistance to the Government and six beneficiary municipalities.

Total resources required 1,193,585 USD

* Regular

Donor

Unfunded budget: \_\_\_\_\_\_\_\_\_

In-kind Contributions \_\_\_\_\_\_\_\_\_

Programme Period: 24 months

Key Result Area (Strategic Plan) \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Atlas Award ID: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Start date: 2010

End Date 2012

PAC Meeting Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Management Arrangements \_\_\_\_\_\_\_\_\_

Agreed by: (BiH Ministry of Human Rights and Refugees)

Agreed by (UNDP):

# Situation Analysis

The signing of the Dayton Peace Agreement in December, 1995, marked the end of the four year war in Bosnia and Herzegovina. Since then the country has made significant achievements geared towards restoring peace and stability and restarting its almost completely devastated economy. However, the demographic changes that occurred as a consequence of the war and resulted in the demise or exodus of more than a half of the population[[1]](#footnote-1) still affect the country’s capacities for quick and successful rehabilitation. The official statistics show that the total number of BiH citizens in 1991 was equal to 4,377,033 and that seventeen years later this number has fallen to 3,842,942[[2]](#footnote-2). The huge decrease stems not only from heavy human casualties, estimated by different sources to vary between 100,000 and 200,000, but also from a huge outflow of population who escaped the war seeking refuge in other countries and did not return again. In addition, almost each part of the BiH was stricken by waves of internally displaced persons, chased from their houses and lands, whose number soared as high as 1,000,000.

With an aim to address this reality Annex VII of the Dayton Peace Agreement foresaw the return of all refugees and displaced persons to their pre-war habitats as a precondition for the full implementation of the Agreement and required from all levels of government in Bosnia and Herzegovina to act in order to facilitate the process. Nevertheless, due to the scope of the problem its resolution has emerged as a heavy financial burden on the state’s budget particularly due to the fact that the returnee population in its higher percentage belongs to the most economically and socially vulnerable stratum of the society.

According to official data, the number of internally displaced people and refugees who returned to their place of origin since 1996 to June 2008 is equal to 446,857 and 578,686 respectively[[3]](#footnote-3). This statistic, however, has been contradicted by the annual report from the Helsinki Committee on Human Rights in BiH[[4]](#footnote-4) claiming that it could merely be used as a parameter for measuring the level of the legal return of property whereas the real number of actual accomplished long-term returns of people to their pre-war settlements is significantly lower in reality. The disparity between the aforementioned data in the first years after the war could have been attributed mostly to political tensions, which prevented those who regained the right over their properties to settle in again. With these tensions today significantly alleviated, although not completely eliminated, it is safe to ascertain that long-term return is currently determined by the extent to which the economic opportunities are available as well as hindered by heavily damaged or inexistent basic infra-structure. In this context and due to the magnitude of the problem the unavailability of electric power supply has been marked by the local authorities as a high-priority issue and the one requiring an immediate solution. Consequently, UNDP BiH and other parties in this project decided to coordinate their efforts in order to meet the existing needs to the greatest possible extent, improve the results of return and provide preconditions for the sustainability of the process as whole.

# Strategy

*II a. Institutional Framework*

The institutional framework for the facilitation of the return process in BiH has been gradually upgraded over the years. During the first five post-war years the process was almost exclusively controlled on the level of the two entities, where policies were implemented by Ministries for Refugees and Displaced Persons of Federation BiH (FBiH) and Republika Srpska (RS). Furthermore, the system in FBiH had been made more complex since the Dayton Peace Agreement determined that the important part of decision-making power and responsibilities would be delegated to the 10 existing cantons. A huge support, both technical and financial, in this period was provided by international organizations, such as UNHCR, OHR and OSCE, who financed the majority of return-related projects.

