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# Swiss Cooperation Programme Bosnia and Herzegovina 2021–24



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# Foreword

The stability and prosperity of the Western Balkan countries constitute an essential aim for Swiss foreign policy. Switzerland's engagement in the region began in the 1990s, when it provided humanitarian assistance and refuge for many people affected by conflicts. Over the years, Switzerland and the Balkans have developed close political, economic and cultural ties, marked by geographical, human and economic proximity and documented by a sizeable diaspora living in Switzerland.

Starting with humanitarian assistance in 1996, Switzerland's cooperation with Bosnia and Herzegovina has gradually shifted to supporting transition processes and European integration. Today, Switzerland ranks among the largest bilateral cooperation partners of Bosnia and Herzegovina. The Swiss Cooperation Programme Bosnia and Herzegovina 2021–24 is based on a trusted partnership and mutual interests. It represents a strong commitment to continue supporting the economic, social and political reform processes in the country, in a volatile environment hit hard by the COVID-19 crisis and its ensuing effects.

Bosnia and Herzegovina has made progress towards political and macroeconomic stability, but considerable challenges remain. To tackle these, Switzerland will continue to support the country in specific sectors in line with the priorities defined by the Government of Bosnia and Herzegovina and will work with partners who can accelerate reforms and develop new perspectives and opportunities. It takes into account the needs and the challenges Bosnia and Herzegovina faces and leverages Switzerland's comparative advantages and interests in key areas.

Building on Switzerland's long-term presence in the country and earlier achievements, the Swiss Cooperation Programme 2021–24 focuses on three thematic areas: Economic Development and Employment, Health, and Local Governance and Municipal Services. Switzerland has relevant expertise in all three areas and we are confident that we can make an effective contribution to the further development of Bosnia and Herzegovina. We count on the ownership and leadership of our partners to achieve lasting reforms and results. The financial framework for the Cooperation Programme 2021–24 comprises CHF 63 million, whereas the total amount of Swiss funds for Bosnia and Herzegovina may reach a maximum amount of CHF 79 million.

The Swiss Cooperation Programme 2021–24 was developed by the Swiss Agency for Development and Cooperation (SDC) and the Swiss State Secretariat for Economic Affairs (SECO), in close consultation with the Swiss State Secretariat for Migration (SEM), as well as government offices and partners from the civil society and the economy in Bosnia and Herzegovina. The SDC and SECO cooperate and coordinate closely in the implementation of the Cooperation Programme, through the Swiss Embassy in Bosnia and Herzegovina.

We are confident that the goals and priorities set out in this programme will contribute in a relevant way to the sustainable and inclusive development of Bosnia and Herzegovina and the well-being of its people.

Bern, January 2021

Swiss Agency for Development  
and Cooperation (SDC)



Patricia Danzi  
Director General

Swiss State Secretariat for  
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Marie-Gabrielle Ineichen-Fleisch  
State Secretary

Front page photograph: The youth of Bosnia and Herzegovina are empowered and engaged to shape a better future for themselves and their country. Strengthening Local Communities Project "Mjesne zajednice", Petrovo.





Repairing water pipes: Authorities are supported to provide better access to drinking water and ensure waste water treatment. Municipal Governance and Environment Project, Kostajonica.

# 1. Development context

The armed conflict that took place in Bosnia and Herzegovina (BiH) from 1992–95 left a grim legacy in its wake: around 100,000 people were killed, more than two million were displaced and the country's economy was completely devastated. The Dayton Peace Accords of 1995 brought an end to the conflict, but also shaped a very complex political and institutional set-up, with 14 governments and diverging interpretations of their respective powers. To allow for equal power-sharing among the country's three 'constituent peoples' (Bosniaks, Serbs and Croats), the Peace Accords set up two entities, the Federation of BiH (FBiH) and the Republika Srpska (RS), in addition to Brcko, a self-governing district, overarched by a state government and a rotating presidency. In addition, BiH still remains under the international oversight performed by the Office of the High Representative.

Twenty-five years after the end of the conflict, political instability and accumulated structural problems continue to mark BiH. The process of reconciliation and dealing with the legacy of the armed conflict has yet to be realised in BiH. Stalled socio-economic reforms, high unemployment, growing inequalities, and depopulation are further affecting BiH's development. The country's political elites continue to play an ambivalent role in the search for compromises and effective solutions to these problems. They often defend the interests of their own constituencies at the expense of decisions that would lead to the greater welfare of the whole population. In addition, regional developments e.g. the issue of recognition of Kosovo or political tensions between Serbia and Montenegro, have an almost immediate spillover effect into BiH. This has trapped the country in a prolonged political crisis which often leaves state institutions in deadlock. The lack of rule of law and decent job prospects, a culture of nepotism, shrinking space for civil society and general apathy have all resulted in more and more people, especially skilled youth, deciding to leave BiH, mainly for Western Europe.

There has been a noticeable rollback of previously enacted systemic reforms: authorities at all levels continue to disregard or reject binding decisions of the judiciary, including decisions of the BiH Constitutional Court, while corruption remains widespread. In its May 2019 opinion on BiH's application for membership of the European Union (EU), the European Commission identified fourteen priorities for BiH in the areas of democracy/functionality, rule of law, fundamental rights and public administration reform. EU membership is the one goal which all sides agree upon. To achieve this goal, BiH's polit-

ical leaders will, however, need to overcome political blockages and ethno-nationalist divisions and demonstrate their declared commitment towards EU integration in effectively addressing the identified issues.

BiH presented its first Voluntary National Review on its implementation of the 2030 Agenda at the United Nations (UN) High-Level Political Forum 2019. Meanwhile, it has drafted a Sustainable Development Goals (SDG) Framework, which provides information about entity strategies for SDG implementation. These strategies are still awaiting approval, however. The potential for leveraging the 2030 Agenda is mainly via the EU accession process, as these are mutually reinforcing and complementary processes. Significant potential for addressing the SDGs in BiH lies at the local level, where an estimated 70% of the EU acquis needs to be implemented.

BiH's economy relies heavily on exports of metals, energy, textiles, and furniture as well as on tourism, remittances and foreign aid. Both entity governments endorsed economic reforms (2019–22) aimed at improving the business environment, stimulating growth and competitiveness, and depoliticising state-owned enterprises (SOEs). Political uncertainty and delays in forming governments at the different state levels have, however, blocked actual implementation of these much-needed reforms.

Real gross domestic product (GDP) growth slowed to an estimated 2.6% in 2019. This was mainly triggered by a weak global trade environment that has also hit the EU economy. State-owned electricity producers were affected by adverse meteorological conditions which had a strong negative impact on electricity production and exports.

The coronavirus (COVID-19) pandemic of 2019 has hit BiH's economy hard. It contracts by at least 5% in 2020, the severest GDP drop in decades. Manufacturing, exports, tourism and retail trade, the main drivers of the BiH economy, are particularly badly affected. Lower government revenues and an increasing fiscal deficit (6% of GDP in 2020), lost markets and a decrease in remittances are adding to the dire economic situation. The anticipated return of BiH workers from Western Europe due to the forecast recession will impact the unemployment rate. This is currently at 33% and is expected to rise to 38% in 2020. Youth unemployment stands at 47%. The governments will finance fiscal measures primarily through borrowing from multilateral lenders (international financial



institutions – IFIs) and therefore BiH debt/GDP ratio is expected to rise from 38% in 2019 to 43% in 2020.

Poverty rates remain alarming with 18% of the population living in absolute poverty, and approximately half of the population at risk of falling into poverty. Poverty rates are expected to rise as a consequence of the COVID-19 pandemic. This will primarily affect vulnerable groups such as the Roma, but also people with disabilities, the elderly, and migrants. Most of these individuals remain socially and economically excluded as BiH experiences increasing inequality driven by the concentration of resources in a small number of urban centres, whilst outlying and rural areas gradually decline. The social assistance system creates further inequality among its clients, either because of their place of residence (territorial inequality) or the social category to which a client belongs (status-based inequality).

Significant gender gaps in women's political participation persist (in the local elections of 2020, out of 143 mayors only 4 were female). Despite the fact that women hold a large portion of public-sector jobs, they remain under-represented in key political functions and managerial positions with decision-making power. This is due to biases stemming from traditional patriarchal social norms about the type of work that is suitable for women and the lack of available support services such as childcare. BiH's gender employment gap is double the EU average. Entrepreneurship remains largely underdeveloped among BiH women due to a general preference for reliable public-sector jobs, reluctance to take risks and the lack of benefits for the self-employed. Women hoping to start families and those already with families are often discriminated against by employers, especially in the private sector. Despite the existence of laws and regulations that penalise gender-based discrimination, the lack of a solid redress mechanism and inconsistencies such as different maternity leave entitlement in the different BiH entities make it difficult to effectively implement these laws.

Access to basic public services for all is not yet a reality in BiH. This is also true for the healthcare and water sectors. Only 75% of the population has access to safe drinking water and as little as 41% is connected to a public sewage system. Out-of-pocket payments for healthcare are very high at 29% of total health expenditures, almost double the EU average. This represents a particularly great burden to the 18% of the people who belong to the poorest groups, and considerably limits their ability to escape from the 'poverty zone'.

Since 2018, BiH has been heavily affected by the irregular entry of over 60,000 migrants, mainly from Afghanistan, Bangladesh, Pakistan, Iraq, Iran and Syria. Many migrants who initially intended to continue their journey to Western Europe remain for a longer period in BiH because of the highly protected EU borders. Migration management is therefore a rather new, additional challenge for the local authorities, and the burden of the migration crisis is unevenly distributed among different regions and levels of government.

BiH adopted the Strategy for Approximation of the EU Environmental Acquis in 2017, which deals with several sub-sets of the EU acquis (water management, waste management, air quality and climate change, industrial pollution, chemicals and environmental protection). Climate change is expected to increase the length of dry periods, the frequency of flash floods and the intensity of soil erosion. Urban areas face poor air quality, particularly in the winter, with air pollution stemming in large part from coal- and wood-fired heating.

The most likely future scenario is a continuation of the status quo, characterised by slow reform progress hampered by a relatively functional but inefficient and oversized state apparatus delivering public services at excessive costs and with uneven access for people in BiH. Movement towards a positive scenario, characterised by an increased and continuous willingness for systemic reform, would require all political actors to become more consensus-driven and willing to compromise. This would also entail substantive constitutional changes to improve the functioning and coordination of government authorities. Movement towards a negative scenario (characterised by reform set-backs, increased polarisation and serious social unrest) could occur if the socio-economic effects of the COVID-19 pandemic persist, and also if a potential surge of nationalist and secessionist politics leads to further destabilisation.

## 2. Swiss foreign policy objectives and the donor context in BiH

In accordance with Switzerland's Foreign Policy Strategy 2020–23, the focus of Swiss engagement for the Western Balkans, and thus for BiH, is on supporting its stability and prosperous development, including providing assistance with the European integration process.

Informed by the current Foreign Policy Strategy and the International Cooperation Strategy 2021–24, Switzerland's cooperation with BiH is founded on geographic proximity, close partnership and strong political, economic and cultural ties. With a diaspora of about 60,000 people of BiH descent living in Switzerland<sup>1</sup>, ties between the two countries are very close. Recognising these linkages, and capitalising on successful cooperation over the last 25 years, international cooperation with BiH responds to the demands and needs of BiH and its people, and Switzerland's long-term interests. To do this, it builds on Swiss added-value and comparative advantages.

BiH still faces political tensions that have a certain potential for escalation. This could destabilise the whole region and

also affect Switzerland, e.g. through increased irregular migration. At the same time, BiH's geographic proximity means that economic development offers trade and investment opportunities for Swiss entrepreneurs. It is thus in Switzerland's own interest to contribute to the stability and prosperity of BiH through the joint commitment of the Directorate of Political Affairs (PD), the Swiss Agency for Development and Cooperation (SDC), the Swiss State Secretariat for Economic Affairs (SECO), the Swiss State Secretariat for Migration (SEM), through its Migration Partnership and the Swiss Migration Strategic Framework for the Western Balkans 2020–2023, and the Department of Defence, Civil Protection and Sport (DDPS) via the deployment of a military contingent to the European Union Force in BiH (European Union Force in BiH Operation Althea – EUFOR Althea).

All Swiss state actors engaged in BiH build upon their mandates and comparative advantages (Annex 7), apply a whole-of-government approach (WOGA), and work towards the common goal of improving the everyday life of people in BiH. Swiss interventions enjoy well-established relations with key actors at all levels of government, civil society, the private sector and other cooperation agencies.

<sup>1</sup> Iseni, B., Ruedin, D., Bader, D. and Efonayi-Mäder, D., 2020. Die Bevölkerung von Bosnien und Herzegowina in der Schweiz. Bern: BFM/DEZA, p.34.



