



**United Nations Development Programme in Bosnia and Herzegovina (BiH)
Project Document**

Project Title: Technical assistance to Bosnia and Herzegovina government in preparation of loan proposal for reconstruction, construction and furnishing of psychiatric clinics

Project (Award) Number: BIH10/0114994, Output ID 00112779

Implementing Partner: United Nations Development Programme (UNDP)

Start Date: 1 July 2019 **End Date:** 31 December 2021

LPAC Meeting date: 27/01/2021

Implementation modality: Direct Implementation Modality

Brief Description

The main objective of this Project is to provide effective technical assistance to the Government of Bosnia and Herzegovina in preparation of a high-quality loan proposal for reconstruction, construction and furnishing of psychiatric clinics in the country to be funded by the Council of Europe Development Bank (CEB).

Given the complexity of the institutional structure of the country and the rather limited technical and financial resources at the disposal of the Ministries of Health to develop a viable credit application in reasonable timeframe, they have asked UNDP to provide TA for the process. UNDP will ensure that all the technical documentation required for the reconstruction/construction of the six psychiatric institutions is prepared with the highest quality. It will also ensure that all the interventions are following the relevant national and EU/WHO medical standards and approaches in the psychiatric care sector. Through implementation of the Project activities, UNDP will remove all the technical barriers for the Government of Bosnia and Herzegovina to efficiently initiate implementation of the €11 million CEB loan for reconstruction/construction of the six psychiatric institutions.

Linkage with SDGs: 3, 7, 17

Linkage with EU accession agenda: Chapter 24 Justice, Freedom and Security, and Chapter 28 Consumer and Health Protection


Linkage with UNDP Strategic Plan: Related strategic plan outcomes 1, 2 and 3

Contributing Outcome (UNSDCF/CPD): No. 4
- By 2025, people contribute to, and benefit from more accountable and transparent governance system that deliver quality public services and ensure rule of law.

Output/s ID (with gender marker): GEN2

Total resources required (USD):		USD 624,247.35
Total resources allocated (USD):	CEB	USD 612,261.02
*EUR 550,000 converted to USD (USD value of two instalments and estimation for the final payment Dec 2020 UNORE)		

Agreed by (signatures):

UNDP
Steliana Nedera, Resident Representative, UNDP Bosnia and Herzegovina 
Date: 28-01-2021



I. DEVELOPMENT CHALLENGE

1. Wider country context

1.1 Political context

Bosnia and Herzegovina is an upper middle-income country that achieved evident progress in recovery more than two decades after the end of the war, especially in terms of reconstruction and infrastructure. The country has been undergoing a slow transition from a post-conflict society toward membership in the European Union (EU) for nearly a quarter of a century. However, it is still struggling through post-war democratic transition and economic (re)development.

Bosnia and Herzegovina has been a potential candidate country for EU accession since 2003. Political deadlocks impeded smooth EU accession process for years. Formal application for membership to the EU was submitted in 2016 and in May 2019 the European Commission issued its Opinion on Bosnia and Herzegovina's EU membership application which outlines the key challenges for the country on its way toward membership and provides a set of priorities to be addressed before the country receives candidacy status.

1.2 Governance

There are many "system errors" in the governance system of Bosnia and Herzegovina, resulting from its constitutional set-up, highly complex multi-tier governance structure, incomplete regulatory and policy frameworks, and high politicization. Policy formulation and development management capacities in the public sector are weak, which results in failure to lift the country's growth potential. The country still lacks a country-wide strategy to address these wicked challenges and steer development. The new Reform Agenda 2019-2021 has just been adopted as a mid-term strategic document to lead the work of authorities following the October 2018 General Elections. The country is yet to finalize the government formation process. Importantly, authorities across all government levels have stepped up their engagement to nationalize the Agenda 2030 and develop the Sustainable Development Goals (SDGs) Framework 2030 for Bosnia and Herzegovina expected to be adopted as the common pathway for sustainable development.

1.3 Social contract

Many perception and analytical surveys depict different nuances of the societal reality in Bosnia and Herzegovina: inequality, lack of opportunities, a deficit of rule of law, poor governance and public services, loss of social values, lack of trust between citizens and their governments, an empty place where dignity, togetherness, vision and actions should be. As a result, people increasingly opt to leave the country, particularly the young and most educated. 250,000 citizens (out of a population of 3.5 million) left the country since 2013, 93,000 in the last two years alone. This trend affects mostly small, rural areas, where quality of life and opportunities in general are lower than these in cities or other countries. The legal frameworks are not stimulating active citizenship and secondary legislation is not yet fully aligned with the EU *acquis* on public participation². Many other legal, political, and social preconditions for meaningful participation are also missing in the current democratic landscape. There is political hesitancy to devolve decision-making power down to local governments and create enabling conditions for decentralization and more pro-active citizen participation. Citizens, on the other side, are not actively engaged in public life mainly due to the lack of knowledge about participatory mechanisms and lack of belief that people can make a real difference in the way the governments work³. Democratic progress continues to be stifled by the instrumentalization of fear, the prevalence of patronage, the generation of political crises grounded in nationalist rhetoric, and continued challenges to the integrity of the state and country's stability, all of which deepen ethnic divisions. The war and subsequent dislocations have entrenched strong ethno-nationalist and ethno-religious tides that brought re-traditionalization and swept away decades of gender equality gains and advances of women in socio-economic life of Bosnia and Herzegovina.