Nevertheless the need for both better coordination of the efforts and unified data management was soon recognized. As a result, the year 2000 saw the formation of the state level BiH Ministry of Human Rights and Refugees. The ministries on entity level and cantonal levels in FBiH remained in existence, albeit with decreased capacities and responsibilities. The BiH Ministry of Human Rights and Refugees became the ultimate responsible body for the implementation of Annex VII of the Dayton Peace Agreement, the coordination of all efforts related thereto and the protection of the human rights of the returnee population. Also, in 2003, the BiH Fund for Return was established in order to secure transparent and functional financial control over projects supporting the process of return. In parallel with these institutional arrangements the ownership of projects concerning the returnee population was fully transferred to BiH government and today these projects are almost completely funded by local authorities.

*II b. Electrification as a Component of the BiH Strategy for Return*

Bosnia and Herzegovina developed its *BiH Strategy for Return* paper in 2003 which today guides all local and international actors’ activities in the issue of returns. The Strategy identifies the priority goals that need to be achieved in order to secure necessary prerogatives that will lead to successfully resolving the problems of refugees and displaced persons as well as secure the preconditions for the long-term return process. Among other issues the Strategy calls for further harmonization of returnee-aimed legislation across all levels of government, the full abolition of parallel institutions and structures dealing with the problem, a greater transfer of responsibilities to the state level and the creation of one joint data-base[[5]](#footnote-5). In its revised version from 2008 the Strategy recognizes the importance of the electrification of the areas of confirmed return and therefore addresses this issue through a separate chapter titled *Strategy for Electrification for Accomplished Return.*

In response to the revised Strategy, the BiH Ministry of Human Rights and Refugees, in cooperation with the entity ministries for refugees and displaced persons and local municipalities conducted a survey with the aim of assessing the situation in the field. The result of the exercise was a report showing that today there are an estimated 3,000 households in 107 municipalities throughout BiH where pre-war inhabitants had returned to their homes at least five years ago but have been living deprived of electric power ever since. It is also estimated that the forthcoming years will see the reconstruction of another 40,000 returnee households, out of which 18,300 are situated in areas with no functional electric network. The overall financial needs for the re-establishment of the electricity supply in the priority areas of return are estimated to approximate total 40,000,000 KM with double as much needed to deal with the problem completely. On the other hand, the current pace of reconstruction of the electric network is slow. A report approved by the BiH Council of Ministers indicates that if the current tempo is not enhanced some households will wait as many as 30 years from now to be connected to some source of electrical supply.

The importance of speeding up the process of electrification has been recognized in the context of the necessity to improve the living conditions of current returnees as well as to create pre-conditions for full reintegration and income generation. Equally important is the willingness of the local authorities to maintain the momentum of the return process, which over the last year saw certain decrease, and that will be greatly eased by increasing the number of successful examples of sustainable return.

The BiH Council of Ministers in August, 2007 set aside 9,700,000 Bosnian Convertible Marks (KM), approximately 6,700,000 USD, from the state budget for the electrification activities during the period 2008-2011. The funds have been channelled through the BiH Fund for Return to restore electricity supply to those returnee areas which are identified as the most urgent priorities. The project is planned to be implemented as a joint cross-cutting initiative at all levels of the government. Apart from the BiH Fund for Return it will also be facilitated by the following institutions which officially agreed to take part in its implementation: the BiH Ministry of Human Rights and Refugees, two entity Ministries for Refugees and Displaced Persons, three local electric utilities, the Ministry of Energy, Mines and Industry FBiH and the Ministry of Industry and Energy and Development of BiH. The mode of co-operation among the previously named institutions is defined on the basis of a memorandum of understanding signed by all the aforementioned parties in witness of OHR, OSCE and UNHCR. The memorandum elaborates on the role of each stakeholder and serves as the basis for all future efforts related to the project. The signatories therewith assumed the responsibility of not only participating in the implementation of the project activities but also raising awareness of and attracting other institutions and donors to contribute both financially and technically to the success of the initiative as a whole. Additionally, in 2008 the BiH Ministry of Human Rights and Refugees signed Memorandum of Agreement with 29 municipalities throughout BiH that will be the beneficiaries of the Government’s support to the electrification of the confirmed returnee settlements. As a part of this project it is foreseen that UNDP and the Bosnian Ministry for Human Rights and Refugees (MHRR) will sign memorandums with each of the beneficiary municipalities as well as with the electric utility companies that will implement the works on the respective municipality’s territory. The latter will also include provisions for the transfer of ownership over purchased materials for the restoration of the electrical networks from UNDP to the electric utility companies.

