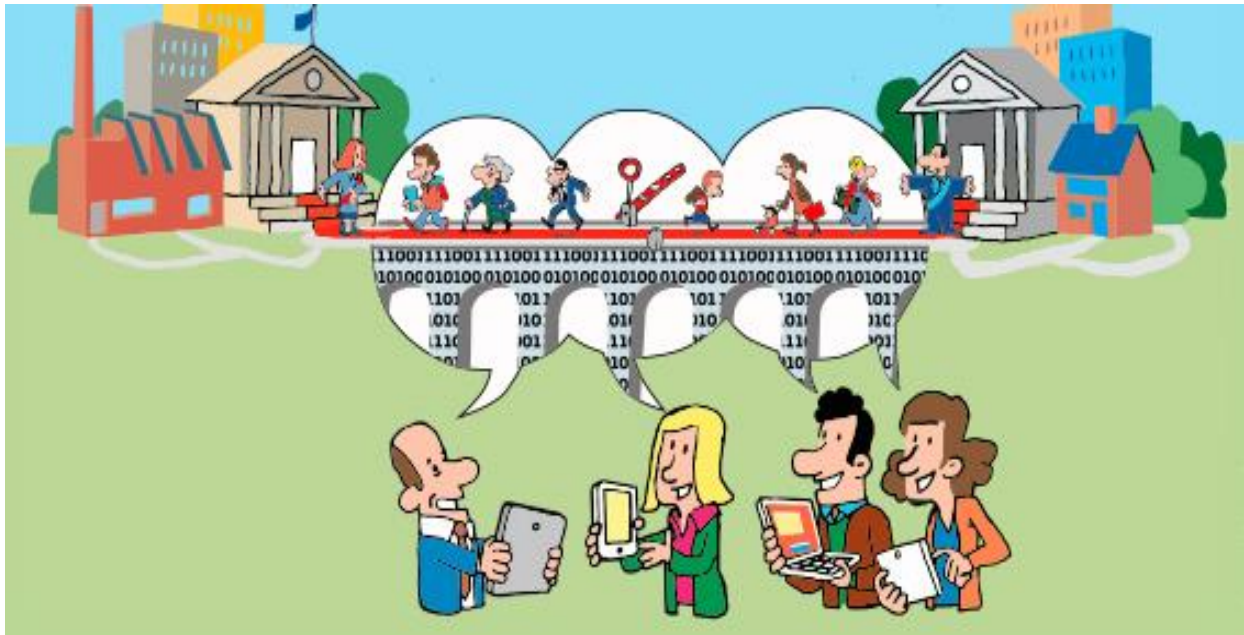




DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR IN BOSNIA AND HERZEGOVINA PROJECT (2020-2025)

PROJECT DOCUMENT



May 2024

I. DEVELOPMENT CHALLENGE

1.1. Wider country context

Bosnia and Herzegovina is an upper middle-income country in Southeast Europe with a population of 3.5 million. **Accession to the European Union (EU)** is an over-arching priority and in December 2022, Bosnia and Herzegovina was granted the EU Candidate status.

Over two decades after the signing of the Dayton Peace Agreement, the EU accession is constrained by limited reform progress, frequent institutional and political deadlocks that hamper public sector performance and weaken citizens' trust in government.

Authorities at all levels collaborated in the design of the **2030 Sustainable Development Goals (SDG) Framework in Bosnia and Herzegovina**, which offers a unique opportunity for a common long-term sustainable development agenda.

The **human development and economic development trends show vulnerability**. The 2018 Human Development Index is 0.769¹, placing the country in the high human development category. Of critical importance, the population is shrinking and ageing. **Out-migration is a challenge**, representing a loss of young people and skilled workers upon which future sustainable development will depend: 2 million citizens of Bosnia and Herzegovina are currently working or residing abroad² and projections suggest the population could decline below 2.3 million by 2100. Unemployment stands high at 15.7%³, particularly among young people (47.3%). A large proportion of the population, especially the elderly and the socially excluded, are trapped in a hand-to-mouth existence, with some 18.9% estimated to be living below the income poverty line⁴.