Better service for patients in the community mental health centers significantly reduce the need for patients to be hospitalized. Exhibition "Čovjek je čovjek", Mental Health Project.



Switzerland supports the provision of health care services to migrants both in official reception centers as well as to people sleeping in spontaneous settlements. Bira Center, near Bihać.

### 3. Results and lessons learned from the 2017–20 period

Switzerland's added value in BiH lies in the following areas:

- Governance: Democratic governance and the rule of law are essential for sustainable development and social cohesion in BiH. Given Switzerland's reputation as an honest broker, its own experience which is grounded in the principles of subsidiarity and direct democracy, as well as its decentralised administrative set-up, Switzerland (SDC, SECO) is a credible partner and well placed to work on improving governance across all levels in BiH. Given similar political set-ups, Switzerland is often seen as a political model for BiH. This is combined with Switzerland's solid expertise (SDC, SECO) in the efficient management of public services, in particular in the health and water sectors.
- Economic development: Going by the success of its economic model, Switzerland (SDC, SECO) intends to foster sustainable socio-economic development in BiH based on the principles of the market economy and effective framework conditions, innovation and the promotion of economic stability, increased income and better living conditions, with particular attention given to the inclusion of vulnerable groups.
- Vocational skills development (VSD): Switzerland's expertise (SDC, SECO) in the field of dual-oriented vocational training can help young people find a job in BiH. Having a labour force that is market-oriented and possesses up-to-date skills, including digital skills, is becoming increasingly important in a highly globalised economy.

- Environment and climate change: Switzerland's expertise (SDC, SECO) in dealing with natural disasters, applying innovative solutions for climate change adaptation and managing major challenges in the water sector are increasingly in demand.
- Migration: As a transit country for migrants, BiH faces migration management challenges. It can rely on close cooperation with Switzerland within the Migration Partnership and on Swiss expertise in this area. Facilitating knowledge transfers between the diaspora and BiH and the flow of remittances makes it possible to harness the potential benefits of migration, contributing to BiH's sustainable development.

Switzerland has invested CHF 705 million in BiH since 1996, of which CHF 585 million classify as Official Development Assistance (ODA)<sup>2</sup>. Over the past decade, ODA allocations in BiH have been declining and Switzerland now ranks as the third largest grant-giving donor. The largest donors are the EU and the US/USAID, respectively. The major lenders to BiH are the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the World Bank Group (WBG) and Germany. Switzerland actively connects with key development partners to ensure that Swiss experience informs their programming.

<sup>2</sup> The other CHF 120 million are non-ODA support in the area of security (such as contributions to EUFOR).

Switzerland has successfully contributed to social, economic and political development in BiH, especially at the local level. Swiss interventions mostly met their targets and achieved significant results. They have positively impacted the lives of hundreds of thousands of BiH citizens. Switzerland has consistently supported policy dialogue by uniting BiH stakeholders and other development partners that are working towards inducing systemic change. However, not enough traction has been achieved for the implementation of systemic and long-lasting institutional changes. Overcoming the political divide to work towards a consistent development strategy paving the way for BiH to comply with the EU acquis remained unachievable in the 2017–20 period.

In the **Democratic Governance, Municipal Services and Justice** area of the 2017–20 strategy (SDC, CHF 27 million; SECO, CHF 12 million), Switzerland supported municipalities in improving the quality of service delivery, in including citizens in democratic processes, and in increasing the efficiency and transparency of local public administrations. The criteria for grant allocations to municipalities in both entities were adjusted to enable a swifter response to emerging priorities during the COVID-19 pandemic. Switzerland is the most important development partner when it comes to providing support to municipalities.

Thanks to Swiss support, citizens now engage more in local decision-making (participation in consultation mechanisms on planning and budgeting within partner municipalities is on average 20% higher than in 2016). Municipal administrations are becoming more accountable (901 citizens' priorities have been included in local governance plans, and more than two thirds have been implemented), and women are stepping up to fill leadership positions.

The quality of municipal services has improved, with close to 1 million people benefitting from improved infrastructure (local roads, street lighting, children's playgrounds). In the water sector, the complementarity between SDC and SECO has proven very successful. Reforms in the water regulatory framework have led to the introduction of Public Service Agreements (PSAs) in 16 municipalities across the country. PSA-facilitated collaboration between the municipal administration and the water utilities provides efficient, sustainable and equitable water services.

Excellent results in terms of leverage for infrastructure investment were produced by the SDC and SECO with the investment of KfW for the rehabilitation of the wastewater management system in the municipality of Gradiška. The performance-based approach, which was newly introduced by Switzerland and includes good governance principles to award grants for water infrastructure investments, will be taken over by the World Bank (WB) and the EU. The approach has also informed the drafting of a new water policy for BiH.

In the justice sector, support for BiH's High Judicial and Prosecutorial Council was also successful. The number of criminal cases which remained unresolved after two years fell by 47% compared with 2015. In the juvenile justice sector, children in contact with the law (as offenders or victims) now benefit from increased access to more child-friendly legal assistance.

In the **Health** area (SDC, CHF 11 million), Switzerland has supported health authorities by improving accessibility, quality and safety of primary healthcare. Special attention was given to strengthening health promotion and disease prevention as cost-effective investments in improving the health of the population. More than 2.3 million BiH citizens now have access to standardised, gender-sensitive services for the prevention of cardiovascular diseases (1.56 million in 2016).

Significant contributions have been made to improve the framework conditions for reducing health risk factors in the country, including tobacco control. Affordable and sustainable models of primary healthcare were developed, and these have a strong potential to be scaled up. The relevance and effectiveness of these models were also proven during the COVID-19 pandemic, as they enabled continued service provision for the most vulnerable populations, despite the crisis-related restrictions.

Over the past four years, thanks to Swiss support, more than 105,000 socially excluded persons benefitted from community nursing services. Four municipalities embraced a community health promotion model, based on multi-sectoral cooperation and the promotion of healthy lifestyles. A care coordination model was introduced in mental health facilities across the country and improved the quality of life for over 3,260 people (48% of whom are women) with severe mental disorders and for their families. The hospital referral rate of



patients with mental disorders has significantly decreased due to improved services at the primary healthcare level, generating important savings for the health system.

Over 173,000 young people were reached through health education sessions aimed at promoting healthy lifestyles and fighting health-related gender stereotypes. Capitalising on its extensive network and expertise, Switzerland took the lead in bringing together development partners for concerted policy influencing and pushing for reform in the health sector.

Contributions in the **Economy and Employment** area (SDC, CHF 17 million; SECO, CHF 5 million) helped unemployed people find jobs more easily, increased youth employment and successfully facilitated private sector growth through an improved business environment. Switzerland succeeded in optimising all public employment service (PES) procedures. The new procedures were anchored in legal frameworks, thus regulating how the services operate throughout BiH. In total 32,379 (48% female) unemployed individuals found jobs thanks to support from a PES.

Swiss-supported interventions improved the vocational skills of 6,191 young people (45% female). For the first time in BiH, private companies were directly involved in the revision of the school curricula and the definition of occupational standards. Entrepreneurship was boosted through better services being offered by business incubators and accelerators across BiH. Some 314 start-ups, including social enterprises, received support. A total of 1,061 jobs were created.

Special attention was given to the promotion of women-led businesses and the provision of new role models. A nationwide campaign challenging gender stereotypes in the labour market enjoyed high visibility and stimulated a lively debate. As a result, 52% of start-ups entering programmes/training were female-led or owned, while 43% of mentors are female. Private sector investments in small and medium enterprises (SMEs) and start-ups reached a total of CHF 7.2 million. This was also due to significant financial contributions and successful know-how transfer by members of the BiH diaspora.

Reforms to insolvency legislation in RS shortened bankruptcy proceedings substantively, saw the introduction of pre-bankruptcy restructuring for indebted companies and saved 626 jobs (98 held by women). Municipal counselling for indebted citizens contributed to the reduction of non-performing loans. Swiss-supported initiatives facilitated access to EU markets for ten companies employing 3,800 people (36% female), and these companies have increased their export value by CHF 55 million over the last four years. Maintaining employment and job creation became even more important in the context of the COVID-19 pandemic. Partners working on entrepreneurship provided mentorship and technical assistance to small businesses in adapting their business models to the current situation. Business plans have been identified and supported, seizing upon commercial opportunities created as a result of the pandemic.

The **Swiss Migration Partnership**, though not an integral part of the Swiss Cooperation Programme, was fully aligned to Swiss engagement in BiH. Facilitated by the SEM, it contributed to improving the management of migration flows and border management in BiH. A modern migration information system has been introduced, allowing for inter-departmental data exchange. In addition, capacity management of the readmission process has been improved, allowing for effective social and economic integration of returnees to BiH. In response to the migration and humanitarian crisis caused by migrants being stranded on their way to Western Europe, Switzerland provided targeted humanitarian assistance. Migrants gained access to basic healthcare.

The following **lessons learned** are of particular importance for the Swiss Cooperation Programme 2021–24: (1) People must be at the centre of the Swiss programme and become actors of change. (2) Gender must be kept high on the agenda, by continuously challenging gender stereotypes and addressing root causes of gender inequality across the programme. (3) The systematically applied performance-based approach proved to be successful in delivering results and sustainable change. (4) The scaling up of Swiss results is done most effectively by integrating successful approaches into legal frameworks or by influencing the programming of big players, such as the WB or the EU. (5) In a country with no overarching development framework, it is crucial to have strong alliances with like-minded development partners in order to hold government partners accountable for delivering results and scaling up good practices. Switzerland is well positioned to push for such an approach, as it is highly respected for its effective political messaging and for bringing organisations and people together. (6) Partnerships need to be further diversified in order to reduce the risks associated with working with a limited number of partners and implementation modalities. (7) The COVID-19 pandemic provides the opportunity to put health sector reform back on the agenda. As a long-term partner in this sector, Switzerland is well placed to take a leading role here. (8) Given labour shortages and growing inequality in access to services in depopulated regions, new modes of service delivery must be explored. This could include seizing the potential of digitalisation. (9) The donor landscape in the justice sector is crowded and it is difficult to ensure that Swiss contributions continue to add value. (10) The quest for a better balance across the portfolio needs to be pursued and the synergies among projects initiated during the last 4 years needs to be consolidated in order to better contribute to the overall goal.

## 4. Implications for the Cooperation Programme 2021–24

The Swiss Cooperation Programme Bosnia and Herzegovina 2021–24 will sustain efforts to accelerate reforms for the benefit of people in all parts of the country. With the exception of the justice sector, it will continue to engage in the same priority areas, capitalising on previously achieved results.

The Swiss Cooperation Programme will be implemented in a volatile environment hit hard by the COVID-19 crisis. Lessons learned from the pandemic will be addressed systematically across the Programme with the aim of improving BiH's resilience towards such shocks. The Swiss Cooperation Programme is based on the status quo scenario, which is considered to be most plausible. All interventions will take into account the dysfunctionality of the state apparatus in providing effective services to its citizens, signals of a possible increase of tensions and escalation, important demographic changes in an ageing society, depopulation, a shortage of skilled workers and an ongoing influx of irregular migrants.

Sustainable development is at risk if the stakeholders remain unwilling to move forward and to undertake the necessary reforms. This already appears to be the case in the country's socio-economic response to the COVID-19 crisis, as it focuses much more on maintaining existing structures than on engaging in reform processes. Switzerland will work more with those who are willing to perform and who demonstrate ownership for systemic change, including by increasing their financial contributions. This approach will contribute to the sustainability of Programme results. Switzerland will work with committed citizens, activists, entrepreneurs, officials, and politicians who strive to work against general apathy, while advocating for citizens' interests, demanding a responsive government, and promoting change throughout the country. Justice projects will be phased out upon completion of their final phases, given a crowded donor landscape in this sector.

The Swiss Cooperation Programme will be guided by the 2030 Agenda and its leave no one behind imperative, and intervene in alignment with EU accession priorities and relevant domestic strategies. The Programme will be implemented throughout the country, with special attention given to working across entity lines.

Switzerland will continue to push the international community to work in a coordinated and complementary manner and

to speak with one voice when focusing on systemic change. It will advocate for joint policy influencing in favour of comprehensive local governance and health sector reforms, water sector efficiency and sustainability, for an enabling business environment and the creation of more and better jobs. In this regard, Swiss results will be scaled up through collaboration with multilateral organisations, particularly the WBG. Changing social norms towards gender equity, social inclusion and citizen participation will become an integral part of the Programme.

Furthermore, strong synergies across the Programme will be pursued in order to maximise results. This will go hand in hand with systematically seizing upon the potential of digital transformation in all interventions.

Finally, the impact of interventions on climate change, required risk mitigation and adaptation measures will be addressed systematically, e.g. through the provision of more efficient water services and climate-smart water infrastructure, as well as by strengthening resilience through the Disaster Risk Reduction (DRR) programme, and more climate-sensitive urban planning and design.