*II c. Justification for UNDP Support*

The resources allocated by the BiH Council of Ministers will go a long away to addressing the electrification needs of the priority returnee communities. Nonetheless, according to the statistics presented here above the allocated funds represent only 25% of the total existing needs. For that reason, the BiH Ministry of Human Rights and Refugees sought the assistance of the UNDP BiH with the aim of securing additional finances for the project as a conduit for donor support as well as adding to it an additional value by providing its expertise in project management.

The provision of assistance to the returnee population has always been attributed a high priority for UNDP as part of its activities in BiH. To that end previous years already saw a huge amount of work accomplished within the framework of the UNDP’s *Sustainable Transfer to Return Related Authorities* project (SUTRA) which provided local communities in BiH with the tools to articulate and implement return and reintegration projects in a joint effort between government, civil society and businesses that could lay the foundation for broader development activities in future.

Within the realm of its Area Based Development (ABD) programming, UNDP has also been implementing activities to prompt the development of the most underdeveloped regions where returns have been taking place. Thus, the Upper Drina Region Development Programme (UDRDP) and the Srebrenica Regional Recovery Programme (SRRP) address, *inter alia*, the needs for improved governance, income generation and repair of basic infrastructure in nine municipalities of Eastern Bosnia. Most of these nine municipalites, such as Srebrenica, Bratunac, Milići, Foča, Čajniče, Goražde, have also been identified by the *BiH Strategy for Return* as high priority municipalities for the restoration of electricity supply Other municipalities, such as Višegrad, Zvornik, Rogatica, Stolac, Gacko and Nevesinje, are within or very close to the areas encompassed by other ongoing UNDP ABD projects.

All Area Based Development (ABD) projects have common principles which are used as benchmarks for the formulation of the concrete activities in the field:

* Confidence building between constituent communities;
* Securing the sustainability of the returns process;
* Ensuring the rehabilitation of the area.

The ABD concept recognizes the critical issue of power distribution as a means of enabling and sustaining returns. Rehabilitation of electrical infrastructure will complement already completed or ongoing activities, implemented within the framework of the abovementioned UNDP projects, which concern the reconstruction of other types of public infrastructure with aim to support both returnee and non-returnee population. Therefore, the UNDP will work together with the BiH Ministry of Human Rights and Refugees in order to restore the functionality of electrical grid in those municipalities which are encompassed by the UDRDP, SRRP as well as forthcoming GVRDP and which have been identified as priorities by BiH..

UNDP‘s support to the electrification activities will be provided in a manner that supports the government’s capacity and efforts to positively and clearly articulate the existing needs and priorities in the country. That will be accomplished by means of conceptualizing this project as a continuation of the local efforts to address crucial issues in the fields of the development in favour of poverty reduction. UNDP will also support the implementation through financial and administrative monitoring and the provision of its technical expertise where required. Such an approach is in full harmony with the objectives defined by the Country Programme Action Plan (CPAP) in BiH approved by the UNDP and the Government of BiH.

Also, this project is harmonized with the assessment put forward by the United Nations Development Assistance Framework for BiH which states that: *„while BiH does fairly well with regard to the global MDGs targets, it is clear the country faces certain challenges in particular of governance, poverty, gender inequality the environment and international assistance.”*

*II d. Objectives and Beneficiaries*

The project seeks to contribute to local efforts aiming to support the process of the sustainable return in BiH. Specifically, this assistance will be channelled to help the following municipalities identified as most urgent priorities by the MHRR

|  |
| --- |
| *Municipality* |
| Čajniče |
| Foča |
| Goražde |
| Milići |
| Rogatica |
| Višegrad |
| Zvornik |
| Srebrenica |
| Milići |
| Bratunac |
| Gacko |
| Nevesinje |
| Stolac |

Total amount required for the assistance to the beneficiary municipalities equals to 920,000 USD. The support provided will lead to and will be measured by the reconnection of at least 220 returnee households to the source of electricity supply.