¹ The Government of the Federation of Bosnia and Herzegovina and the Government of Republika Srpska have adopted the "Joint Socio-Economic Reforms for 2019-2022" on 10 October 2019. The Council of Ministers of Bosnia and Herzegovina has adopted the "Action Plan for the Implementation of Priorities from the European Commission Analytical Report 2019-2020" on 16 October 2019. These comprise country's the mid-term development agenda.

² Analytical Report accompanying the Commission Opinion on Bosnia and Herzegovina's Application for Membership of the EU, 2019.

³ Khan Mohmand, S., Mišić Mihajlović, S., 2016, "Integrating Informal Institutions in Local Governance: Does it Matter?", IDS Working Paper.

The number of women occupying higher functions in local politics remains defeating, even though women are increasingly acting as agents of change at their local communities and gradually stepping up to leadership positions. For example, a mere 5.2% of all MZ presidents in the country are women.

1.4 Economic context

The country's Gross Domestic Product (GDP) rate is projected to increase from 3.2% in 2018 to 3.8% by 20214, which implies that incomes will grow, and the economy will become more competitive. However, this is still insufficient to ensure high quality of life for the population. With the per capita GDP at some 32% of the EU average, the pace of the country's convergence with the EU is among the slowest in the region. The overall business environment in the country remains weak⁵. While the unemployment rate has been falling (reaching an historic low at 18.4% in 2018), high inactivity and low employment rates continue. Despite a vibrant ICT sector and the fact that local expertise is equipped with state-of-the-art IT market skills, digital transformation of both private and public sectors has not yet commenced.

2. Health Sector Context

Although in the last years in Bosnia and Herzegovina (BiH) we have seen some progress in improvement of conditions for patients, rehabilitation of medical facilities and renewal of diagnostic and treatment equipment, there are still many remaining priorities in this sector. For example, Ministry of Health of Republika Srpska estimates that over the last 10 years, capital investments of the Government of RS in health sector have exceeded €300 million. But most of that money was focused on rehabilitation and improvement of facilities and services in primary health care (family medicine) and tertiary (clinical centers and large hospitals), while only a marginal part of that investment was invested in psychiatric care facilities. Very similar situation is in the Federation of BiH where psychiatric care sector was also almost completely neglected for decades.

The only exception of this bleak situation in psychiatric care sector is the Swiss Development Cooperation funded Mental Health Project in BiH. This project supports the health authorities in BiH in development of a sustainable system of community-based mental health care. The support of CHF 10 million which has been already implemented and the next phase which will invest additional CHF 5.3 million have facilitated a thorough reform of the approach to prevention and treatment of mental health patients, ensuring that the system is based on respect of human rights and dignity of persons with mental health disorders and their families. Even as through this reform BiH has achieved significant decentralization of services from hospitals to the network of community-based mental health care centers, there remains the need to rehabilitate and upgrade facilities and treatment conditions in the psychiatric hospitals and institutions, which in average have not seen any capital investments for over 30 years.

There are many international and national plans and programmes which promote mental health, based on protection of the fundamental human rights, which are the basis for the rights of access to health care. Ministerial conference on mental health organized by the World Health Organization (WHO) and the European Commission (EC) in Helsinki in 2005, was a turning point in approach to protection of mental health, as it adopted the Mental Health Declaration for Europe which spelled out a strategy which: "acknowledges that mental health and mental well-being are fundamental to the quality of life and productivity of individuals, families, communities and nations, enabling people to experience life as meaningful and to be creative and active citizens". Goal of WHO and EU policy in this field is to lead in development, adoption and implementation of national and common strategies for mental health protection.

Both entities have adopted Laws on Protection of Persons with Mental Disorders aligned with the EU and WHO standards, and in line with the obligations set by the laws, the Governments of the two Entities accepted and formally endorsed the initiative of their respective Ministries of Health to approach the Council of Europe Development Bank (CEB) with a request to provide loan funds to BiH for reconstruction, construction and furnishing of six psychiatric clinics in BiH, at the following locations: Sarajevo, Mostar, Banja Luka, Sokolac, Modriča and Višegrad.

⁴ Economic Reform Programme of Bosnia and Herzegovina (2019-2021), [European Commission Assessment](#).

⁵ [The World Bank Doing Business Report for 2019](#) ranks BiH as 89th out of 190 countries globally.

The Government of the RS endorsed this proposal at its 154th session, held on 30 November 2017, and the Government of the Federation of BiH adopted the same decision at its 144th session, held on 24 May 2018. Two Entity Ministries of Health and the Ministries of Finance were authorized by these government decisions to proceed, through the Ministry of Finance and Treasury of BiH, with the submission of a formal request for loan support to CEB. With the same government decisions, Ministries were also tasked to immediately proceed with the preparation of a credible loan application to CEB, with the technical support of UNDP BiH.