It is expected that BiH will continue to be a transit country for irregular migrants in the coming years. Since the state lacks needed capacities to deal with large-scale migration flows, Switzerland will continue its assistance in meeting the humanitarian needs of migrants by working in a manner that prevents conflicts between migrants and host communities. Also, as stressed in the Strategy on International Cooperation 2021–24, the Migration Partnership and its migration dialogue will remain relevant. It will provide Switzerland and BiH with a shared platform to discuss, manage and develop interventions of mutual interest. These comprise a flexible set of initiatives in line with the Swiss Migration Strategic Framework for the Western Balkans 2020–2023.

This may be condensed into an overall goal for the Swiss Cooperation Programme BiH 2021–24: **Women and men in BiH engage to shape government policy at all levels and benefit from effective, sustainable and inclusive public services, economic growth, higher employability and better healthcare for all.**



The “Ja glasam za ženu” campaign promotes women’s visibility and participation in politics by asking people to vote for female candidates in local elections.

## 5. Strategic orientation and Swiss priorities for 2021–24

Switzerland contributes to four sub-objectives (2, 6, 7 and 10) of its 2021–24 International Cooperation Strategy in BiH: promoting innovative private sector initiatives to facilitate the creation of decent jobs; preventing disasters and ensuring reconstruction and rehabilitation; strengthening equitable access to quality basic services; and promoting good governance and the rule of law and strengthening civil society. Each of the three portfolios – economic development and employment, health, local governance and municipal services – links up to several of the four sub-objectives, ultimately contributing to the achievement of all four objectives of Switzerland’s International Cooperation Strategy (Annex 1). The financial framework for the Cooperation Programme 2021–24 comprises CHF 63 million, whereas the total amount of Swiss funds for Bosnia and Herzegovina may reach a maximum amount of CHF 79 million<sup>3</sup> (Annex 5).

The Swiss Cooperation Programme strives to integrate gender equity, good governance, social inclusion as well as climate change and resource efficiency in a transversal manner<sup>4</sup> in all its interventions. It systematically takes climate risks into account and seeks to mobilise the private sector to a greater extent to make climate-friendly investments. Migration will also remain an important topic. The Programme will seek to harness diaspora know-how and resources and reduce hardship for migrants transiting BiH, while strengthening BiH’s capacities to prevent irregular migration and improve border management. A conflict-sensitive programme management approach will be applied to all interventions. Youth opinions and voices shall feature more prominently through a Youth Advisory Board, in an effort to mobilise people to become agents of their own development.

Arts and culture are an important part of human development. Therefore approximately 1% of the SDC’s overall budget for BiH in 2021–24 will be spent to support local cultural initiatives and artists.

### 5.1 Portfolio outcome 1: Economic Development and Employment

**The overall objective of the Economic Development and Employment portfolio is:** Women and men contribute to, and benefit from, economic growth, sustainable prosperity and more decent jobs.

This contributes to the Swiss International Cooperation Strategy 2021–24, mainly sub-objective 2, but also 7 and 10 (Annex 6). The portfolio will contribute to BiH’s Joint Socio-Economic Reform Programme 2019–22. The planned budget amounts to CHF 20 million.

**Outcome statement 1:** An improved innovation-friendly business environment paves the way for a more competitive, productive and growth-oriented private sector and attracts more investments in BiH companies.

Switzerland supports its partners in designing an efficient and transparent legal economic framework in BiH both at national and local level. This reduces bureaucracy and the cost of doing business, as well as uncertainty for companies and investors, laying the ground for sustainable economic growth. Switzerland is supporting its partners in removing potential gender-specific hurdles in the business environment, leading to equitable opportunities for men and women. Enabling an innovation-friendly and climate-smart business environment and by granting access to knowledge and finance, including from the BiH diaspora, improves the competitiveness and productivity of start-ups and SMEs. Finally, Switzerland facilitates access to Swiss and EU markets for selected industries, enabling growth in exports and further job creation in BiH. With its support, Switzerland contributes to the country’s objective of creating a favourable environment for investments and private sector development, leading to more jobs.

**Outcome statement 2:** Fostered by a favourable environment, entrepreneurship development is more inclusive and creates more decent income opportunities for women and men.

Entrepreneurship and start-ups are seen as crucial for the creation of more income opportunities in BiH. To thrive, these need a conducive social, legal and economic environment.

<sup>3</sup> Figures in this document are rounded up in millions.

<sup>4</sup> The Swiss Cooperation Programme thus contributes in a transversal manner to sub-objectives 1, 3, 8 and 9 of the Strategy on International Cooperation 2021–24.



Switzerland therefore advocates for government policies which encourage and safeguard entrepreneurs. It promotes the expansion of local support services such as entrepreneurship training, professional networks and access to funding. Particular attention will be paid to youth and female-led start-ups. Thus, the Programme contributes to the country's objective of fostering quality employment through youth entrepreneurship and by simplifying the creation of start-ups. In addition, a strong focus on responsible business practices will foster climate-friendly investments and the creation of more decent jobs.

**Outcome statement 3:** Male and female technical and vocational education and training (TVET) students become more employable as a result of the introduction of a dual-oriented, widely accepted TVET system.

Switzerland facilitates the establishment of a dual-oriented TVET system in BiH. This is pursued by supporting selected vocational education and training (VET) schools and through the establishment of a formalised dialogue between VET schools, education authorities and companies, so as to foster market orientation of the TVET system. Ensuring labour market relevant skills, particularly for those who are entering the labour market, is a cornerstone of BiH's economic contingency plan in response to the COVID-19 pandemic, and part of the Joint Socio-Economic Reform Programme 2019–22.

## 5.2 Portfolio outcome 2: Health

**The overall objective of the Health portfolio is:** Women and men demand, and benefit from, high-quality primary healthcare and live healthier lives.

This contributes to the Swiss International Cooperation Strategy 2021–24, sub-objectives 7 and 10 (Annex 6). The portfolio contributes to the implementation of BiH's Joint Socio-Economic Reform Programme 2019–22 and to the two entity strategies on primary healthcare development, which aim to strengthen preventive care and reduce health inequalities in the country. The planned budget amounts to CHF 14 million.

**Outcome statement 1:** The primary healthcare (PHC) system sustainably provides access to gender sensitive services of improved quality, focusing on the prevention of non-communicable diseases (NCDs) and leaving no one behind.

Switzerland supports the standardisation of PHC services, particularly those provided by mental health professionals and nurses. It is ensured that services are affordable, effective, gender-sensitive and focused on the prevention of non-communicable diseases. Healthcare is brought closer to the communities, ensuring affordability and equitable access to care, particularly for socially-excluded persons (the elderly, persons with mental disorders, persons without health insurance), including migrants stranded in BiH. Experiences from the COVID-19 pandemic are used to push for the required reforms, including digitalisation for easier access to services.

Through its support, Switzerland contributes to the country's objectives of enhancing health promotion and reducing the burden of non-communicable diseases as the leading cause of ill-health and a poorer quality of life among BiH's population.

**Outcome statement 2:** Communities actively engage in creating health-promoting conditions, and women, men, and youth in particular, adopt healthier lifestyles.

As the health of the population is determined by many more factors than just the performance of the healthcare system, the Swiss Cooperation Programme supports concerted actions of different sectors to ensure that non-health sectors also protect and promote the population's health. Framework conditions for health promotion are improved, for instance those related to tobacco control and nutrition policies. Communities are mobilised in creating a health-supportive environment and in encouraging people to take responsibility for their health and to make healthier choices. This contributes to the country's objectives of reducing behavioural risk factors and promoting health and well-being of the population.

## 5.3 Portfolio outcome 3: Local Governance and Municipal Services

**The overall objective of the Local Governance and Municipal Services portfolio is:** Citizens demand, and benefit from, democratic, inclusive and effective institutions.

This contributes to the Swiss International Cooperation Strategy 2021–24, sub-objectives 6, 7 and 10 (Annex 6). By doing so, Switzerland will contribute to the two entity local governance development strategies. The planned budget amounts to CHF 27 million.

**Outcome statement 1:** Higher-level governments ensure a more conducive framework, which provides municipalities with adequate powers and resources (financial, human).

Switzerland contributes to the establishment of a local governance framework that is more conducive for municipalities to respond to the demand of their citizens, deliver inclusive services, enhance resilience to climate change and promote social cohesion. This is tackled by strengthening the ability of the Associations of Municipalities and Cities (AMCs) to effectively address the reform priorities of municipalities. In addition, Switzerland supports the establishment of a performance-oriented system that informs all levels of government. As for the water sector, through joint programming between Switzerland, the United Nations Development Programme (UNDP) and the WB, BiH authorities will be supported as they establish a regulatory framework at all levels, guided by good governance principles. This contributes to the country's objective to improve the overall system of strategic policy planning.

**Outcome statement 2:** Local governments (LGs) improve their performance, are more accountable, and provide high-quality and equitable services, in particular in the wa-



Strengthening vocational educational and training contributes to lower youth unemployment. Strengthening Technical Vocational Education and Training Project, JU Tehnička škola Gradiška.

ter sector, in a climate-smart, disaster-resilient, inclusive and sustainable way.

Through Swiss support, municipalities adopt a performance-based management system (PMS), thereby operationalising good governance principles within municipalities and strengthening social cohesion. The use of digital solutions will be systematically promoted. Switzerland will support anti-corruption measures and the application of gender-responsive and socially inclusive budgeting approaches. In the water sector, the establishment of the performance-based system at the municipal level involving capacity building of water utilities is combined with reforms in the regulatory framework at higher levels. Through the collaboration with the WB Water and Sanitation Services Modernization Program, Switzerland will contribute to investment in water service delivery and wastewater treatment. To make the investment sustainable, it will be conditional on progress in management capacity and the application of good governance principles. Swiss expertise will be used to build the necessary capacity for good quality wastewater treatment at all government levels. Through Swiss support, urban planning in the Canton of Sarajevo will be improved to be more participatory and benefit from Swiss expertise. Climate change will be tackled through targeted interventions aiming at making wastewater and infrastructure management more energy efficient as well as through DRR interventions. Switzerland will thus contribute to BiH's national objective of addressing public administration reform and the public water investment plan.

**Outcome statement 3:** Citizens, in particular women and youth, engage as actors of change in democratic processes and demand reforms.

Switzerland encourages all citizens, in particular women and youth, to express their voices in a structured way and to actively participate in decision-making. The municipal regulations are adjusted to integrate citizens' voices more systematically, particularly those of socially excluded people. Digital solutions for e-governance will be promoted. Swiss interventions will also focus on supporting rights-based civil society organisations (CSOs) with strong links to citizens, including marginalised groups. Through professionalisation and evidence-based advocacy, CSOs will become reliable partners in policy-making and democratic reform processes at all levels. Switzerland contributes to the EU pathway to operationalise a regular cooperation and consultation mechanism between civil society organisations and the Council of Ministers, and to establish a framework for the transparent funding of civil society organisations.



## 6. Programme management and implementation

Switzerland is respected for its consistent political messaging, its coherent engagement in policy influencing and for bringing organisations and people together. It will intensify these efforts in the new Swiss Cooperation Programme. In the absence of unified political leadership and without a BiH development strategy, it is of utmost importance that the international community has a common understanding of the development challenges. Switzerland will remain engaged in donor coordination particularly in the fields of local governance, an enabling business environment, water, health and TVET.

Switzerland will continue to work with multilateral organisations and international financial institutions on a strategic level. Dialogue with UN agencies on the importance of their normative role and on policy advice will be pursued, and integrated in project cooperation. The World Bank will remain an

important partner for joint policy dialogue and for upscaling successful approaches and results, in particular in the fields of employment, water and health. This implies the continued support of the Embassy's management team and the Swiss Ambassador. Progress will be monitored as a management objective.

A modality mix will be applied to implement the Swiss Cooperation Programme: mandates to international or local non-governmental organisations (NGOs); contributions to government programmes, local and international NGOs; as well as multi-bi contributions to multilateral organisations. To diversify the partnerships, the volume of multi-bi funding will be reassessed. Co-funding partnerships and topical alliances will be established with other bilateral donors and, if possible, with the Swiss private sector. Synergies between SDC and SECO projects will be pursued, e.g. on the topics of

governance and municipal services, an enabling business environment and employment. The SDC and SEM will cooperate closely on migration, in particular when it comes to addressing the challenges caused by the large number of migrants stranded in BiH on their way to Western Europe.