In order to prevent any potential overlap with existing electrical rehabilitation works by other donors, the MHRR executes the role of updating priority lists for electrification of returnee areas throughout Bosnia and Herzegovina. To that end, in May 2008, the BiH Ministry of Human Rights and Refugees issued a public call inviting the registration of all local authorities across BiH in need of the restoration of the electric grids in the return areas under their jurisdiction. The information gathered served to update existing data concerning the real requirements in the field. Upon the expiration of the public call deadline the Ministry in coordination with other local stakeholders formed a list of priority locations that need to be encompassed by the electrification initiative as soon as possible. A similar call has been issued in October 2009 to ensure that the list continues to reflect the most urgent needs in the field.

This project is planned to be implemented and managed through the following two project activities:

*Activity 1 Restoration of Electricity Supply to the Households*

*Activity 2 Project Management*

*Activity 1*

This activity will include the implementation of the activities required for the execution of the works in accordance with agreed time schedule. It includes, among eothers tendering for goods and services (e.g. civil works) needed for the restoration of electrical supply to returnee families, contracting, contract management, monitoring of the works and reporting. The responsibilities under this activity will be divided among UNDP, BiH Ministry of Human Rights and Refugees and, the beneficiary municipalities as described in Chapter V of this project document. All special installation works on power grids in the selected areas, grid maintenance works and works to re-connect individual households to the grid will be undertaken by Bosnia’s electrical utility companies, free of charge, in line with the provisions of the Memorandum of Understanding mentioned in section II b. Local signatories of this project document will do whatever is necessary within the realm of their responsibility to ensure that the named activities have been performed in a completely satisfactory manner.

*Activity 2 Project Management*

Under this activity UNDP will ensure proper management and monitoring of the project activities as well as maintain tight control of the usage of funds. For that purpose a project manager/engineer and project assistant will be hired for the full implementation period. Also, UNDP will make use of its project support and operations service available within the country office to facilitate the execution and coordination of procurement, financial tracking and administrative backstopping.

II e. Impact

The success of the return process will not only alleviate the consequences of the recent war in BiH but also enhance the country’s capacities for the accession to the European integrations. The issue of return, together with the revision of the national constitution, has been one of the major obstacles for the preparation of census needed for the formulation of the BiH’s future economic and social policies. Although it is estimated that the completion of the return process is still a long term process it is evident that it could be shortened if additional donor assistance was made available. Unlike in the years that immediately followed the end of the war the country today possess sufficient capacities to autonomously manage the return activities. Re-provision of electricity to at least 220 returnee families through this project will serve to reassert this fact and thus send a strong message to other donors.

# Results and Resources Framework

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| --- | --- | --- | --- | --- |
| **Intended Outcome as stated in the Country Programme Results and Resource Framework:**  ***Strengthened Capacity of State and Entity Ministries for Management and Coordination of Development Resources and Public Investment Priority*** | | | | |
| **Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:** | | | | |
| **Applicable Key Result Area (from 2008-11 Strategic Plan):** | | | | |
| **Partnership Strategy** | | | | |
| **Project title and ID (ATLAS Award ID): Electrification of Accomplished Return Areas (EAAR)** | | | | |
| **INTENDED OUTPUTS** | **OUTPUT TARGETS** | **INDICATIVE ACTIVITIES** | **RESPONSIBLE PARTIES** | INPUTS |
| Restoration of electricity supply in returnee priority areas selected by UNDP and MHRR.  *Baseline:* Close to 3,000 returnee households without electricity. 73 priority electrification projects defined by the BiH Ministry of Human Rights and Refugees in and only 29 can obtain financial support by the government in 2008.  *Indicators:* Electricity restored to at least 220 households. | Year 1  - Partnerships established and the electrical grids partially restored.  -  Year 2  - Restoration of electrical grids continued and some of them completed. .  Year 3  *- All restoration works completed and project closed in line with UNDP rules and procedures.* | Activity 1:  - Memorandums and agreements signed with MHRR, electricity utility companies and beneficiary municipalities.  - Contracts signed with subcontractors.  - Works implemented in field.  Activity 2:  - Project board formed to include all stakeholders  - Regular monitoring provided.  - Project administratively backstopped.  - | *UNDP/BiH Ministry of Human Rights and Refugees* | *Planning and management support, quality insurance* |