The total value of the loan funds requested by the BiH Government from CEB for this purpose is €11 million, out of which approximately € 3.5 million is for the two psychiatric clinics in the Federation of BiH and approximately € 7.5 million is for the facilities in the Republika Srpska. Upon the positive response of CEB to the BiH government's formal request for financing, the government is expected to proceed with preparation of detailed reconstruction/construction project designs for the six psychiatric institutions in line with the relevant national legal framework requirements.

However, given that situation in the health sector of BiH, national health authorities are not in position to allocate needed resources nor to secure financing from internal sources for the preparation of detailed reconstruction/construction project designs for the six psychiatric institutions, this being a necessary precondition for the realization of the loan arrangement with CEB. Therefore, the Government of BiH made a request to CEB for the allocation of this grant for technical assistance with the objective to provide, through UNDP BiH, technical assistance to the Government which would enable effective preparation of the loan proposal for reconstruction, construction and furnishing of the psychiatric clinics.

In summary, the main objective of this project is to support the Government of Bosnia and Herzegovina in preparation of a high-quality CEB loan proposal for reconstruction, construction and furnishing of psychiatric clinics in the country.

II. STRATEGY

2.1 Impact

The health care system in BiH is characterized by extreme fragmentation. It is differently organized in each of the three administrative units of the country: Federation of BiH, Republika Srpska (RS) and Brčko District (BD). In terms of the organizational structure and management, this system operates through 13 completely different sub-systems at the level of entities, cantons, and Brčko District.

Specifically, according to the country's Constitution, the health system is within the competence of the two entities: Republika Srpska and Federation of BiH, with the competencies in Federation of BiH being further subdivided to ten cantons, and within the competence of Brčko District of BiH. The Department of Health within the Ministry of Civil Affairs, as the authority at the state level, has mostly a coordination and international representation role. This means that currently, there are three separate Laws on health protection and three health insurance systems in use in BiH.

The fragility and complexity of the BiH governance impedes the progress in the health sector which is evidenced by the stalled health reform. This more so as the incidence of mental illness diseases in BiH in the post-war period is ever increasing in this context the lack of up-to-date facilities to accommodate and treat the patients presents additional problem in the already difficult situation. Such situation in the mental health care sector directly threatens the basic human rights of people of BiH, as access to health is one of them and it significantly slows down achievement of the relevant Sustainable Development Goals (SDGs) to which BiH has subscribed, especially SDG goals 3, 7 and 17.

Given the complexity of the institutional structure of the country and the rather limited technical and financial resources at the disposal of the Ministries of Health which could be used for preparation of such a funding request, BiH authorities have not been able to seize the opportunity to access CEB financing for this sector for more than two years. That is why, the two Ministries of Health have approached UNDP BiH with a request to provide technical assistance to the Ministries in the process of preparing a credible loan application to CEB.

Being committed to support BiH in achievement of human rights and SDGs in all sectors, UNDP at the request of governments has stepped in and effectively removed the coordination deadlock which impaired the treatment of mental health patients. Specifically, in the first response UNDP BiH has allocated funds to provide technical assistance to the Ministries of Health in the initiation phase of the loan application.