Switzerland will share its expertise in different areas, such as the political system, vocational education, water sector and urban planning. This will include facilitating knowledge exchange with Swiss institutions and also drawing on the expertise of academia and Swiss NGOs. The latter will be more systematically included in policy influencing, to explore ways to create stronger cooperation and make use of complementarities towards the achievement of the overall goal. Innovation will be fostered by combining Swiss and BiH know-how, including initiatives that foster digitalisation. Partnerships for project implementation will be diversified, working more with local actors, either with governmental institutions ('use of country systems'), the private sector and its representation organisations, or civil society organisations. Local partnerships have proven to be successful in creating sustainability. Options that make use of existing systems in the country are under discussion in various programmes and will be further developed. To mitigate the risk of corruption from financial contributions to government budgets, contributions shall be based on pre-agreed performance indicators. Furthermore, sustainability shall be addressed consistently (for example, by requesting increased financial contributions on the part of local partners). Progress in this regard will be monitored and integrated as a management objective.

Gender equity remains high on the agenda and will be monitored as a management objective across the portfolio. An analysis of every project will be conducted to ensure that the root causes of gender inequality in BiH are addressed. Gender-sensitive language shall be applied in all partnerships. The recommendations of the 2020 National Human Development Report on Social Inclusion will be used to launch a public debate on inequalities in the country and those left behind. The relevance of the Swiss portfolio for the young generation will be ensured by engaging with the Youth Advisory Board, which Switzerland helped launch. A locally developed guide on conflict sensitive programme management (CSPM) will be used to address elements of fragility and to promote social cohesion across communities and entities. Finally, addressing

climate change will be introduced in relevant Swiss interventions based on the Climate, Environment and Disaster Risk Reduction Integration Guidance (CEDRIG).

The challenge of obtaining results in a country with a complex political system and a limited readiness for consensus will remain. Thus an adaptive management approach will be applied to respond to emerging opportunities and unexpected developments. The reorganisation of the cooperation team will be completed by mid-2021. The reallocation of portfolios will not only allow programme officers to have a fresh look at each project and project partner, but will also allow team members to acquire new skills for the successful implementation of the Cooperation Programme. In addition, Switzerland's increased engagement in policy influencing will require skills development beyond project management.



Public-Private Partnerships are essential for achieving progress. PPP conference Public-Private Partnership Project.



## 7. Strategic steering

The team of the Swiss Embassy in BiH will assume responsibility for the results-oriented implementation, monitoring and steering of the Swiss Cooperation Programme. The monitoring system consists of several tools which are used at different levels of observation and complement each other (Annex 3). It is tied to the annual reporting and planning process.

The **results framework** is the most important reference for Programme monitoring and steering (Annex 2). It describes the intended results and indicators of success with regard to the Swiss portfolio and country development outcomes to which the Swiss portfolio contributes. Half of the indicators also measure the Programme's contribution to the International Cooperation Strategy 2021–24 and the 2030 Agenda for Sustainable Development. Reporting on results is based on national statistics and the monitoring data of other international development partners, whenever available and relevant, and on the monitoring systems of projects. For the latter, the **outcome monitoring summary** (OMS) assesses results achieved by individual projects and their contribution to the targets of the results framework. It guides the discussion on project progress with partners, stakeholders and authorities, for joint learning and use of its findings for project steering.

The yearly progress made towards achieving the results outlined in the results framework is presented in an **annual report**. The report also monitors different scenarios and presents steering decisions and priorities for the following year. Furthermore, its conclusions rely on an analysis of the country development context, trends and risks (MERV). Monitoring of the financial planning and disbursements takes place continuously throughout the year and is discussed in the annual report. A management response to the annual report is provided by the Swiss whole-of-government partners and informs the strategic steering of the Cooperation Programme. Based on the planning section of the annual report, a mid-year review is undertaken to allow stock-taking and identification of short-term adaptations prior to the end of the year.

The steering is also informed by a **political economy analysis** done as part of project appraisals and planning, whenever relevant. **Strategic monitoring visits** to project partners, stakeholders and beneficiaries are organised at least twice a year for accountability, reporting and learning purposes. These instruments, along with the meetings with project partners (where specific challenges and topics of importance to the portfolios are discussed), also contribute to strategic steering and the development of synergies between projects for concerted, result-oriented policy influencing.

In addition, **partner risk and internal control system assessments** are used to identify and mitigate the risks related to implementation partners and their administrative and financial compliance and transparency, and to ensure the cost-effectiveness of supported interventions. Zero tolerance applies to sexual harassment and corruption in Swiss projects. Particular attention is paid to ensuring ethical behaviour and improving the awareness and skills of project partners and stakeholders in identifying and addressing potential corruption risks. Reputational risks will be mitigated by a systematic assessment of partner organisations related to politically exposed persons.

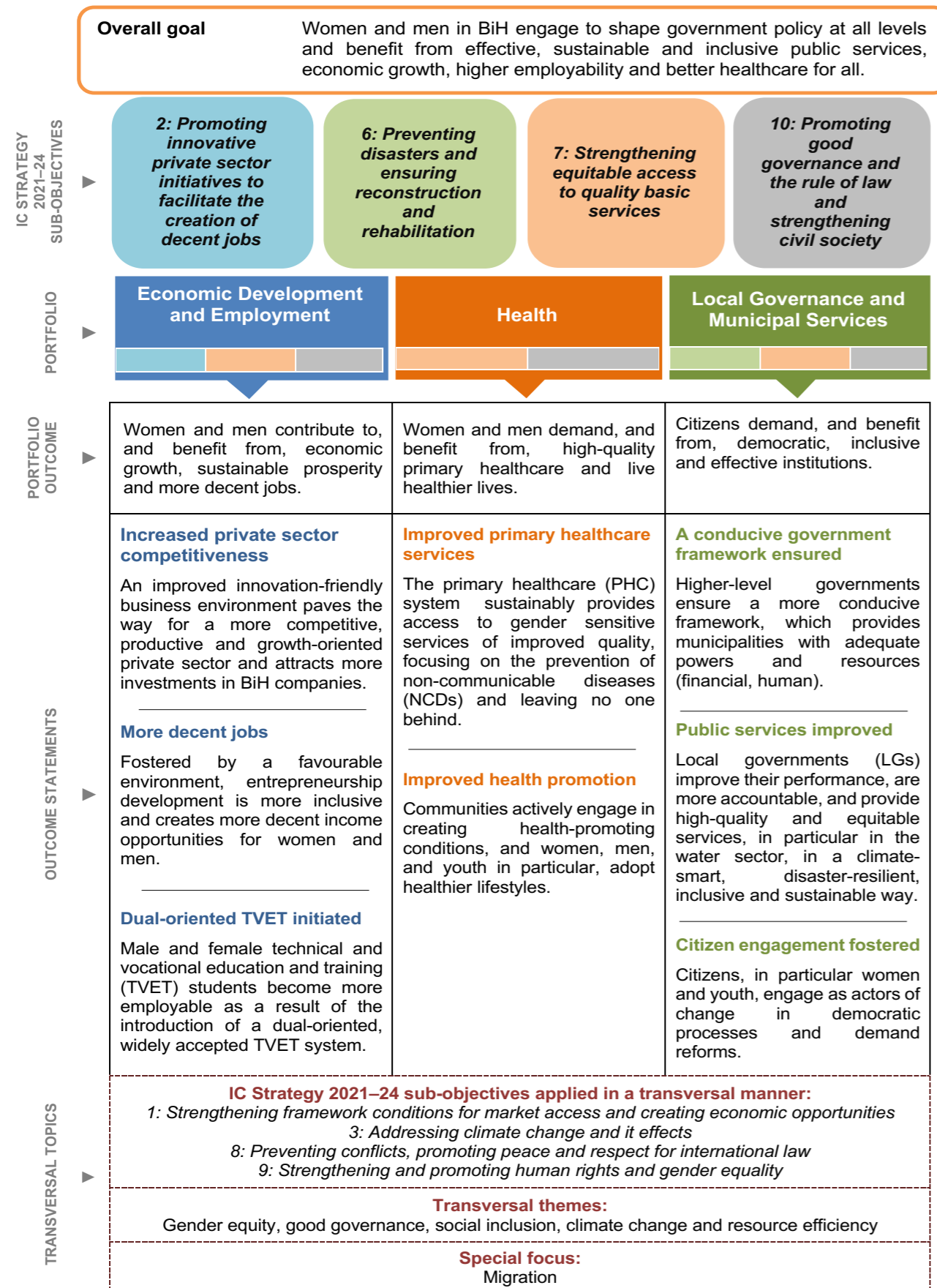
A **mid-term review** of the Swiss Cooperation Programme will assess the relevance of the Programme, report the most important results with regard to the Programme's strategic objectives, identify any necessary adaptations and feed into the new Swiss Cooperation Programme.



Raising public awareness on the importance of a smoke free environment aims to improve public health. "Klima bez dima" campaign, Reducing Health Risk Factors Project.



# Annex 1: Results framework synopsis



# Annex 2: Results framework for Swiss portfolio outcomes

Cooperation Programme outcome 1: Economic Development and Employment (EE) (SDC, SECO)		
<p><b>Swiss portfolio outcome 1:</b> Women and men contribute to, and benefit from, economic growth, sustainable prosperity and more decent jobs. (Swiss International Cooperation Strategy 2021–24; sub-objective 2: Promoting innovative private sector initiatives to facilitate the creation of decent jobs; sub-objective 7: Strengthening equitable access to quality basic services; and sub-objective 10: Promoting good governance and the rule of law and strengthening civil society.)</p>		
1) Swiss portfolio outcomes	2) Contribution of the Swiss Programme	3) Country development outcomes
<p><b>Outcome statement 1:</b> An improved innovation-friendly business environment paves the way for a more competitive, productive and growth-oriented private sector and attracts more investments in BiH companies.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Measures for improving the regulatory and institutional framework (SECO SI 1) Baseline (2020): 3 measures (IFC Debt, WB ESG) Target (2024): 8 measures</li> <li>Amount of mobilised private investment (including diaspora) in supported enterprises (SECO SI 6) Baseline (2020): 4 million EUR (of these 17% in female-led enterprises) Target (2024): 8 million EUR (of these 23% in female-led enterprises)</li> <li>Number of producers or companies gaining access to new (international) markets or value chains (SECO SI 15) Baseline (2020): 39 Target (2024): 80</li> </ul>	<p>Switzerland contributes to the establishment of effective insolvency frameworks in BiH. This contributes to a decrease in the level of non-performing loans of creditors, allowing jobs to be retained and more investments to be made in productive assets.</p> <p>Switzerland contributes to the implementation of Environmental, Social and Governance (ESG) practices and standards in BiH. Improving ESG practices and working with financial intermediaries ensures that sustainability criteria are taken into consideration in their investment decisions. In parallel, companies are supported to comply with ESG standards. This fosters climate-smart development and sustainable economic growth.</p> <p>Improvement of the competitiveness and productivity of SMEs is supported, particularly by fostering local economic development, reducing bureaucratic obstacles and costs, enabling an innovation-friendly and climate-smart business environment for the private sector. Switzerland also facilitates access to knowledge and finance, including from the BiH diaspora to leverage capital for SMEs, as well as through Private Sector Engagement. This leads to more jobs, and, thanks to the embedded focus on decent jobs, also to better jobs. Higher private sector involvement is also expected to lead to greater sustainability of interventions. Lessons learned during the COVID-19 crisis will be used to address weaknesses to improve SME resilience.</p> <p>Switzerland facilitates access to European markets (including Switzerland) for BiH exporters in the textile, natural ingredients and technical wood sectors. This will strengthen the capacities of BSOs to provide effective export promotion services to their SME members, resulting in higher exports and more jobs.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>Political will for economic reforms at national and sub-national level exists and the government and parliament are operational;</li> <li>The global economy will steadily recover from the COVID-19 recession in the mid-term.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>Political interests, blockages, weak institutions and corruption delay important reforms, especially in the public sector;</li> <li>The COVID-19 pandemic continues for longer than expected and negatively impacts the economy;</li> <li>Natural disasters and global epidemics have a negative influence on the economy and increase unemployment;</li> <li>Labour migration creates a shortage of skilled labour, undermining the growth potential of the private sector.</li> </ul>	<p><b>Outcome statement 1:</b> A more favourable business environment is created for investments and private sector development, enabling new jobs and higher employment (through faster and simplified business and property registration procedures, infrastructure construction, tax incentives).</p> <p>(Joint Socio-Economic Reform Programme for 2019-2022)</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Level of non-performing loans in the financial sector decreases (Source: Central Bank of BiH) Baseline (2020): 8% Target (2024): 6%</li> <li>Unemployment rate (Source: BiH Agency for Statistics/Labour Market Survey) Baseline (2020): 15.7% (13.6% m, 18.8% f) Target value (2024): 12.0% (11.0% m, 14% f)</li> <li>Annual export growth in targeted sectors (Source: BiH Agency for Statistics) Baseline (2018): Textile 5%, Natural Ingredients 6%, Technical Wood 5% Target (2024): Textile 6%, Natural Ingredients 7%, Technical wood 6%</li> <li>FDI as percentage of GDP% (Source: Central Bank of BiH) Baseline (2019): 2.3% (2018) Target (2024): 2.5% (2024)</li> </ul>