The COVID-19 pandemic has had severe adverse effects on the population and the economy of Bosnia and Herzegovina. The first wave in March/April 2020 was mild compared to most EU countries in terms of cases, hospitalizations, and deaths. The authorities imposed effective lockdowns, border closures, and social distancing, which, however, led to a collapse of domestic demand, especially services. The entity governments imposed a state of emergency from mid-March to end-May 2020 and enforced stringent mobility restrictions. With the second wave, cases, hospitalizations, and fatality rates have increased markedly. In March 2021, a third COVID-19 wave has reached new all-time high record, with more than 1,000 new infected daily, and a total of 176 413 infected and more than 7,000 deaths since the beginning of the crisis. The pandemic disrupted public services and systems, caused economic regress and fast-growing unemployment. Yet, it also catalysed faster digital transformation in both public and private sectors.

Annual **economic growth** increased from 3.1 % to 3.5 % between 2016-2019⁵, but in 2020 economic activity is estimated to have contracted by 5.5% because of the COVID-19 crisis. To be stronger and more competitive, the economy requires better infrastructure and better policy and investment environment for private sector growth. The economy displays high carbon and energy intensity: carbon dioxide emissions amount to 25,539 Mt CO₂, with energy sector, agriculture, industrial processes and

¹ Human development index for 2022 is 0.779

² Ministry of Security of Bosnia and Herzegovina, Migration Profile of Bosnia and Herzegovina, 2018.

³ 2019 Labour Force Survey, Agency for Statistics of Bosnia and Herzegovina.

⁴ Human Development Report: Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century; UNDP, 2019.

⁵ World Bank, Country Report for Bosnia Herzegovina, 2019.

waste being the largest sources of CO₂ emission. High energy inefficiency contributes to high air pollution in some of the country cities.

Natural and man-made hazards represent another aspect of vulnerability, with poor people, women, persons with disabilities, elderly, minorities and farmers being most at risk. Capacities to address effectively hazards and crisis need to be further strengthened, as was confirmed during the latest COVID-19 crisis.

1.2. Governance system

The governance system of Bosnia and Herzegovina is considered **one of the most complex in Europe**. The country comprises two entities - the Federation of Bosnia and Herzegovina and Republika Srpska, with Brčko District as autonomous self-government, and 10 cantons within the Federation of Bosnia and Herzegovina. While responding to local accountability and representational concerns, this has had the effect of reducing the effectiveness of policy coherence and the delivery of public services.

Policy design and delivery capabilities and systems are insufficient, challenged by complex vertical and horizontal cross-governmental coordination, which undermines quality of public service delivery and the potential to lift the country's growth potential. The speed of public administration reform is slow, guided by the Strategic Framework of Public Administration Reform in Bosnia and Herzegovina 2018-2027⁶.

1.3. Digital transformation in the public sector – a global perspective

In times of the [Fourth Industrial Revolution](#), technologies such as [Artificial Intelligence](#) (AI), [blockchain](#), [virtual reality](#), [big data](#), and many more are now transforming societies, economies, public and private sector organizations, and individuals across the globe. Governments worldwide are strategically leveraging new technologies to fundamentally improve policies and decision-making, public services and systems.

Yet, **the full potential of digital government remains largely untapped**. Global practice shows that to build a public sector that is fit for the future, governments must "reinvent" themselves. Digital transformation is not just about new technologies, but requires an overhaul of organizational structures, work processes, skills, culture and mindset. For example, the [Global Competitiveness Report 2019](#) by the World Economic Forum ranks Bosnia and Herzegovina public sector's performance at 92nd place and burden of government regulation at 114th place among 141 countries.