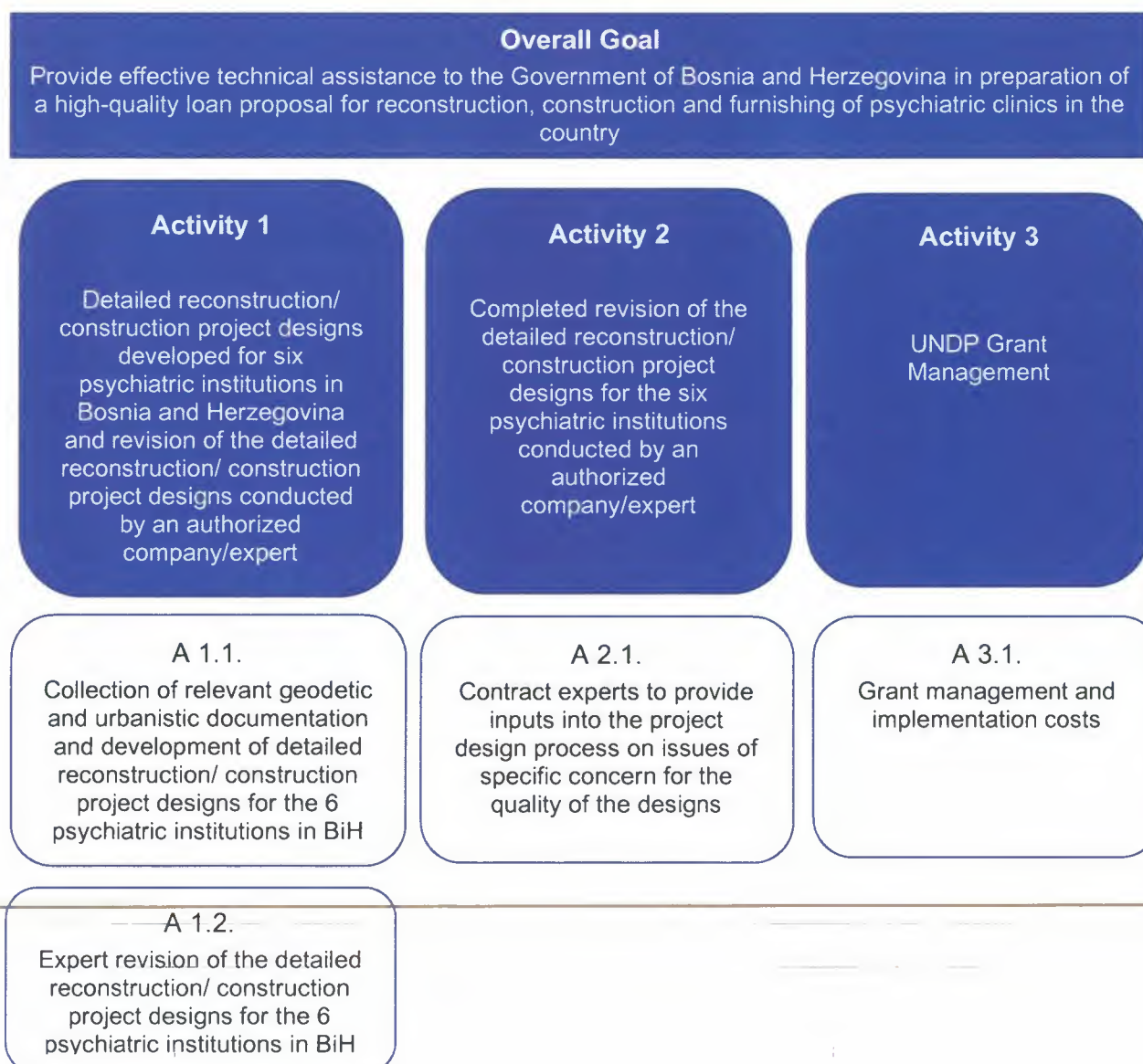
The objective of the technical assistance provided by UNDP BiH was to obtain realistic insight into the situation in the psychiatric facilities proposed by the government, and to prepare a realistic estimate of the total cost of the intervention needed to refurbish the facilities.

Using its own internal sources of funding to support the BiH's Ministries of Health, UNDP BiH has engaged and tasked an expert to prepare a detailed technical assessment of the facilities, and an estimate of the costs of reconstructing and rehabilitating psychiatric clinics in BiH. The clinics to be included have been identified as the priority and nominated to UNDP BiH by the national health authorities. The detailed assessment and cost estimates as prepared by the expert have been submitted to the national authorities and based on this assessment, Ministries of Health have prepared formal proposals for their respective governments, to engage in the formal process of requesting financing from CEB for this purpose.

2.2 Hierarchy of objectives

Expected outcome:

Removed technical barriers for the Government of Bosnia and Herzegovina to efficiently implement the CEB loan for reconstruction/construction of the six psychiatric institutions.



III. RESULTS AND PARTNERSHIP

3.1 Expected results

Government of Bosnia and Herzegovina supported in preparation of a high-quality CEB loan proposal for reconstruction, construction and furnishing of psychiatric clinics in the country.

3.2 Resources required to achieve the expected results

The CEB granted funds for technical assistance in the amount of EURO 550.000 (USD equivalent), will be used to support preparation of detailed reconstruction/ construction project designs for the six psychiatric institutions in line with the relevant national legal framework requirements, including the collection of relevant geodetic and urbanistic documentation.

The grant will also enable provision of external specialized project design advisory services to the companies developing the project designs. The external expert advice will be provided on issues of specific concern for the quality of the designs, including specific expertise on mental health facility design, energy efficiency, as well as expertise on functional hospital programming, and other key topics needed.

3.3 Partnerships (stakeholders' engagement)

Ministry of Health and Social Welfare of Republika Srpska and Ministry of Health of Federation of Bosnia and Herzegovina are the main partners in this project. Both partners have been involved in the preparation of the Project document from the beginning actively participating in decision making process and have enabled access to the strategic documents, plans documentation needed to analyse the existing status of health sector and the psychiatric facilities which are subject of this project.

In addition, both Ministries of Health will act as the link in communication with their respective Governments and health institutions, including the consultative processes with subcontracted companies and UNDP PMT.

3.4 Risks and Assumptions

UNDP globally has introduced results-based management as its corporate approach. Through this approach, performance is related back to development goals and outcomes and systematically measured and improved. In this sense, monitoring and evaluation plays a key factor in helping to improve operational performance. Monitoring and evaluation will be performed using result-based quantitative and qualitative indicators, as outlined in the project's Logical Framework and Budget.