<p><b>Outcome statement 2:</b> Fostered by a favourable environment, entrepreneurship development is more inclusive and creates more decent income opportunities for women and men.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Number of supported start-ups and (social) enterprises still operational after one year of creation (disaggregated by gender and youth) <i>Baseline (2020): 600 (50% f)</i> <i>Target (2024): 750 (52% f)</i></li> <li>• Number of persons having new or better employment (disaggregated by gender, disabled persons and youth) (SDC IED_ARI 2) <i>Baseline (2020): 1,061 (35% f, 80% youth)</i> <i>Target (2024): 1,644 (45% f, 90% youth)</i></li> </ul>	<p>Entrepreneurs need resources, connections and opportunity to thrive. Switzerland consequently supports the development of a conducive environment for (social) entrepreneurs, a so-called entrepreneurial ecosystem. Organisations providing services to entrepreneurs receive technical assistance to support their clients more effectively. The aim is to make entrepreneurship easier and more attractive. This in turn leads to more competitive companies, higher sales and the creation of more decent jobs.</p> <p>Support is provided particularly for innovative and growth-oriented start-ups. In addition, an emphasis is given to introducing more youth and women to the labour market by promoting female and youth-led start-ups and providing them with targeted entrepreneurship training. This enables women and youth to become more actively involved in the economy and opens up higher income opportunities for them. Specific interventions will strive to support entrepreneurs and existing private sector companies in creating employment opportunities for disabled people.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• The business environment in the country does not worsen and the consequences of the COVID-19 crisis diminish in the short- to medium-term;</li> <li>• Demand by new entrepreneurs for supporting service providers and willingness to pay for their services increases.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• Private investors are reluctant to engage and invest in a politically unstable environment;</li> <li>• Youth emigration reduces entrepreneurship potential.</li> </ul>	<p><b>Outcome statement 2:</b> Incentives and special financing schemes for venture capital and youth entrepreneurship are provided to simplify the creation of start-ups in high-potential sectors (such as tourism, services, information technology and creative industries) to foster entrepreneurship and quality employment. By supplementing and amending the existing legislation, the growth of SMEs and start-ups will be reached as a result of a favourable entrepreneurial environment with a special emphasis on promoting innovation and reducing administrative and financial barriers.</p> <p><i>(Joint Socio-Economic Reforms 2019-2022; BiH Economic Reform Programme 2019-2021, BiH Strategy for Science 2017-2022, RS Strategy for Scientific and Technological Development 2017-2021, RS Strategy for SME Development 2016-2020)</i></p> <p>Fields of observation and indicators:</p> <ul style="list-style-type: none"> <li>• Number of SMEs in the BiH economy (<i>Source: BiH Agency for Statistics</i>) <i>Baseline (2019): 36,299</i> <i>Target (2024): 40,000</i></li> <li>• Average salary (<i>Source: BiH Agency for Statistics</i>) <i>Baseline (2020): 450 EUR</i> <i>Target (2024): 600 EUR</i></li> </ul>	<p><b>Outcome statement 3:</b> Male and female technical and vocational education and training (TVET) students become more employable as a result of the introduction of a dual-oriented, widely accepted TVET system.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Number of contributions towards a more inclusive or more labour market-relevant VET system (SDC IED_TRI 3) <i>Baseline (2020): 2</i> <i>Target (2024): 6</i></li> <li>• Number of persons enrolled in new or better vocational skills development (disaggregated by gender) (SDC IED_ARI 1) <i>Baseline (2020): 76 (12 f)</i> <i>Target (2024): 450 (135 f)</i></li> <li>• Number of companies or professional organisations contributing to relevant vocational skills development (SDC IED_TRI 2) <i>Baseline (2020): 0</i> <i>Target (2024): 32</i></li> </ul>	<p>Switzerland facilitates the establishment of a dual-oriented TVET system in BiH in selected regions by defining roles and responsibilities to be anchored in revised laws and by-laws in compliance with the TVET Framework Law. It supports the establishment of a formalised dialogue between VET schools, education authorities and companies. This enables the implementation of a market-oriented TVET system in at least two FBiH cantons (Goražde and Sarajevo) and the RS.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Local governments are willing to engage in a policy dialogue to adapt legislation and to invest in TVET;</li> <li>• The private sector is interested in engaging in TVET education.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• Inability to reach a critical mass of employers willing to actively cooperate with the TVET schools, especially as a consequence of the COVID-19 crisis;</li> <li>• Lack of financial resources to invest in required equipment upgrades to facilitate a future-oriented TVET system.</li> </ul>	<p><b>Outcome statement 3:</b> Enabling better connections between the education system and the labour market. Adaptation of the education system to current needs and labour market reforms (through vocational training programmes, various training and retraining programmes) in order to increase the productivity and competence of the workforce.</p> <p><i>(Joint Socio-Economic Reform Programme for 2019-2022 - measure 47; RS Education Strategy 2016-2021)</i></p> <p>Fields of Observation and Indicators:</p> <ul style="list-style-type: none"> <li>• Quality of vocational training (<i>Source: Global Competitiveness Index - GCI</i>) <i>Baseline (2019): 3.1 (7 max) rank 134th out of 141</i> <i>Target (2024): 4</i></li> <li>• Share of vocational education students as part of all students in secondary education (<i>Source: BiH Agency for Statistics</i>) <i>Baseline (2018): 8.2% (29.1% f)</i> <i>Target (2024): 12% (35% f)</i></li> <li>• Youth unemployment rate (disaggregated by gender) (<i>Source: BiH Agency for Statistics</i>) <i>Baseline (2019): 33.8% (31.3% m, 37.9% f)</i> <i>Target (2024): 25% (25% m, 28% f)</i></li> </ul>
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<p><b>(4) Lines of intervention (Swiss Programme)</b></p> <p><b>Impact hypothesis:</b>  <i>If</i> an innovation-friendly and climate-smart business environment is created, which systematically takes women and youth's needs into account; if the economic framework conditions for SME/entrepreneurship development are improved; and if a labour market-oriented, dual-oriented vocational and educational training system is introduced;  <i>then</i> the private sector becomes more competitive and dynamic, leading to inclusive and sustainable economic growth and the creation of more decent jobs;  <i>because</i> reforms enable the private sector to increase its performance, improve labour market skills of young women and men and make entrepreneurship more attractive. Due to targeted efforts to attract women and youth and to remove gender-specific hurdles in the business environment, economic development becomes more equitable.</p> <p>Key intervention lines include the following:</p> <ul style="list-style-type: none"> <li>Financial system: Supporting the legal system and private sector in debt resolution and insolvency procedures. Increasing application of ESG standards in investment decisions by financial intermediaries. Supporting the Central Bank of BiH to efficiently manage its foreign reserves, to improve the BiH payment system and to conduct macroeconomic forecasts.</li> <li>Private sector development: Supporting entrepreneurship development by strengthening the ecosystem's services to realize new investment opportunities and the creation of more decent jobs. Supporting SMEs in targeted sectors for increased competitiveness and productivity, as well as in finding buyers in European markets for their products and services. Strengthening start-up capital providers improve access to finance for companies and entrepreneurs.</li> <li>Migration and Development: Facilitating a favourable environment for diaspora engagement for economic development by leveraging private investments from the diaspora, both in terms of finance and knowledge.</li> <li>TVET: Integrating dual-organised vocational education in the structures and processes of the main TVET actors in selected areas, fostering better employability for youth.</li> <li>Creating new entrepreneurial opportunities, aiming for better and decent jobs and self-employment for young women and men in BiH.</li> </ul>
<p><b>(5) Resources, partnerships (Swiss Programme)</b></p> <ul style="list-style-type: none"> <li>Financial resources: CHF 17.8 million (SDC) and CHF 2.5 million (SECO)</li> <li>Human resources: The EE Portfolio will be managed by two Programme Officers supervised by the Head of the EE Portfolio.</li> <li>The main implementing partners in the EE Portfolio include: the WBG, Swisscontact, the IMF, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Helvetas &amp; Kolektiv, Mozaik Foundation and UNDP.</li> <li>The main national counterparts include: Ministries of Finance (state and entity level); Ministries of Justice (entity level), Ministry of Human Rights and Refugees (Diaspora Department), Ministries of Education (entity and cantonal level), Chamber of Commerce, Central Bank of BiH, local municipalities, business incubators, financial institutions and business support organisations.</li> <li>Working with the private sector (local, Swiss, international) allows leveraging additional resources, knowledge transfer and piloting new, innovative business models.</li> <li>Projects are co-funded by GIZ, KfW, Sweden and possibly others in the future.</li> <li>Swiss expertise will be used to improve entrepreneurship development and the reform of the TVET system.</li> </ul>
<p><b>(6) Management/performance results, including indicators (Swiss Programme)</b></p> <ol style="list-style-type: none"> <li>Switzerland successfully leverages its projects and uses them to inform government policies and/or the programming of other partners. <ul style="list-style-type: none"> <li>The Swiss Embassy takes a leading role in the TVET Coordination group and promotes a joint, dual-oriented TVET system to ensure that relevant parameters of Swiss-supported initiatives are validated and embedded in revised/newly created laws/by-laws.</li> <li>The Swiss Embassy systematically links lessons learned/gained in its entrepreneurship and start-up programmes to inform new investment schemes by IFIs to foster innovation in BiH.</li> </ul> </li> <li>Gender and social inclusion are systematically addressed in all projects, and sex- and socially-disaggregated data is available/facilitated. <ul style="list-style-type: none"> <li>A gender analysis (and a social inclusion analysis, if relevant) is/are conducted to inform new projects and project phases; and adequate expertise for gender equity and social inclusion mainstreaming are provided by partners. Training of partners and communication with the public are undertaken on a regular basis.</li> <li>The Swiss Embassy ensures that its projects provide sex- and leave-no-one-behind-disaggregated data, and, if not available, that the establishment of such data is facilitated.</li> </ul> </li> <li>Swiss projects have a clear exit strategy, allowing for the financial and operational sustainability of project results. <ul style="list-style-type: none"> <li>The Swiss Embassy ensures that in the bilateral EE projects the exit is addressed in the entry proposal and operationalised in the second phase.</li> <li>Financial contributions by the government(s) and/or other development partners and/or the private sector are increasing over the time span of the EE projects.</li> </ul> </li> </ol>

Cooperation Programme outcome 2: Health (SDC)		
<p><b>Swiss portfolio outcome 2:</b> Women and men demand, and benefit from, high-quality primary healthcare and live healthier lives. (Swiss International Cooperation Strategy 2021–24; sub-objective 7: Strengthening equitable access to quality basic services; and sub-objective 10: Promoting good governance and the rule of law and strengthening civil society.)</p>		
1) Swiss portfolio outcomes	2) Contribution of Swiss Programme	3) Country development outcomes
<p><b>Outcome statement 1:</b> The PHC system sustainably provides access to gender sensitive services of improved quality, focusing on the prevention of NCDs and leaving no one behind.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Percentage of PHC facilities providing equitable access to services by applying standards of care for mental health and for NCD care provided by nurses  <i>Baseline (2020):</i> 68% of PHC facilities applying standards for mental health-care and 38% of PHC facilities applying standards for NCD care provided by nurses  <i>Target (2024):</i> 72% of PHC facilities applying standards for mental health-care, and 75% of PHC facilities applying standards for NCD care provided by nurses</li> <li>Number of persons from left behind groups<sup>5</sup> benefitting from projects to reduce exclusion, discrimination and inequality (POV ARI1)  <i>Baseline (2020):</i> 105,206 persons reached by community nurses; 33,542 persons reached by mental health professionals; 650 elderly persons reached by auxiliary nurses  <i>Target (2024):</i> At least 154,000 persons reached by community nurses; 40,000 persons reached by mental health professionals; 2,000 elderly persons reached by auxiliary nurses (at least 50% f)</li> <li>Percentage of patients satisfied with the provision of services by PHC facilities based on their needs (HLT TRI3)  <i>Baseline (2020):</i> 59% of patients of community nurses; 85% of users of mental healthcare services  <i>Target (2024):</i> 80% of patients of community nurses; 85% or more of users of mental healthcare services (i.e. satisfaction is not reduced)</li> <li>Number of migrants who gained access to local health services (MIG ARI 3)  <i>Baseline (2020):</i> 8,000 migrants stranded in BiH  <i>Target (2024):</i> 25,000 migrants stranded in BiH</li> </ul>	<p>Switzerland focuses on the improvement of PHC governance, quality of services and their accessibility, particularly for socially excluded persons. It promotes timely investments with a high rate of return by addressing the causes of diseases, particularly those related to NCDs, and thus preventing diseases. Support will also be provided in bridging gaps in knowledge and skills for improved management of healthcare. Given the continuous labour migration of health professionals and a general lack of such workers in the country, the Programme specifically targets the shifting of healthcare service provision from physicians to nurses and reducing the burden of disease by providing preventive care. The competences and position of nurses in the system are strengthened, with an aim to support the retention of nurses in the country. Lessons learned during the COVID-19 crisis are used to adapt interventions so as to address identified gaps and weaknesses of the PHC system.</p> <p>The Programme is supporting the improvement of the health system's cost-effectiveness by bringing health-care closer to the communities, ensuring affordability, access and continuity of care for patients of all ages. Given the ageing population, affordable services and support for the elderly are specifically targeted. Special emphasis is paid to addressing inequalities related to gender and social exclusion. It is ensured that services effectively address both men and women's health care needs, the unique barriers they face in access to services and gender-related help-seeking behaviour. Access to health services is provided for the migrants stranded in BiH on their way to Western Europe, through the humanitarian aid funds.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>The health authorities continue to push for the enhancing of PHC and its outreach services.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>The reform of health financing is not implemented and the sector's debts continue to grow, jeopardising the quality of services and the sustainability of reform results;</li> <li>Trained people, e.g. nurses, emigrate (brain drain).</li> </ul>	<p><b>Outcome statement 1:</b> 1) The quality of health care will be improved by strengthening preventive care and expanding the scope and depth of primary care. (Source: <i>The Socio-Economic Reform for the Period 2019-2022</i>); 2) PHC is equally accessible for all citizens and ensures the reduction of health inequalities. It provides evidence-based and cost-effective services, resolving the majority of health problems and health needs of the population with the active involvement of individuals, families and communities. (The PHC Strategy of RS, 2006, and Strategy of PHC Development of FBiH, 2006 – paraphrased)</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>% of services provided at the PHC level which are health promotion and disease prevention services  <i>Baseline (2018):</i> 25% related to cardiovascular diseases and 28% for mental healthcare  <i>Target (2025):</i> 35% for all services</li> <li>Premature mortality from non-communicable diseases  <i>Baseline (2016):</i> 23% male, 13% female, 18% overall  <i>Target (2025):</i> 20% male, 10% female, 15% overall</li> </ul> <p>(Sources: WHO and country statistics)</p>