# Annual Work Plan

**Year1**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS** | **PLANNED ACTIVITIES** | **TIMEFRAME** | | | | **RESPONSIBLE PARTY** | **PLANNED BUDGET** | | |
| Q1 | Q2 | Q3 | Q4 |  | Funding Source | Budget Description | Amount (USD) |
| Restoration of electricity supply in returnee priority areas selected by UNDP and MHRR.  *Baseline:* Close to 3,000 of returnee households without electricity. 73 priority electrification projects defined by the BiH Ministry of Human rights and Refugees and only 29 can obtain financial support by the government in 2008.  *Indicators:* Electricity restored to at least 220 households  *Targets:*  *Related CP outcome:* | Activity 1. - Re-provision of Electricity Supply to Households  - MoUs and arrangements signed | X |  |  |  | UNDP | Norway |  |  |
| Tendering completed |  | X | X |  | UNDP | Norway | Procurement | 1,000 |
| Contracts signed and managed |  | X | X | X | UNDP | Norway | Procurement | 380,000 |
| Delivery of materials, civil works and the installation of special materials to low-high voltage network by the electric utility company in progress. |  |  | X | X | UNDP | Norway |  |  |
| Activity 2 – Project Management  - Project management and monitoring expertise provided | X | X | X | X | UNDP | Norway | Project Manager/Engineer  Travel/Field visits  Miscellaneous | 32,000  5,000  2,000 |
| - Administrative support | X | X | X | X | UNDP | Norway | Project Assistant | 26,000 |
|  |  |  |  |  |  |  |  | 446,000 |

# Annual Work Plan

**Year 2**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS** | **PLANNED ACTIVITIES** | **TIMEFRAME** | | | | **RESPONSIBLE PARTY** | **PLANNED BUDGET** | | |
| Q1 | Q2 | Q3 | Q4 |  | Funding Source | Budget Description | Amount |
| Restoration of electricity supply in returnee priority areas selected by UNDP and MHRR.  *Baseline:* Close to 3,000 of returnee households without electricity. 73 priority electrification projects defined by the BiH Ministry of Human rights and Refugees and only 29 can obtain financial support by the government in 2008.  *Indicators:* Electricity restored to at least 220 households  *Targets:*  *Related CP outcome:* | Activity 1. - Re-provision of Electricity Supply to Households  - Delivery of materials, civil works and the installation of special materials to low-high voltage network by the electric utility company in progress | X | X | X | X | UNDP | Norway | Contract Management | 380,000 |
| 2. Project Management  - Project management and monitoring expertise provided | X | X | X | X | UNDP | Norway | Engineer/Project Manager  Contingency  Travel/field visits  Miscellaneous | 32,000  5,000    5,000  2,000 |
| - Administrative support | X | X | X | X | UNDP | Norway | Project Assistant | 26,000 |
|  |  |  |  |  |  |  |  |  | 450,000 |

# Annual Work Plan

**Year 3**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS** | **PLANNED ACTIVITIES** | **TIMEFRAME** | | | | **RESPONSIBLE PARTY** | **PLANNED BUDGET** | | |
| Q1 | Q2 | Q3 | Q4 |  | Funding Source | Budget Description | Amount (USD) |
| Restoration of electricity supply in returnee priority areas selected by UNDP and MHRR.  *Baseline:* Close to 3,000 of returnee households without electricity. 73 priority electrification projects defined by the BiH Ministry of Human rights and Refugees and only 29 can obtain financial support by the government in 2008.  *Indicators:* Electricity restored to at least 220 households  *Targets:*  *Related CP outcome:* | Activity 1. - Re-provision of Electricity Supply to Households  - Delivery of materials, civil works and the installation of special materials to low-high voltage network by the electric utility company in progress. | X | X |  |  | UNDP | Norway | Contract Management | 170,000 USD |
| Activity 2 – Project Management  - Project management and monitoring expertise provided | X | X | X |  | UNDP | Norway | Project Manager/Engineer  Travel/Field visits  Project Evaluation  Miscellaneous | 24,000  3,000  2,000  1,000 |
| - Administrative support | X | X | X |  | UNDP | Norway | Project Assistant | 19,500 |
|  | | | | | | |  | 219,500 |
| Sub-total |  |  |  |  |  |  |  |  | 1,115,500 |
|  | **UNDP General Management Costs 7%** |  |  |  |  |  |  |  | 78,085 |
| Total |  |  |  |  |  |  |  |  | 1,193,585 |