3.5 Knowledge management

The Project will generate knowledge through regular project monitoring and lessons learnt captured and documented through Project monitoring tools and progress reports. It will be shared with Ministry of Health and Social Welfare of Republika Srpska and Ministry of Health of Federation of Bosnia and Herzegovina and other partner institutions.

3.6 Sustainability and Scaling Up

In spite of the fragility and complexity of the BiH health system, the support of the Government of BiH in preparation of the loan proposal for CEB for reconstruction, construction and furnishing of psychiatric clinics in the country has opened the new chapter in addressing the problems of the mental health sector in BiH.

Therefore, respective entity Governments have endorsed this proposal and authorized their Ministries of Finance, to proceed, through the Ministry of Finance and Treasury of BiH, with the submission of a formal request for loan support to CEB. With the same government decisions, Ministries were also tasked to immediately proceed with the preparation of a credible loan application to CEB, with the technical support of UNDP BiH. These decisions also determined the Governments commitments to undertake an authority over the finalized detailed technical designs and preparation of complete tendering documentation for reconstruction, construction and furnishing of six psychiatric clinics in Bosnia and Herzegovina and continue with arrangements within the national health system to further expand the quality of its own capacities and services.

3.7 Detailed description of output, activities and expected results, project duration

Through implementation of this Project, UNDP will ensure that all the technical documentation required for reconstruction/construction of the six psychiatric institutions, including the complete tender dossiers in accordance with the relevant CEB rules and procedure, is prepared in shortest possible timeframe and with the highest quality. It will also ensure that all the interventions are following the relevant national and EU medical standards and approaches in the psychiatric care sector.

Overall, the project includes all the activities needed for the Government of BiH to be fully prepared to implement the CEB's €11 million loan for reconstruction, construction and furnishing of psychiatric clinics in Bosnia and Herzegovina as soon as it is approved and ratified.

Expected outcome:

Removed technical barriers for the Government of Bosnia and Herzegovina to efficiently implement the CEB loan for reconstruction/construction of the six psychiatric institutions.

Expected output:

Technical assistance to Bosnia and Herzegovina government provided for the detailed preparation of loan proposal for reconstruction, construction and furnishing of psychiatric clinics.

Activities:

Activity1 Detailed reconstruction/construction project designs developed for six psychiatric institutions in Bosnia and Herzegovina and revision of the detailed reconstruction/construction project designs conducted by an authorized company/expert

Activity2 Completed revision of the detailed reconstruction/construction project designs for the six psychiatric institutions conducted by an authorized company/expert

Activity3 UNDP Grant Management

3.8 Target groups, beneficiaries

Capital investment in the psychiatric care sector infrastructure will improve quality of health care for the considerable number of patients, which still require hospital care, as well as the quality of accommodation, hygiene, working and therapeutically conditions for the patients and their caretakers. Ultimately, this investment will result in increased dignity of the patients during their treatment and it will enhance rate of their recovery and resocialization through creation of conditions to have access to modern health and socialization treatment, in line with the relevant EU and WHO standards.

3.9 Geographical area of intervention and territorial demarcation with other relevant interventions

The Governments of the two Entities accepted and formally endorsed the initiative of their respective Ministries of Health to channel the CEB loan funds to BiH for reconstruction, construction and furnishing of six psychiatric clinics in BiH, at the following locations: Sarajevo, Mostar, Banja Luka, Sokolac, Modriča and Višegrad.

3.10 Transversal themes: gender equality, social inclusion, human rights

The Project will ensure gender equality perspective across all activities. Special attention will be given to equal positioning to transparent tender processes for contractors, but looking at long-term sense, this project will enable equal treatment and access to services by both, men and women. Using the Contractor's expertise led by EU/WHO health standards and human rights approach, development of preliminary and detailed technical designs and preparation of complete tendering documentation for reconstruction, construction and furnishing of six psychiatric clinics in Bosnia and Herzegovina will enable institutional capacity for equal treatment of patients and their caretakers.

3.11 Synergies with other on-going and planned interventions

Whenever possible, synergies will be established with other projects and activities within UNDP related to strengthening capacities of health system in BiH.

IV. MANAGEMENT ARRANGEMENTS

4.1 Project management

Project will be implemented under Direct Implementation Modality, meaning that UNDP Country Office Bosnia and Herzegovina will assume full responsibility and accountability for overall management, including achievement of the project outputs and specific results, the efficient and effective use of resources and monitoring and reporting requirements. The funding for the technical assistance is provided by Slovak Inclusive Growth Account (SIGA) fund through CEB.

4.2 Project duration

The overall implementation period for this project is 2 and half years (July 2019 – December 2021).

4.3 Project structure

The project institutional structure comprises the Project Board, the Project Assurance and the Project Team, interacting in a broader project context with partners and all interested stakeholders. A snapshot of the project institutional structure is presented in table below.

The **Project Board** will be responsible for making, by consensus, management decisions for the project. The Project Board will adopt the annual work plans and the annual reports prepared and presented by the project and will supervise the overall project progress. It will provide strategic guidance, as well as give final approval to selected strategic and operational issues. The Project Board will meet at least every six months, or as necessary when raised by the Project Manager. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the projects and external bodies. Members of the Project Board will be representatives of UNDP (Secretariat to the Project Board), Central European Bank, the Federal Ministry of Health, and the RS Ministry of Health and Social Welfare.