<sup>5</sup> Ethnic minorities, the poor, the unemployed, the elderly, persons with disabilities, persons without health insurance.



<p><b>Outcome statement 2:</b> Communities actively engage in creating health-promoting conditions, and women, men, and youth, in particular, adopt healthier lifestyles.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Number of municipalities that incorporated NCD prevention programmes in their development strategies and work collaboratively in the community to address local health priorities on NCD prevention and health promotion <i>Baseline (2020): 0</i> <i>Target (2024): 12 municipalities (out of 145 in total)</i></li> <li>• Number of persons reached through health education sessions related to the prevention of non-communicable diseases (HLT ARI2) <i>Baseline (2020): 219,575 persons (56% f)</i> <i>Target (2024): 350,000 persons (at least 50% f)</i></li> <li>• Percentage of adults and youth who are aware of behaviour-related health risks <i>Baseline (2020): 65% adults, 55% youth</i> <i>Target (2024): 75% adults (50% f), 75% youth (50% f)</i></li> </ul>	<p>The Swiss Programme supports the collaboration and concerted actions of the health and other sectors to ensure that policies in various non-health sectors protect and promote the population's health. Improved framework conditions, such as a ban on tobacco smoking in public places and nutrition policies, enable the creation of healthy environments at the municipal level.</p> <p>The communities are mobilised and supported in creating health-supporting conditions and in encouraging people to live healthier lives. Work with youth in schools on fighting gender stereotypes and promoting healthy lifestyles is scaled up across the country. Synergies with the Local Governance and Municipal Services Portfolio are created for integrating health promotion into municipal development strategies.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• The municipal authorities recognise their role in health promotion and engage in it.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• There is a lack of resources for full enforcement of the municipal development strategies, including NCD prevention and multi-sectoral policies;</li> <li>• Effecting change in the population's behaviour requires a long-term perspective.</li> </ul>	<p><b>Outcome statement 2:</b> Multi-sectoral policies are implemented by addressing social determinants of health, promoting healthy choices through formulating and designing products, regulating marketing, excise duties and taxes and educating consumers, promoting active living and healthy nutrition, safe physical and social environment, with an aim to protect and promote health and well-being and prevent disease and disability.</p> <p><i>(The PHC Strategy of RS, 2006, and Strategy of PHC Development of FBiH, 2006 – paraphrased)</i></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Prohibition of smoking in public places <i>Baseline (2020): Smoking is not prohibited</i> <i>Target (2024): Smoking is prohibited</i></li> <li>• Percentage of the population with at least two out of four key behavioural risk factors (tobacco use, harmful alcohol consumption, unhealthy diet, insufficient physical activity) <i>Baseline (2018): 88%</i> <i>Target (2025): 78%</i></li> </ul> <p><i>(Sources: country statistics, household surveys, WHO statistics)</i></p>
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<p><b>(4) Lines of intervention (Swiss Programme)</b></p> <p><b>Impact hypothesis:</b></p> <p><i>If</i> primary healthcare (PHC) services are more inclusive, focused on the prevention of non-communicable diseases, and sustainably provided for all, and women, men, and youth, in particular, adopt healthier lifestyles; <i>then</i> PHC becomes more cost-effective and, jointly with other sectors and communities, promotes health and well-being and prevents disease and disability;</p> <p><i>because</i> the standards of PHC care are developed, successful and affordable community-based models of care are scaled up, and municipalities create health-promoting conditions and encourage their populations to live healthier.</p> <p>Key intervention lines include the following:</p> <ul style="list-style-type: none"> <li>• Improving framework conditions for reducing the main health risk factors and preventing NCDs through whole-of-government and health in all policies approaches.</li> <li>• Strengthening health systems and PHC governance by stimulating its responsiveness to population needs and cost-effective interventions.</li> <li>• Strengthening human resources in health, particularly nurses, by improving their education for enhanced quality, scope and gender-sensitiveness in service provision.</li> <li>• Empowering users' groups and civil society organisations (i.e. associations of health professionals and service users/patients) as partners of the health authorities.</li> <li>• Rolling out community outreach models of healthcare to reach excluded and poor population groups and targeting specifically young and elderly people.</li> <li>• Improving the integrity of processes concerning access to drugs.</li> </ul>
<p><b>(5) Resources, partnerships (Swiss Programme)</b></p> <ul style="list-style-type: none"> <li>• Financial resources: CHF 13.7 million (SDC)</li> <li>• Human resources: The Health Portfolio will be managed by a Programme Officer, supervised by the Head of the Health Portfolio.</li> <li>• Partnerships: Key counterparts in the policy dialogue and steering of the health projects are the two entity Ministries of Health, who will also benefit from earmarked budget support. The Health Portfolio is closely aligned with relevant government strategies and facilitates their effective implementation.</li> <li>• Implementing partners include: Association XY (BiH), a consortium of Foundation Fami (BiH) and Geneva University Hospitals (Switzerland), entity-level Ministries of Health, Net Consulting (BiH), the Swiss Red Cross and the WB.</li> <li>• Projects are co-funded by the Swiss private sector (Roche), Swiss Red Cross and possibly others in the future.</li> <li>• Swiss expertise is used to introduce cost-effective home support, health care and nursing for the elderly.</li> </ul>
<p><b>(6) Management/performance results, including indicators (Swiss Programme)</b></p> <ol style="list-style-type: none"> <li>1. Switzerland successfully leverages its projects and uses them to inform government policies and/or programming of other partners. <ul style="list-style-type: none"> <li>• The Embassy takes a leadership role in coordinating development partners and donors for concerted policy influencing and support to health reforms.</li> <li>• The Embassy systematically links lessons learned and the scaling up of successful healthcare models developed within the Health Portfolio to new projects financed by other development partners.</li> </ul> </li> <li>2. Gender and social inclusion are systematically addressed in all projects and sex- and socially-disaggregated data is available. <ul style="list-style-type: none"> <li>• A gender analysis and relevant social inclusion analysis inform new projects and project phases and adequate expertise for gender equity and social inclusion mainstreaming are provided by partners. Training of partners and communication with the public are undertaken on a regular basis.</li> <li>• Swiss projects facilitate the establishment of monitoring systems that enable access to data disaggregated according to sex and targeted left behind populations.</li> </ul> </li> <li>3. Swiss projects have a clear exit strategy, allowing for financial and operational sustainability of project results. <ul style="list-style-type: none"> <li>• The Swiss Embassy ensures that the exit strategy is addressed in the entry proposal and operationalised in the second project phase.</li> <li>• Financial contributions by the government(s), private sector and/or development partners are ensured in health projects.</li> </ul> </li> </ol>

Cooperation Programme outcome 3: Local Governance and Municipal Services (SDC, SECO)		
<p><b>Swiss portfolio outcome 3:</b> Citizens demand, and benefit from, democratic, inclusive and effective institutions. (Swiss International Cooperation Strategy 2021–24: sub-objective 6: Preventing disasters and ensuring reconstruction and rehabilitation; sub-objective 7: Strengthening equitable access to quality basic services; and sub-objective 10: Promoting good governance and the rule of law and strengthening civil society.)</p>		
1) Swiss portfolio outcomes	2) Contribution of the Swiss Programme	3) Country development outcomes
<p><b>Outcome statement 1:</b> Higher-level governments ensure a more conducive framework, which provides municipalities with adequate powers and resources (financial, human).</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>The Good Local Governance Seal is developed and adopted at state/entity levels as a framework for measuring and improving the performance of municipalities, as per application of good governance standards <i>Baseline (2020):</i> No <i>Target (2024):</i> Yes</li> <li>Measures for improving the regulatory and institutional framework (SECO SI 1). <i>Baseline (2020):</i> 0 water regulatory frameworks <i>Target (2024):</i> 3 (2 at entity and 1 at the state level)</li> <li>Number of supported local authorities/ municipalities which have benefitted from increased budget resources (SDC GOV ARI 2) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> 30</li> </ul>	<p>Through Swiss intervention, the performance-based good local governance approach is recognised as relevant and legitimate. It is institutionalised at higher government levels as an overarching framework to measure, compare and improve the performance of municipalities against indicators of transparency, participation, accountability, and inclusive and effective service delivery. Swiss support enables AMCs to address more effectively the LG reform priorities. This leads to improved regulations and revenues to perform municipal functions. Through the joint support of Switzerland, UNDP and the WB to BiH authorities, a regulatory framework is established at all levels in the water sector. Switzerland contributes to ensure that the water sector is ruled by good governance principles and that investment responds to efficiency, climate-smart and sustainability criteria. Lessons learned during the COVID-19 crisis will be used to adapt interventions / address gaps in local governance.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>Higher-level governments react to the fact that 70% of the EU acquis will have to be implemented by LGs.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>Blockages in governments and parliaments;</li> <li>Municipalities are not a priority for higher levels;</li> <li>Entities/cantons refuse to reallocate revenues;</li> <li>The EU and the international community are not committed to pushing for local governance reforms.</li> </ul>	<p><b>Outcome statement 1:</b> The regulatory framework and methodology to improve the overall systems of strategic policy planning and to ensure better alignment of budget spending with government strategic priorities at all levels is established. (High Level Retreat on Medium Term Socio-Economic Reforms, February 2020, Conclusions)</p> <p>Stable financing and effective realisation of municipal competencies are ensured. (RS Local Governance Development Strategy 2017-2021; Development Strategy of the FBiH AMC 2015-2022)</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Establishment of a model of funding for underdeveloped municipalities through an Equalisation Fund (Source: Strategies of the AMCs FBiH and RS) <i>Baseline (2020):</i> non-existent <i>Target (2024):</i> established</li> <li>Existence of a country-wide, harmonised regulatory water framework, one fully aligned with EU Water Directives and functional institutional set-ups at relevant government levels, which enables sustainable and quality water supply and wastewater management services (Source: BiH Water Services Sector Modernisation Programme, Joint vision 2021-2028) <i>Baseline (2020):</i> No <i>Target (2026):</i> Yes</li> </ul>