# Management Arrangements

The Electrification of Accomplished Return Areas Project (EAAR) will be implemented under Direct Execution (DEX) modality. In that process cooperation will be established with different layers of local authorities For coordination purposes, a project board will be established that will include representatives of UNDP, MHRR and Electric Utility Companies from FBiH and RS.

**Project Manager UNDP**

**Project Board**

**Senior Beneficiary**

**MHRR**

**Executive**

**UNDP**

**Senior Supplier**

**Electric Utility Companies from FBiH and RS**

**Project Assurance**

(by Board member(s) or delegated to other individuals)

**Project Support UNDP**

**Project Organisation Structure**

***Electric Utility Companies***

- Signing of MoU with UNDP

- Preparation of tendering documentation

- - Providing free of charge specialist work in the field

-

***MHRR***

* Signing of project document with UNDP
* Monitoring
* Reporting to the BiH Fund for Return and UNDP BiH

**EAAR Project Management Arrangements**

**UNDP**

* Tendering
* Contract Management
* Monitoring and technical support
* Review of the progress and financial reports
* Transfer of funds
* Evaluation
* Administrative support and reporting to donor

**UNDP**

* Approving of tendering documentation
* Tendering process and contract management
* Preparation of MoUs and agreements with stakeholders
* Coordination of the work of the project board
* Day to day project management, monitoring and administrative backstopping
* Financial management of donor funds and reporting to the donor
* Review of the progress reports received from the BiH Ministry of Human Rights and Refugees.
* Review of the received request for payments and their accordance with the contract provisions.
* Evaluation of the project.

**The Ministry of Human Rights and Refugees**

* Selection of beneficiary locations in municipalities identified as most urgent
* Supervision of project implementation in accordance with international and EU standards which includes but is not limited to the approval of quality of tendering process and work in field, regular monthly progress reporting to UNDP or as otherwise required by the latter.

*Electric Utility Companies*

* Preparation of tendering documentation
* Providing free of charge specialist work in the field

# Monitoring Framework And Evaluation

Reigning UNDP programming policies foresee results-based management as its corporate management approach in which performance at the level of development goals and outcomes is systematically measured and improved. In that sense, monitoring and evaluation are playing a key role in helping improve performance and achieve results. Monitoring and evaluation for each project is performed through the analysis of results-based quantitative and qualitatively indicators outlined in the programme’s expected results framework, annual work plan and the budget forecast. The appraisal of the project as whole prior to its inception is conducted through the formal meeting of the Project Appraisal Committee (PAC). The PAC reflects a participatory process involving stakeholders, most especially intended beneficiaries, and secures that the project objectives are clear, well defined, measurable, achievable and orientated towards real identified needs.

The monitoring process of the EAAR project will be performed regularly by all signatories of this project document as outlined here-below. An evaluation of the project will be undertaken at the end of the project cycle.

**The Ministry of Human Rights and Refugees**

* Monitoring of the project implementation process and procedures by means of field visits and review of the related documents.

**UNDP**

* Full responsibility for the quality of tender procedures
* Monitoring of progress by means of reviewing reports and visits to the sites.
* Full responsibility for the use of donor fundsProject evaluation
* Monitoring of the project impact by visiting the beneficiaries prior to the approval of the final reports.