The **Project Assurance** role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The process of Project Assurance is independent of the Project Manager and will be performed by the UNDP Senior Programme Coordinator/Social Inclusion Sector Leader.

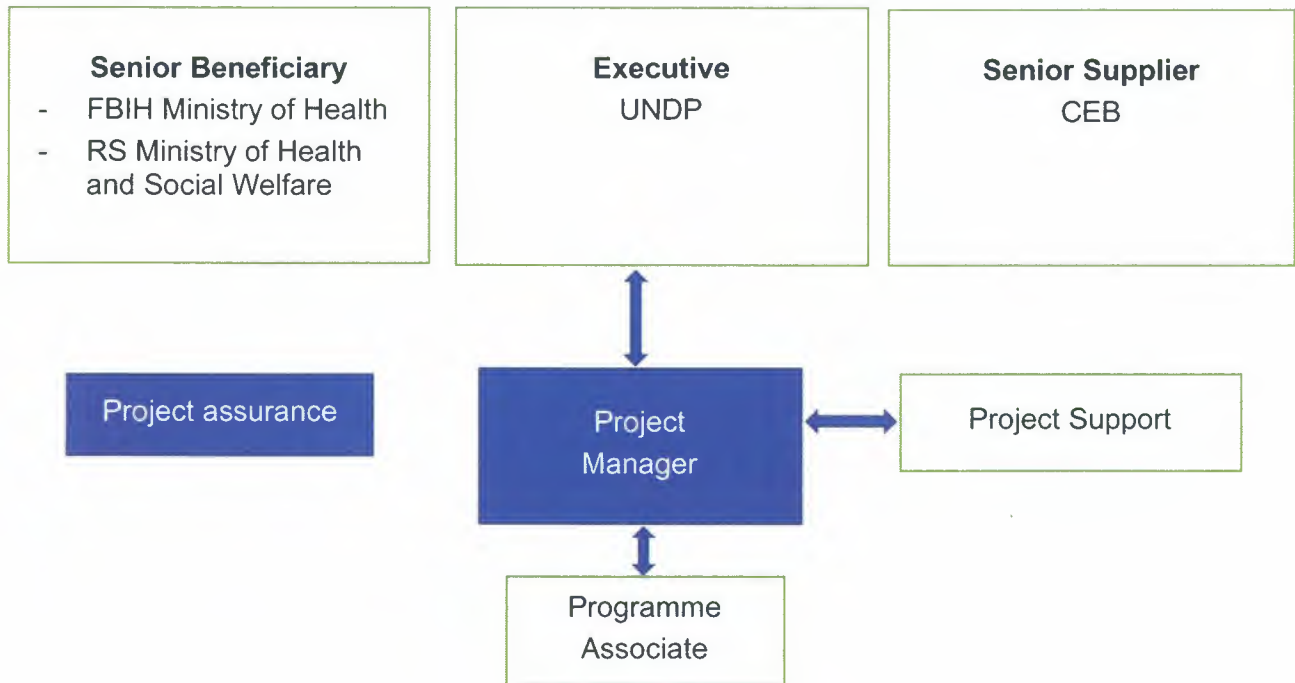
The **Project Team** will comprise the National Project Manager/Programme Analyst (PA) and core team member, Programme Associate, to support the complex project implementation. The Project Manager/PA has the authority to run the project on a day-to-day basis on behalf of the UNDP. The Project Manager/PA will have the responsibility to ensure that the project produces the required results that are capable of achieving the benefits defined in this document. S/he will be responsible for day-to-day management and will ensure that the project produces the results specified, to the required corporate standards and within the constraints of time and cost.

Project support will be ensured via project assistance provided by the Social Inclusion Programme Associate (part time). In addition, the project will deploy key short-term national and international specialists to support and oversee project implementation.

The project organisational structure is presented below.

Project Organisation Structure

Project Board



4.4 Cost Efficiency and Effectiveness

The Project will deploy numerous measures in order to achieve cost effectiveness. In terms of procurement, outsourcing of services will be based on a transparent and competitive process, as well as on the value-for-money principle.

The Project will seek to achieve economy of scale in investments by combining, where possible, financial resources with other on-going interventions in target localities.

4.5 Project Monitoring, Evaluation and Reporting

The initiative will be monitored based on specific indicators for each result.

The Project results will be monitored periodically during the implementation period to ensure their effective achievement. In addition to the standard mandatory UNDP M&E activities, other M&E activities deemed necessary to support activity-level adaptive management will be identified and conducted in agreement with the CEB Country Manager and the Ministries of Health of the Federation of BiH and the Republika Srpska.

UNDP shall send to the CEB, on a semi-annual basis from the start date of the Project Document, and prior to every disbursement request, with the exception of the first tranche, a Progress Report which shall contain a summary of progress on activities, costs, financing and outputs during the reporting period.