Furthermore, since January 2020, the world has been changing and adapting at an unprecedented rate due to the **COVID-19 pandemic**. To slow the spread of disease and save human lives, governments had to respond decisively and adequately. One of the most obvious consequences of the COVID-19 crisis is that **it has accelerated digital transformation dramatically**. As governments are shifting to digital amid the coronavirus pandemic, it became evident that technology can be a powerful ally in ensuring uninterrupted public services and improving countries' resilience to disasters.

1.4 Digital transformation and e-government state of play in Bosnia and Herzegovina⁷

The level of technology utilisation and digitalisation in the public sectors in Bosnia and Herzegovina is low, which undermines authorities' efforts to lift the country's growth potential. However, with its relatively sound communication and Internet infrastructure and fast-growing ICT sector and high

⁶ Reference: [Strategic_framework_par_eng.pdf \(parco.gov.ba\)](#)

⁷ This section is informed by the findings of assessments in the sector performed by the UK's Good Governance Fund "Support to e-government reforms and the digitalisation of services in Bosnia and Herzegovina" Project and the digital transformation work of UNDP (2020).

accessibility of citizens to Internet (nearly 80% of the population), Bosnia and Herzegovina is uniquely positioned to capitalise on the opportunities offered by the digitalisation – both in the public sector, as well as in the private sector and society.

However, with the European Union's [Digital Agenda for the Western Balkans](#), efforts in this domain are gaining speed not only in Bosnia and Herzegovina but in the region. In December 2022, Bosnia and Herzegovina was granted the EU Candidate status, while in March 2024, the European Council approved the opening of accession negotiations with Bosnia and Herzegovina based on the recommendation of the European Commission. The new EU Growth Plan for the Western Balkans places digital transition as one of key reform areas for Bosnia and Herzegovina.

Policy and regulatory environment to enable digital transformation in the public sector: there is no overarching strategic framework, country-wide policy vision and comprehensive regulatory framework to guide and foster whole-of-government-system digital transformation. The [Information Society Development Policy for Bosnia and Herzegovina 2017-2021](#) is an important policy framework aligned with the [eEurope 2020 Strategy](#) and the [Digital Agenda 2020](#). However, no information society strategy is in place to guide implementation of the policy vision. Other fragments of the policy framework are some of the priorities set within the Socio-Economic Reforms in Bosnia and Herzegovina 2020-2022 (coming as a response to the 2019 EU Opinion), as well as the emerging domestic strategic frameworks related to e-governance as part of the Public Administration Reform Strategic Framework 2018-2027. Positively, the [Interoperability Framework of Bosnia and Herzegovina](#) was adopted at all government levels; yet it remains largely underused, which hampers the interoperability of data and information systems across different government levels. The Framework also needs to be aligned with the European Interoperability Framework from 2017. Following the example of the entity of Republika Srpska and its Strategy for Development of Electronic Government 2019-2022, state government level and the entity of the Federation of Bosnia and Herzegovina are also in the process of developing and adopting such documents.⁸

Significant progress has been made in recent years regarding digital transformation regulations (i.e. laws on general administrative procedures, laws on e-signature, e-document, e-commerce, etc.). However, the existing legislation in this area is still fragmented and incomplete, not in line with the EU Acquis Communautaire. This poses challenges to the digital transformation in the public sector and prevents the public administration from becoming "digital by default". The much-needed policy and regulatory framework to foster digital skills in the public sector are non-existent. The Law on Electronic Signature of Bosnia and Herzegovina needs to be amended in order to comply with the applicable [EU Regulation on Electronic Identification, Authentication and Trust Services \(eIDAS\)](#), as well as the entity laws, to ensure interoperability and recognition among all accredited certification authorities in the country, thus enable the use of accredited and qualified e-signatures for all public services provided in Bosnia and Herzegovina. In addition, the laws on General Administrative Procedure of Bosnia and Herzegovina at state, entity and Brčko District government levels meet the standards of good administration. Electronic submissions of documents are legitimate at all government levels but largely underutilised, not inter-connected and technically challenged.