<p><b>Outcome statement 2:</b> Local governments (LGs) improve their performance, are more accountable, and provide high-quality and equitable services, in particular in the water sector, in a climate-smart, disaster-resilient, inclusive and sustainable way.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Number of people using safely managed drinking water services (SDC WAT ARI 1) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> At least 100,000 people</li> <li>Number of persons with access to better public infrastructure services (waste water management) (SECO SI 8) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> At least 300,000 (Zenica, Gradiska and municipalities of WB Project)</li> <li>Number of cities with measures for sustainable urban development and number of inhabitants benefitting (SECO SI 7) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> 3 (Sarajevo, Zenica and Gradiska) 700,000 people</li> <li>Number of persons benefitting from nationally or locally implemented DRR measures (SDC DRR ARI 1) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> 600,000 people in 10 LGs</li> </ul>	<p>Through Swiss support, municipal administrations adopt a performance-based management system (PMS). The PMS is result-driven and people-centred, guiding public administration and municipal service delivery, contributing to greater social cohesion. Switzerland promotes awareness of anti-corruption and conflicts of interest within municipal administrations and the systematic application of integrity plans. Switzerland supports the application of gender and socially inclusive budgeting approaches. In the water sector, the establishment of a performance-based system is combined with the modernisation of the sector by strengthening the capacities of the municipal administrations, their water utilities and other relevant actors, as well as through investment in water service delivery and wastewater treatment. Climate change will be tackled through targeted interventions to improve energy efficiency of water resources and infrastructure management. Furthermore, Switzerland will support the City of Sarajevo to improve its urban planning, also considering the implications of climate change. Switzerland will support targeted DRR interventions to increase the resilience of municipalities across the country.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>The development partners (Switzerland, Sweden, WB, UNDP and EU) will speak with one voice throughout the reform process and succeed in managing the relationship with the authorities in this new paradigm of a performance-based approach.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>Reluctance of municipalities to be measured in terms of their performance and to engage in additional work;</li> <li>Limited revenues and borrowing capacities of municipalities;</li> <li>High political pressure against merit-based and needs-based employment in public utilities;</li> <li>Increased tensions at local level.</li> </ul>	<p><b>Outcome statement 2:</b> A political decision-making body is established, and technical coordination structures to promote a country-wide approach in the public administration reform are strengthened. Public investment in the water sector, based on performance criteria and an investment strategy, is increased. E-governance and e-services in local governments are enhanced. (Reform Agenda 2019-2022; Economic Reform Programme BiH 2019-2021)</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>The Law on Civil Servants is adopted and applied in practice, including the promotion of integrity and prevention of corruption (Source: Analytical Report, Communication from the Commission to the European Parliament and the Council Commission's Opinion on BiH's Application) <i>Baseline (2020):</i> No <i>Target (2024):</i> Yes</li> <li>Percentage of municipalities that have a PSA in place defining the roles and responsibilities between the municipalities and the water utilities (Source: BiH Water Services Sector Modernisation Programme, Joint vision 2021-2028) <i>Baseline (2020):</i> 5-10% <i>Target (2024):</i> 20%</li> <li>Percentage of the population with access to safe drinking water (connected to controlled public water supply systems) (Source: BiH Water Services Sector Modernisation Programme, Joint vision 2021-2028) <i>Baseline (2019):</i> 2.475 million (75% of 3.3 million population) <i>Target (2024):</i> 2.64 million (80% of 3.3 million population)</li> </ul>
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<p><b>Outcome statement 3:</b> Citizens, in particular women and youth, engage as actors of change in democratic processes and demand reforms.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Number of people (m/f) participating in and influencing public service provision, decision-making and budgets in their localities (SDC GOV ARI 1) <i>Baseline:</i> 17,174 people (40% f) in partner MZs participated in citizen forums <i>Target:</i> 30,000 people (40% f) in partner MZs participate in citizen forums</li> <li>• Number of civil society organisations that contribute to a multi-stakeholder dialogue or to the respect for human rights (SDC FCHR ARI 1) <i>Baseline (2020):</i> 0 <i>Target (2024):</i> 6</li> </ul>	<p>Switzerland supports all citizens, in particular women and youth, to express their voices in a structured way and to actively participate in local decision-making. The municipal regulations are adjusted to more systematically integrate citizens' voices, in particular those of socially excluded people. Digital solutions for e-governance will be promoted. Swiss interventions will also focus on supporting CSOs with stronger links to citizens, including marginalised groups. Through professionalism and evidence-based advocacy, CSOs will become reliable partners in policy-making and democratic reform processes at all levels.</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Citizens move away from political apathy when they see that their voices, whether at the community level or at higher levels, produce changes in their lives.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• Shrinking space for CSOs;</li> <li>• Lack of a strategic framework across levels of governments for cooperation with civil society;</li> <li>• Competition culture of CSOs prevails over collaboration;</li> <li>• Politicisation on the allocation of funds to CSOs.</li> </ul>	<p><b>Outcome statement 3:</b> The regular cooperation and consultation mechanism with civil society organisations is operationalised by the Council of Ministers. A framework for the transparent funding of civil society organisations is established. (<i>EU analytical report 2019</i>)</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>• Overall CSO Sustainability in BiH (measured per legal environment, organisational capacity, financial viability, advocacy, service provision, sectoral infrastructure, public image) (<i>Source: Civil society Organisation Sustainability Index - CSOSI</i>) <i>Baseline (2018):</i> 3.8 <i>Target (2024):</i> 4.0</li> </ul>
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<p><b>(4) Lines of intervention (Swiss Programme)</b></p> <p><b>Impact hypothesis:</b></p> <p><i>If</i> the regulatory framework is reformed to support municipalities in applying standards of good governance and embracing a performance-based approach with adequate financial resources and human expertise; if investment in services is sustainable, in particular in the water sector, if citizens engage as actors of change;</p> <p><i>then</i> municipalities, including the less developed ones, can fulfil their responsibilities and provide equitable services to their citizens, in particular in the water sector;</p> <p><i>because</i> the AMCs are more influential in making higher-level governments react to the fact that 70% of the EU acquis will have to be implemented by municipalities, international partners such as UNDP, the WB, the EU and other bilateral partners increase joint efforts with Switzerland to engage on strategic reforms with BiH authorities, and citizens see that their engagement through stronger CSO leads to changes in their lives.</p> <p>Key intervention lines include the following:</p> <ul style="list-style-type: none"> <li>• Enhancing the participation of women as active citizens in democratic processes and fighting the root causes of gender inequality. Applying the LNOB imperative by establishing mechanisms that ensure the participation of excluded people at all levels and their equal access to quality services.</li> <li>• Improving framework conditions at all levels for better municipal performance, citizens' satisfaction and improved social cohesion. Scaling up the performance-based approach and using it as a catalyst for sustainable investments in the water sector, through collaboration with the WB and Swiss expertise.</li> <li>• Improving framework conditions in the water sector. Developing capacities and skills in water utilities and municipalities for quality and efficient provision of water services. Improving the provision of infrastructure for water supply and wastewater collection and treatment. Improving the practice and framework conditions for urban development with a focus on urban planning. Mainstreaming DRR at the local level, making the population resilient to disasters and climate change.</li> <li>• Supporting civil society organisations to demand for local governance reform and enhancing citizens' engagement.</li> <li>• Phasing out projects in the justice sector and ensuring their sustainability.</li> </ul>
<p><b>(5) Resources, partnerships (Swiss Programme)</b></p> <ul style="list-style-type: none"> <li>• Financial resources: CHF 19.45 million (SDC) and CHF 7.5 million (SECO).</li> <li>• Human resources: The Governance Portfolio will be managed by two Programme Officers supervised by the Head of the LG/MS Portfolio.</li> <li>• Key counterparts in the policy dialogue are the RS Ministry of Administration and Local Self-Government and the FBiH Ministry of Justice. Key implementing partners include UNDP, SALAR (Swedish Association of Local Authorities and Regions), FBiH and RS AMCs, and CSOs.</li> <li>• SECO instruments will be applied in the water and wastewater sector, as well as in urban planning. Key partners include the WB, KfW, the ETHZ as well as VSA.</li> <li>• Projects are co-funded by Sweden, the EU, KfW, UN agencies and possibly others in the future.</li> <li>• Swiss expertise will be used to improve the capacities of stakeholders at all levels of government in particular for Urban Planning and wastewater sectors.</li> </ul>
<p><b>(6) Management/performance results, including indicators (Swiss Programme)</b></p> <ol style="list-style-type: none"> <li>1. Switzerland successfully leverages its projects and uses them to inform government policies and/or programming of other partners. <ul style="list-style-type: none"> <li>• The Swiss Embassy takes an active role in the Local governance/Local development donor coordination group, which it co-chairs with UNDP, and strives to put local governance reforms more prominently on the policy agenda.</li> <li>• The Swiss Embassy systematically links the successful establishment of new standards in local governance and municipal service provision to opportunities for scaling up by IFIs.</li> </ul> </li> <li>2. Gender and social inclusion are systematically addressed in all projects and sex- and socially-disaggregated data is available/facilitated. <ul style="list-style-type: none"> <li>• A gender analysis and relevant social inclusion analysis (SDC only) informs new projects and project phases, and adequate expertise for gender equity and social inclusion mainstreaming are provided by partners. Training of partners and communication with the public are undertaken on a regular basis.</li> <li>• The Swiss Embassy ensures that its projects provide sex- and socially-disaggregated data, and, if not available, that the establishment of such data is facilitated.</li> </ul> </li> <li>3. Swiss projects have a clear exit strategy, allowing for financial and operational sustainability of project results. <ul style="list-style-type: none"> <li>• The Swiss Embassy ensures that the exit strategy is addressed in the entry proposal and operationalised in the second project phase.</li> <li>• Financial contributions by the government(s), private sector and/or development partners are ensured in the Local Governance and Municipal Services projects.</li> </ul> </li> </ol>

## Annex 3: Monitoring system

### Purpose of the Cooperation Programme monitoring system

The monitoring system of the Swiss Cooperation Programme 2021–24 consists of a number of tools for enhancing the result orientation of the Programme. It ensures that data relevant to the Programme is collected, analysed and used for Programme steering and learning, as well as for reporting.

The monitoring system serves three main purposes:

1. *Accountability* – reporting on results of the Programme to different target groups, including the Swiss public and decision makers, the BiH public and governments, and other interested parties.
2. *Steering* – ensuring that the Swiss Cooperation Programme remains relevant, efficient and effective, and produces sustainable results.
3. *Learning* – capitalising on lessons learned, validated experiences and best practices within the Programme and with external partners for evidence-based policy dialogue in the relevant reform areas.

### Levels and instruments of the Cooperation Programme monitoring system

	Instrument	Purpose	Frequency
Programme level	Annual Report	Cumulative reporting on progress made towards the targets of the Results Framework, used as a basis for the steering and planning of the subsequent year. The Annual Report includes an annual programme.	Yearly: October
	Mid-year Review	Stock-taking and identification of necessary short-term adaptations of the annual programme	Yearly: June
	Mid-term Review	Review of the Cooperation Programme's relevance, lessons learned and results achieved, as a basis for planning the subsequent Swiss Cooperation Programme	End 2023
Project level	Outcome Monitoring Summary (OMS)	Assessment of results achieved by individual projects and their contribution to the targets of the Results Framework, as a basis for project steering and learning	Half-yearly: April/ May, September
	Strategic monitoring visits	Visits to project partners and beneficiaries to discuss findings of the OMS, as a basis for project steering and policy influencing	Twice a year in each project
	Steering Committee	Steering and/or advisory bodies providing strategic assistance at the project level	At least once a year per project
	Political Economy Analysis	Analysis of the political, economic and socio-cultural dimensions of the contexts in which a project operates, as a basis for ensuring more effective project planning	Once in a project phase
	End of phase/end of project reports	Internal review with main conclusions about results achieved, project performance and recommendations for subsequent project phases	At the end of the project phase and the end of the project
	External Project Reviews	Evaluation of projects for reporting, steering, learning, and planning of subsequent project phases	Once in two project phases
	Internal Control System	Periodic financial and procedural audit done by the Embassy	3-5 projects per year
	Partner Risk Assessment	Assessment of a partner's policies, procedures and capacities and related risks to the management of Swiss funds	Before signing the contract
Context	Internal Operational Committee	Discussion of new entry and credit proposals by the Embassy Team	As required
	Cooperation Team Meetings	Permanent context monitoring and discussion, as a basis for Programme steering	Bi-weekly
	MERV	Context development analysis to identify changes relevant to the Cooperation Programme	Yearly: September

## Annex 4: Financial planning

Swiss Cooperation Programme for Country/Region: Bosnia and Herzegovina							
Duration of Cooperation Programme: Jan 2021 until Dec 2024							
	SDC				SECO		
Financial Year:	2021	2022	2023	2024	2021–24	Total 2021–24	in %
Break down of budget allocation according to Portfolio Outcomes:							
Portfolio Outcome 1							
<b>Economic Development and Employment</b>	5'100'000	4'050'000	4'150'000	4'500'000	2'500'000	20'300'000	32.3%
Portfolio Outcome 2							
<b>Health</b>	3'000'000	3'900'000	3'300'000	3'500'000	-	13'700'000	21.8%
Portfolio Outcome 3							
<b>Local Governance and Municipal Services</b>	5'000'000	4'700'000	5'200'000	4'550'000	7'500'000	26'950'000	42.9%
Other outcomes							
<b>Small Actions</b>	400'000	500'000	500'000	500'000	-	1'900'000	3%
<b>Total budget allocation (to Intl. Cooperation-Office)</b>	<b>13'500'000</b>	<b>13'150'000</b>	<b>13'150'000</b>	<b>13'050'000</b>	<b>10'000'000</b>	<b>62'850'000</b>	<b>100%</b>

General overview of indicative budget allocation by Swiss Federal Offices (for information purpose only):						
<b>Budget allocated to IC-Office(s)</b>	<b>13'500'000</b>	<b>13'150'000</b>	<b>13'150'000</b>	<b>13'050'000</b>	<b>10'000'000</b>	<b>62'850'000</b>
thereof: SDC-Eastern Cooperation	13'500'000	13'150'000	13'150'000	13'050'000		52'850'000
SECO-Economic Cooperation					10'000'000	10'000'000
SDC-Institutional Partnerships	3'287'500	3'234'000	3'236'000	3'237'000		12'994'500
SDC-Global Cooperation (GPMD)	250'000	250'000	250'000	200'000		950'000
<b>Total budget allocation by federal offices</b>	<b>17'037'500</b>	<b>16'634'000</b>	<b>16'636'000</b>	<b>16'487'000</b>	<b>10'000'000</b>	<b>76'794'500</b>

In addition, CHF 2 million are made available for BiH by SEM within the Swiss Migration Strategic Framework for the Western Balkans 2020–2023.