Upon completion of the Project, and not later than three months after the Completion on the Final Report Date, UNDP shall submit to CEB a Final report (hereinafter, a "Final Report") including an appraisal of the projects social impact and an assessment of the use and the impact of the CEB Grant.

The Final Report shall contain the following information:

- (i) Summary of key achievements during the reporting period;

- (ii) Cost and financing;
- (iii) Procurement activities;
- (iv) Results/outputs;
- (v) Visibility aspects;
- (vi) Challenges encountered and action taken;
- (vii) Value added and lessons learned;
- (viii) Appendices: Final Financial Report

4.6. *Visibility and communication*

The visibility for the project will be done in line with the Grant Agreement with CEB provisions under Article 2.3 – Visibility.

UNDP shall take all appropriate measures to always acknowledge and make public that the Project received funding from SIGA through the CEB. Specifically, any information given to the Project's stakeholders to the media, as well as any promotional materials shall acknowledge that the Project was carried out "with funding from the Slovak Inclusive Growth Account received through the Council of Europe Development Bank". The acknowledgement of CEB and SIGA, including the corresponding logos, shall be given clear visibility in terms of size and prominence. In addition, when the logo of UNDP is displayed in publications, the CEB logo and the Slovak Republic flag shall be displayed at least as prominently.

Specific reports on the implementation of the Project prepared by the UNDP funded with the CEB Grant proceeds must carry the following statement:

"This document has been produced with the financial assistance of the Slovak Inclusive Growth Account through Council of Europe Development Bank. The views expressed herein are those of (name of author) and can therefore in no way be taken to reflect the official opinion of the Slovak Republic or the CEB, as manager of the Slovak Inclusive Growth Account."

The interim reports and the final report defined in Article 7 of the Grant Agreement shall include the measures taken by the UNDP to ensure the visibility of the CEB and the Slovak Republic.

V. RESULTS FRAMEWORK

The Project will contribute to achieving the following Country Outcome defined in United Nations Sustainable Development Cooperation Framework (UNSDCF) 2021 – 2025 (Outcome 4): By 2025, people contribute to, and benefit from more accountable and transparent governance system that deliver quality public services and ensure rule of law.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets: Output 2.2 Governments across all levels have enhanced capacities for transparent and effective policy and financial management, including digital capacity, which translate into accelerated development results, accountability and people-centred public services.

Indicator 2.2d: Number of medical facilities with improved health treatment conditions. Baseline: 2019: 0; Target: 2025: 6

Applicable Output(s) from the UNDP Strategic Plan: Related strategic plan outcomes: 1, 2 and 3.

Project title and Atlas Project Number: Technical assistance to Bosnia and Herzegovina government in preparation of loan proposal for reconstruction, construction and furnishing of psychiatric clinics (00114994)

EXPECTED OUTPUT	OUTPUT INDICATORS ⁶	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)				DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	FINAL	
<p>Output</p> <p>Technical assistance to Bosnia and Herzegovina government provided for the detailed preparation of loan proposal for reconstruction, construction and furnishing of psychiatric clinics</p>	<p>Government of Bosnia and Herzegovina supported in preparation of a high-quality CEB loan proposal for reconstruction, construction and furnishing of psychiatric clinics in the country.</p> <p>Number of the psychiatric institutions accepted for reconstruction through the CEB loan.</p> <p>Quality of psychiatric health care services and conditions for patients and health carers strengthened and improved.</p>	Government Reports	Treatment conditions in the psychiatric institutions in BiH are very poor.		Project document Execution of Project documentation (Contracting Comp. for "Dev. of preliminary and detailed technical designs and preparation of complete tendering documentation for reconstruction, construction and furnishing of six psychiatric clinics in BiH")	Execution of Project documentation for NC (to support tendering procedure for selection of the service provider for revision of the project design Execution of Project documentation ("Expert revision and validation of the main project designs for the six psychiatric institutions in BiH");	6 reconstruction project designs developed for the psychiatric institutions	<p>Inception Report</p> <p>Progress Reports</p> <p>Relevant meetings with MoH RS/FBIH</p> <p>Government commitment to enable access to health facilities</p>	

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management. ⁷	UNDP/Project	
Collect stakeholder feedback and evidence on contextual changes, and operational performance	Appropriate and credible data and documents will be collected and properly maintained as evidence for monitoring and reporting.	Quarterly, or in the frequency of the Project Board review	Slower than expected progress will be addressed by project management. ⁸	UNDP/Project	
Verify progress	Verify output progress and/or completion	Quarterly, or in the frequency of the Project Board review	Slower than expected progress will be addressed by project management. ⁹	UNDP/Project	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Annually	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken. ¹⁰	UNDP/Project	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions. ¹¹	UNDP/Project	

⁷ Templates: [Results framework](#); [CO Project Monitoring Platform](#); Atlas (Output, Targets and Results Log; Activity Log).

⁸ Templates: [Project Progress Report](#); [Project space in the corporate planning system](#).