Institutional framework for digital governance: fragmented policy, regulatory and administrative frameworks and a lack of whole-of-government vision on the e-governance system in the country inevitably affect the coherence of the institutional framework which governs digital transformation,

⁸ These processes have been supported by the UK's Good Governance Fund "Support to e-government reforms and the digitalisation of services in Bosnia and Herzegovina" Project.

as well as the availability and quality of e-services. Digital governance institutional frameworks and responsibilities lie at state, entity, Brčko District, cantonal and local government levels, pertinent to their responsibilities (including for public services) as prescribed by the legal framework. Unclear responsibilities, insufficient technical capacities and leadership vision are common challenges across all government levels. Vertical and horizontal cross-governmental coordination is sporadic and ineffective to lead to a streamlined approach to digital transformation in the country. The lack of digital transformation “focal” points across government levels (except for the entity of Republika Srpska), undermines progress of the digital agenda. At the state level, the main responsibilities that pertain to e-governance and digital transformation are within the Ministry of Transport and Communications of Bosnia and Herzegovina, with certain administrative and technological horizontal support vested within the General Secretariat of the Council of Ministers. In Republika Srpska, the Ministry of Science, Technology, Higher Education and the Information Society is heading policy design and delivery in this domain, with a specialized information society sector leading the implementation of the E-Government Strategy and supporting entity-level horizontal and vertical e-governance coordination. The e-government mandate and capabilities at the level of the Federation of Bosnia and Herzegovina need to be strengthened and streamlined. At present, partial functions in this regard are held by the Ministry of Transport and Communication and the General Secretariat of the Government. The situation in this entity is particularly complex due to the availability of the cantonal government level, where e-governance policies, institutional frameworks and capacities are insufficient and not coordinated with higher government levels. In all 10 cantonal institutions, there are ICT or information and statistics units, which support digital transformation efforts, but mostly from technical and ICT maintenance viewpoint. **Digital skills** across the entire public service are at a very low level, while innovation and modern approaches to governance ([strategic foresight](#), [open data](#), [social innovation and design thinking in public services](#), [sandbox experimentation](#), etc.) are non-existent.

E-services and ICT infrastructure: e-services in Bosnia and Herzegovina are limited, scattered and unharmonized and/or incompatible across various government levels. A centralised virtual or physical management space to support whole-of-government design and delivery of e-services – particularly in the case of a highly complex governance structure like in Bosnia and Herzegovina – emerges as a relevant and logical approach. There are several “stand-alone” e-services (e.g. issuing residence permits, passports and driving licenses, identity cards, payment of contributions with tax administrations, etc.). Yet, although digitised, these are often based on a siloed approach which challenges not only their consolidation and inter-connectivity, but also the future development of a fully-fledged e-service system. For example, the Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina has the technical capacity to issue electronic identity cards (eID) for electronic identification and authentication of the citizens, including electronic signature, and is currently implementing Single-Sign-On (SSO) digital identity for citizens. However, there are numerous political and legal issues in terms of mutual recognition of eID and e-signatures at multiple government levels; hence a single eID approach is still not functional in Bosnia and Herzegovina despite all technical, regulatory pre-conditions in place. A detailed overview of the existing e-services “building blocks” which can serve as platform for further harmonised and system-wide effort are presented in *Annex IV* of this document. Despite the fact that the laws on general administrative procedures stipulate the „once only” principle, entailing that institutions will enable citizens and business provide the same information only once to the public system and that public bodies will ensure arrangements that enable internal safe and effective re-use of existing data, it is generally ineffective. In addition, there is no electronic payment for public service delivery. This implies that there are no public services which are fully digitalised and do not require (multiple) physical presence

of citizens at relevant administrative points in the system. In fact, Bosnia and Herzegovina is among the few countries in the world without a single fully transactional service provided and without a single electronic document issued by a public authority. A clear vision and a catalogue of a full range of electronic services is non-existent. Engaging citizens and business in the design of (e-)services is not the practice in the public service, which undermines the people-centric nature of public services. The ICT infrastructure is partial, while new investments in its expanding are not guided by common standards and interoperability principles. Public procurement practices for e-services and ICT displays significant need for improvement, particularly in relation to ownership, management and maintenance of new services, data and assets. Deficit in quality, efficiency and effectiveness of performance of public administration and public service delivery fails to meet expectations of citizens and businesses, which start to put pressure on governments for more business alike, customer-centric and agile public work.