**Quality Management for Project Activity Results**

|  |  |  |  |
| --- | --- | --- | --- |
| **OUTPUT 1:** Restoration of electricity supply in returnee priority areas selected by UNDP and MHRR. | | | |
| **Activity Result 1**  **(Atlas Activity ID)** | - Re-provision of Electricity Supply to Households | | Start Date:  End Date: |
| **Purpose** | Support to sustainable return by restoring electricity supply in at least 6 returnee municipalities. | | |
| **Description** | a. Partnerships established  b. Implementation of works and delivery of materials by the contractor(s)  c..Installation of special materials to low-high voltage network by the electric utility company  d.. Connection of individual users to the sub-station | | |
| **Quality Criteria**  *How/with what indicators the quality of the activity result will be measured?* | | **Quality Method**  *Means of verification. What method will be used to determine if quality criteria has been met?* | **Date of Assessment**  *When will the assessment of quality be performed?* |
| Technical requirements properly defined to suit the needs on the field. | | Technical documentation prepared by the electric utility companie and verified by UNDP. | Prior to tendering. |
| Civil works implemented timely and in line with technical specifications | | Field visits and contract management by UNDP | Works performance period in line with the work plan suggested in the tendering documentation. |
| Specialized works installed to low-high voltage network by the electric utility company | | Monitoring provided by the electric utility companies. Field visits by UNDP and the representatives of the Ministry of Human Rights and Refugees. | Works performance period in line with the work plan suggested in the tendering documentation.. |
| Connection of individual users to the sub-station | | Monitoring and technical expertise provided by the electric utility companies.  Field visits by UNDP and the representatives of the Ministry of Human Rights and Refugees. | During and upon the completion of civil and electrical engineering works. |
|  | |  |  |

# Legal Context

This project document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of BiH and UNDP, signed on 07 December, 1995.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP’s property in the executing agency’s custody, rests with the executing agency.

The executing agency shall:

1. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
2. assume all risks and liabilities related to the executing agency’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

*bundp20mm***OFFLINE RISK LOG**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project Title: Electrification of Accomplished Return Areas (EAAR)** | | | | | | **Award ID:** | | | **Date:** | | |
| **#** | **Description** | **Date Identified** | **Type** | **Impact &**  **Probability** | **Countermeasures / Mngt response** | | **Owner** | **Submitted, updated by** | | **Last Update** | **Status** | |
| 1 | *Late receipt of donor funds* |  | Financial | Late receipt of funds could result in postponed inception of the project and the postponement of works in the field  P = 2  I = 4 | Clear presentation to the donor of the activity timetable and lobbying for timely support | | *UNDP* | UNDP | |  |  | |
| 2 | *Slow coordination among local government stakeholders* |  | Operational | Preparation and approval of necessary documents by the local authorities as well as implementation of the activities might be running slower than planned or not to the required standards due to insufficient planning quality, coordination among local partners or political disagreements and changes within the government.  P = 3  I = 4 | Assistance will be provided to the responsible authorities in order for them to improve the quality of planning process.  Eventually, a need could appear to expand the planned project implementation period in order to make up for the time that might be lost.  UNDP will condition the fulfilment of the standards by not transferring the funds before they are attained. | | UNDP/The BiH Ministry of Human Rights and Refugees | UNDP | |  |  | |
| 3 | *Tender documentation prepared by utility companies for provision of materials does not accurately meet the needs in the field* |  | Operational | Impact would delay works in the field  Probability is high | UNDP engineer will review each specification provided and compare with requirements in the field to ensure accuracy of data provided  For tenders above USD 100,000, UNDP will additionally recuruit an international engineer for the purpose of verifying the technical data. | | UNDP | UNDP | |  |  | |
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1. http://www.delbih.ec.europa.eu/files/docs/publications/bh/FunkcPreg/latFRRFinalReportBiH.pdf [↑](#footnote-ref-1)
2. BiH Statistics Agency: <http://www.bhas.ba/new/> [↑](#footnote-ref-2)
3. UNHCR Statistics Package, June 2008: [www.unhcr.ba](http://www.unhcr.ba) [↑](#footnote-ref-3)
4. <http://www.bh-hchr.org> [↑](#footnote-ref-4)
5. See 1 [↑](#footnote-ref-5)