⁹ [Field Visit Report Template](#).

¹⁰ [Project Risk Log and Templates](#); [Social and Environmental Standards](#); [Enterprise Risk Management Policy](#).

¹¹ Template: [Lessons Learned Log](#)

Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Every other year	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance. ¹²		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	UNDP/Project	
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		UNDP/Project	
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP/Project	
Project monitoring budget is 5 % from the total project budget generated through regular project activities and already included in the total Project Budget ¹³					USD 30,613

¹² UNDP Quality Assurance Corporate System

¹³ 1% per year for monitoring and evaluation

VII. MULTI-YEAR WORK PLAN ¹⁴¹⁵

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year (USD)			RESPONSIBLE PARTY	PLANNED BUDGET		
			Y1	Y2	Y3		Funding Source	Budget Description	Amount USD
Output 1 Technical assistance to BiH government provided for the detailed preparation of loan proposal for reconstruction, construction and furnishing of psychiatric clinics	Activity 1 Detailed reconstruction/ construction project designs for the six psychiatric institutions in BiH developed and revision of the detailed reconstruction/ construction project designs completed by authorized company/expert	Sub-activity 1.1. Collection of relevant geodetic and urbanistic documentation and development of a detailed reconstruction/construction project designs for the 6 psychiatric institutions in BiH	0	109,603.30	289,746.86	UNDP	CEB	Contractual services - companies	399,350.16
		Sub-activity 1.2. Expert revision of the detailed reconstruction/construction project designs for the 6 psychiatric institutions in BiH	0	0	36,935.02	UNDP	CEB	Contractual services - companies	39,935.02
		MONITORING				UNDP	CEB		
		Sub-Total for Activity 1	0	109,603.30	329,681.87				439,285.17
	Activity 2 Provide external specialized project design advisory services support as needed	Sub-activity 2.1. Contract experts to provide inputs into the project design process on issues of specific concern for the quality of the designs	0	0	56,749.76	UNDP	CEB	Contractual services - individuals	56,749.76
		MONITORING				UNDP	CEB		
		Sub-Total for Activity 2	0	0	56,749.76				56,749.76
	Activity 3 UNDP Grant Management	Sub-activity 3.1. Grant management and implementation costs	20,341.16	38,807.28	22,823.43	UNDP	CEB		81,971.87
		Sub-Total for Activity 3	20,341.16	38,807.28	22,823.43				81,971.87
		UNDP General Management Support	1,627.28	11,873.04	32,740.22				46,240.54
TOTAL:		21,968.44	160,283.62	435,970.05				624,247.35	

¹⁴ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

¹⁵ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

VIII. RISK ANALYSIS

The main risks of the Project are of operational nature.

One of the risks is the imperfection of the information available at the Ministries and the health institutions on the current status, size and condition of the premisses, buildings and equipment which are subject of this project. This can create additional workload for the engineering teams in preparation of the technical project designs.

Another risk is related to the limited physically access to the medical premisses due to the ongoing COVID-19 pandemic. This could cause the postponing of activities in the phase when contractor is obliged to conduct physical inspection, precise measurements and surveying of the subject premisses, buildings and land plots.

Project responses include close monitoring of the risks, identification and implementation of the mitigation and adaptation measures and coordination of actions by the project management team, in close cooperation with the Project Assurance and the Project Board.

Expected effect of the above treatment would be a progress of the activities that would serve to secure high quality of the project outputs regardless of the difficulties and delays experienced in the reporting period.

Probability of the risk: Moderate.

IX. LEGAL CONTEXT AND RISK MANAGEMENT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Bosnia and Herzegovina and UNDP, signed on 07 December 1995. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

Bosnia and Herzegovina and the United Nations Sustainable Development Cooperation Framework for the period 2021-2025 (endorsed by the Council of Ministers of Bosnia and Herzegovina and UN on 16 December 2020), as well as the UNDP Country Programme Document 2021-2025 represent the basis for the activities of UNDP in the country.

This project will be implemented by UNDP (“Implementing Partner”) in accordance with its financial regulations, rules, practices, and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP.

X. RISK MANAGEMENT

1. *UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)*
2. *UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds 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/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.*

3. *Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).*
4. *UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.*
5. *In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.*
6. *All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.*
7. *UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:*
 - a. *Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:*
 - i. *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;*
 - ii. *assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.*
 - b. *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 the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.*
 - c. *In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.*
 - d. *Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.*
 - e. *The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.*

- f. *In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.*
- g. *Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.*

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- h. *UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.*

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- i. *Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.*
- j. *Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.*
- k. *Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, mutatis mutandis, in all its sub-contracts or sub-agreements entered into further to this Project Document.*
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XI. ANNEXES

1. **Project Quality Assurance Report - obligatory**

2. Social and Environmental Screening Template [English], including additional Social and Environmental Assessments or Management Plans as relevant. (NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities). - **obligatory**

3. **Risk Analysis.** Use the standard Risk Log template. Please refer to the Deliverable Description of the Risk Log for instructions

4. **Project Board Terms of Reference and TORs of key management positions**