Bosnia and Herzegovina faces **high levels of corruption**, with rule of law still among the top reform priorities. [Transparency International's 2023 Corruption Perceptions Index](#) showed that the country is ranked as 108th among 180 countries (what is one of the lowest ranking since 2012). Digitalisation can be a powerful tool to reduce corruption and increase transparency and accountability in the public sector.

1.5. The digital divide

People are connected to the Internet more than ever before. There are 2.37 million Internet users in the country, Internet penetration stands at 72% in 2020, while social media penetration is 52%. The number of mobile connections in Bosnia and Herzegovina equals 105% of the total population. In general, the country is well-placed to increase its share of dividends from the global digital expansion and interconnectedness.

Yet, gaps between individuals with access to modern information and communication technology and those without access persist and new ones emerge.

Digital inequality is evident between the urban and rural communities; between different socio-economic groups; less economically developed areas and more economically developed ones; as well as between educated and uneducated populations. Gender also figures in the relationship regarding the use of technology and age is a barrier towards technological change and development for many of the older generation. Individuals living with physical disabilities are often disadvantaged when it comes to accessing the Internet. They may have the necessary skills but cannot exploit the available hardware and software.

1.6. Relevant experiences and trends in the area of digital transformation in the public sector that inform the Project theory of change

Relevant recent experiences and knowledge from Bosnia and Herzegovina: the "Support to e-government reforms and the digitalisation of services in Bosnia and Herzegovina" project supported by the Government of the United Kingdom through the Good Governance Fund (finalised in March 2020), analysed the current state of e-government and e-services at state and entity government levels and developed a set of policy roadmaps and strategic frameworks for accelerating digital transformation in the public sector. At the same time, UNDP, in the framework of its digital transformation portfolio, implemented several pilot initiatives related to smart cities and digital transformation at local and cantonal government levels (2019-2020), alongside with review of the digital readiness of local and

cantonal governments to embark on the digital transformation journey (2020). The experiences, results, lessons learned, and policy recommendations serve as a foundation for this intervention, aiming to further lead the efforts towards whole-of-government digital transformation in the country.

Past experiences in e-government suggest that future efforts in this area present a unique opportunity to re-think public service delivery by applying the “walk in the citizens’ shoes” principle. This will only be possible if siloes in vision, systems, data and approaches are translated into more collaborative and people-centered e-governance in the country. Data is a valuable asset that remains untapped.

Regional and global digital transformation trends and lessons learnt: global trends and experiences come to show that governments worldwide are striving to shift from [digital as “add-on” to “digital as default”](#). To make that leap, authorities in Bosnia and Herzegovina have to make rapid and decisive changes. At a time of unprecedented technological progress, policymakers globally have become more [future-oriented](#) and adaptive to harvest the benefits – and handle the pitfalls – of horizon technology and new realities. Increasingly, [innovation labs are emerging as part of governments](#) and work together with citizens to pave the way for next generation government systems and services. More networked and collaborative modes of governance are on the rise, based on a platform way of work as a powerful means to involve many stakeholders, share knowledge and ideas. Global experiences come to demonstrate that for a key factor for successful digital transformation in the public sector is strong political leadership.