The final allocation of funds will depend on the identification of suitable interventions, the absorption capacity as well as the efficiency and effectiveness of the cooperation with the relevant partners in the country. Accordingly, the information on planned budget for the four-year period is indicative. This information serves merely as a basis for the forward spending plans that are reviewed each year by the Swiss Parliament.



# Annex 5: Objectives and sub-objectives of Switzerland's International Cooperation Strategy 2021–24

## **A) Contributing to sustainable economic growth, market development and the creation of decent jobs (economic development)**

*Sub-objective 1: Strengthening framework conditions for market access and creating economic opportunities (link with SDGs 5, 8, 9, 10, 17)*

International cooperation aims at strengthening the framework conditions for stability and economic governance through the promotion of an environment conducive to private initiatives as well as sound management of public resources, balanced trade policies and an investment-friendly environment.

*Sub-objective 2: Promoting innovative private sector initiatives to facilitate the creation of decent jobs (link with SDGs 3, 4, 5, 8, 9, 10, 12, and 17)*

International cooperation facilitates access to capital markets and sustainable financing to promote financial inclusion. It works on market mechanisms to enable businesses and producers to benefit from globalization, integrate into global value chains and contribute to resolving global challenges. International cooperation works in support of entrepreneurship, health systems, basic education and vocational skills development geared to the changing needs of the labour market and financial inclusion. It helps to create decent work and other adequate income-generating activities for all, with a particular focus on disadvantaged populations and young people. In addition, it engages with the private sector to strengthen standards and promote good practices with respect to sustainability, gender equality and respect for human rights.

## **B) Addressing climate change and its effects and manage natural resources sustainably (environment)**

*Sub-objective 3: Addressing climate change and its effects (link with SDGs 6, 7, 12, 13)*

Through its international cooperation, Switzerland supports developing countries in their efforts to mitigate climate change (reduction of greenhouse gas emissions) and adapt to its effects, while at the same time contributing to the search for sustainable financing. Switzerland's international cooperation contributes to the sustainable management of urban and rural areas by reducing the growing risks related to the impacts of climate change and by promoting renewable energies and energy efficiency.

*Sub-objective 4: Ensuring the sustainable management of natural resources (link with SDGs 6, 12, 15)*

International cooperation supports the sustainable management of resources such as water, air, soil, raw materials and ecosystems as well as the conservation of biodiversity, for the benefit of all people, especially the most vulnerable, along value chains in order to respect planetary boundaries.

## **C) Saving lives, ensuring quality basic services, especially in relation to education and healthcare, and diminishing the causes of forced displacement and irregular migration (human development)**

*Sub-objective 5: Providing emergency aid and ensuring the protection of civilians (link with SDGs 1, 2, 3, 4, 5, 6, 11, 16)*

International cooperation places at the heart of its work the safety, dignity and rights of populations affected by crises, armed conflicts and disasters, including forcibly displaced persons.

*Sub-objective 6: Preventing disasters and ensuring reconstruction and rehabilitation (link with SDG 11)*

Switzerland is committed to disaster risk reduction and to reconstruction and rehabilitation in order to prevent natural disasters as far as possible and to restore basic services after a disaster or an armed conflict.

*Sub-objective 7: Strengthening equitable access to quality basic services (link with SDGs 1, 2, 3, 4, 5, 6, 7, 10, 11, 16)*

Investment in basic education, vocational skills development and health contributes to economic development and to mitigating population growth. Quality and equitable access to health services, education, safe drinking water and sanitation, energy, urban transport and food are fundamental. Switzerland is committed to meeting the basic needs of the poorest and most neglected, in particular migrants and refugees, young people and people with disabilities, by strengthening international standards, the capacities of state systems and state-owned enterprises, and by improving living conditions, taking into account the challenges of growing urbanisation.

## **D) Promoting peace, the rule of law and gender equality (peacebuilding and governance)**

*Sub-objective 8: Preventing conflicts, promoting peace and respect for international law (link with SDGs 5, 16)*

Switzerland contributes to the prevention and resolution of armed conflicts so that a lasting solution can be found by peaceful means. It acts through mediation, facilitation and political dialogue, as well as through the provision of expertise. As a State party to the Geneva Conventions, it promotes international humanitarian law and disarmament norms, particularly humanitarian aspects, which are essential for the protection of civilians and non-combatants.

*Sub-objective 9: Strengthening and promoting human rights and gender equality (link with SDGs 4, 5, 10, 16)*

Switzerland defends and promotes the universality, interdependence and indivisibility of human rights. Through its international cooperation, Switzerland is committed to the respect, protection, promotion and development of human rights. Projects and programmes that pay particular attention to possible sources of conflict avoid aggravating tensions while ensuring the participation of beneficiaries in the implementation of projects. Switzerland is committed to reducing factors of exclusion and promotes equal opportunities and equitable access to resources, public services and decision-making processes. The equitable sharing of responsibilities, duties and decision-making powers between men and women is an important driving force for sustainable development, including economic growth (higher level of education, better economic, political, cultural and social participation and choice of the number of children). International cooperation is committed to promoting gender equality and women's rights in all its interventions and with its partners, with particular emphasis on the prevention of gender-based violence, economic empowerment and women's political participation.

*Sub-objective 10: Promoting good governance and the rule of law and strengthening civil society (link with SDG 16)*

Switzerland promotes democratic values, including citizen participation, transparency and accountability, as well as the fight against corruption and against impunity. International cooperation strengthens state institutions so that they meet the needs of the population. It strengthens the capacity of countries to base their policies on reliable data, with particular emphasis on vulnerable groups. Switzerland is committed to systemic change, aimed at strengthening the accountability of partner governments to tackle obstacles to development such as corruption, cronyism and mismanagement. International cooperation is committed to promoting good governance in all its interventions and with its partners. Support for balance of powers and public mechanisms for government accountability and oversight are key, including through culture and the media. Switzerland strengthens civil society in developing countries because of its key role in ensuring social inclusion, advocacy, monitoring and public accountability.

# Annex 6: Overview Swiss whole-of-government partners and their mandates

## Directorate of Political Affairs, PD (FDFA)

The Directorate of Political Affairs is the coordinating unit for Switzerland's foreign policy and the most senior administrative body for all international representations. It coordinates all the information needed to protect the interests of Swiss citizens abroad. The PD gauges global challenges, develops foreign policy strategy and tries to identify areas of tension or potential flashpoints.

## Swiss Agency for Development and Cooperation, SDC (FDFA)

The SDC is responsible for coordinating Switzerland's development cooperation and humanitarian aid activities. It is Switzerland's centre of expertise for development cooperation and humanitarian aid. SDC actions in the fields of humanitarian aid and development cooperation can be classified according to three criteria: geographical (priority countries and regions), thematic (e.g. the five global programmes), and multilateral.

## Economic Cooperation and Development Division of the State Secretariat for Economic Affairs, SECO (EAER)

SECO is the centre of expertise for economic development cooperation. Its work focuses on core economic and trade policy issues. Its aim is to create framework conditions that are conducive to sustainable and inclusive economic growth and private sector development. The actions undertaken by SECO are aligned with its thematic, geographical and multilateral priorities.

## State Secretariat for Migration, SEM (FDJP)

The SEM determines under what circumstances a person may enter Switzerland to live and work. It also decides who is granted protection from persecution. In collaboration with the cantons, the SEM organises the accommodation of asylum seekers and the return of people who do not need protection to their country of origin. It also co-ordinates the integration of foreign nationals into Switzerland, is responsible for naturalising foreigners and works actively at international level to control migration movements.

## Federal Department of Defence, Civil Protection and Sport (DDPS)

Based on a UN Resolution, Switzerland deploys a small contingent to the multinational EUFOR Althea mission in BiH and contributes thus to peace and stability in the Western Balkans. These peace-promotion activities are essential tasks of the Swiss Armed Forces.

# Annex 7: Abbreviations

<b>AMC</b>	Association of Municipalities and Cities	<b>TRIs</b>	Thematic Reference Indicators
<b>ARI</b>	Aggregated Reference Indicators	<b>TVET</b>	Technical and Vocational Education and Training
<b>BiH</b>	Bosnia and Herzegovina	<b>UN</b>	United Nations
<b>BSOs</b>	Business Support Organisations	<b>UNDP</b>	United Nations Development Programme
<b>CEDRIG</b>	Climate, Environment and Disaster Risk Reduction Integration Guidance	<b>VET</b>	Vocational Education and Training
<b>COVID-19</b>	Coronavirus Disease of 2019	<b>VSA</b>	Verband Schweizer Abwasser / Swiss Water Pollution Control Association
<b>CSO</b>	Civil Society Organisation	<b>VSD</b>	Vocational Skills Development
<b>CSOSI</b>	Civil Society Organisation Sustainability Index	<b>WB</b>	World Bank
<b>CSPM</b>	Conflict Sensitive Programme Management	<b>WBD</b>	Western Balkans Division
<b>DRR</b>	Disaster Risk Reduction	<b>WBG</b>	World Bank Group
<b>EBRD</b>	European Bank for Reconstruction and Development	<b>WOGA</b>	Whole-of-Government Approach
<b>ECHR</b>	European Convention on Human Rights		
<b>EIB</b>	European Investment Bank		
<b>ESG</b>	Environmental, Social and Governance		
<b>EU</b>	European Union		
<b>EUFOR Althea</b>	European Union Force in BiH Operation Althea		
<b>EE</b>	Economic Development and Employment		
<b>ETH</b>	Eidgenössische Technische Hochschule / Federal Institute of Technology		
<b>FBiH</b>	Federation of Bosnia and Herzegovina		
<b>FDI</b>	Foreign Direct Investment		
<b>GCI</b>	Global Competitiveness Index		
<b>GDP</b>	Gross Domestic Product		
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit / German Society for International Cooperation		
<b>GPMD</b>	Global Programme Migration and Development		
<b>HQ</b>	Headquarters		
<b>ICT</b>	Information and Communications Technology		
<b>IED</b>	International Educational Development		
<b>IFC</b>	International Finance Corporation		
<b>IFI</b>	International Financial Institutions		
<b>IMF</b>	International Monetary Fund		
<b>KfW</b>	Kreditanstalt für Wiederaufbau / Reconstruction Credit Institute		
<b>LG</b>	Local Governments		
<b>LSG</b>	Local self-government		
<b>MERV</b>	Monitoring System for Development-Relevant Changes		
<b>MZ</b>	Mjesna Zajednica / Local Community		
<b>NCDs</b>	Non-Communicable Diseases		
<b>NDHR</b>	National Human Development Report		
<b>NGOs</b>	Non-Governmental Organisations		
<b>ODA</b>	Official Development Assistance		
<b>OMS</b>	Outcome Monitoring Summary		
<b>PD</b>	Directorate of Political Affairs		
<b>PES</b>	Public Employment Services		
<b>PHC</b>	Primary Health Care		
<b>PMS</b>	Performance-based Management system		
<b>PO</b>	Perceived Opportunities		
<b>PSAs</b>	Public Service Agreements		
<b>RS</b>	Republika Srpska		
<b>SDC</b>	Swiss Agency for Development and Cooperation		
<b>SDG</b>	Sustainable Development Goal		
<b>SECO</b>	Swiss State Secretariat for Economic Affairs		
<b>SMEs</b>	Small and Medium Enterprises		
<b>SEM</b>	Swiss State Secretariat for Migration		
<b>SOEs</b>	State-Owned Enterprises		



# Annex 8: Map of Bosnia and Herzegovina



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