UNDP in Bosnia and Herzegovina and the British Embassy in Sarajevo have started to partner in the area of digital transformation in the public sector, jointly supporting collaboration among policy leaders and practitioners through two national conferences in 2020, as well as launched the digital transformation practitioners’ network in the country, which gained immediate interest by more than 150 members from governments across all levels. To formalise this joint commitment, the British **Embassy and UNDP signed a Memorandum of Understanding in September 2020**, publicly affirming readiness to support authorities in their digital transformation journey, towards more effective, accountable and inclusive public systems and services. This partnership is a solid foundation to build upon through this long-term project.

In the framework of this partnership, a joint Fellowship programme was designed for selected civil servants from Bosnia and Herzegovina and delivered in late 2020. The learning programme was financed by the British Embassy and delivered by the Westminster Foundation for Democracy, and it focused on the UK experiences in Digital Transformation process. This process also provided information on the strategic priorities to be addressed in the introduction of systemic e-governance in the country – that are also reflected in this proposal, as well as facilitated the informal formation of a community of “digital champions” from the public sector who will be the main counterparts and agents of change within partner institutions at local, cantonal, entity and state government levels.

II. STRATEGY

2.1. Theory of change

By eliminating key regulatory barriers and supporting the development of enabling policy environment, the Project will create better pre-conditions for accelerated digital transformation in the public sector. While supporting a symmetrical and modular approach to e-government which is part of an (informal) e-governance country system vision (as opposed to a top-down approach to system-building), the Project is more likely to overcome political and institutional divides that hamper whole-of-government e-systems and e-services. Nurturing new skills and capabilities among political leaders and public servants across all government levels is central to setting in place a critical mass of agents of change who can move forward the digital agenda in the public sector, to the benefit of all citizens – including the most vulnerable ones - and businesses. By promoting and supporting innovation in the public sector, the Project will create a “safe haven” for pilot experimentation that can then be scaled up. Continuously seeking to demonstrate how technology can bring about fast, system-wide and tangible improvements in the way public services are delivered to the citizens and businesses, will serve as a powerful motivating factor.

2.2. Links to national and international strategies and frameworks

There is no overarching strategic framework, country-wide policy vision to guide whole-of-system digital agenda in Bosnia and Herzegovina. This intervention is aligned with and contributes to the achievement of the following strategic frameworks:

- i) the [SDG Framework in Bosnia and Herzegovina 2030](#), particularly its “Good Governance” pathway;
- ii) the [Strategic Framework of Public Administration Reform in Bosnia and Herzegovina 2018-2027](#), specifically two of its reform pillars, namely “Accountability” and “Service delivery”;
- iii) the [Information Society Development Policy for Bosnia and Herzegovina 2017-2021](#);
- iv) Draft **Strategy for the development of e-government in the institutions of Bosnia and Herzegovina 2024-2028** ;
- v) the **Strategy for Development of Electronic Government of Republika Srpska 2019-2022**;
- vi) Draft **Strategy for the development of e-government in the Federation of Bosnia and Herzegovina 2021-2025 and the respective roadmap**;
- vii) the [European Digital Strategy](#), which promotes an open, democratic and sustainable digital society, while the e-government pillar is focused on a wide variety of benefits, including more efficiency and savings for governments and businesses, increased transparency, and greater participation of citizens in political life with a particular focus on: i) rethinking organisations and processes, and changing behaviour so that public services are delivered more efficiently to people; ii) cutting costs to taxpayers through a provision of e-services; iii) cross-border digital public services; iv) common framework for citizens' electronic identity management (eID); v) fostering of innovation through piloting and participation; vi) use of open standards and avoiding lock in.
- viii) From national goals to global goals: the impact of the [Agenda 2030 and the SDGs](#) cannot be overestimated as a common frame and driver for governance transformation, contributing to sustainable and inclusive growth. The intervention is guided by the SDG 16.

- ix) The [UNDP Country Programme Document 2021-2025](#), specifically the outcome “By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law”.

2.3. Hierarchy of objectives

Project goal: The Project aims to support authorities in Bosnia and Herzegovina in their journey towards the country’s digital future by promoting new capabilities and leveraging technology and innovation for more effective and inclusive governance and public service delivery.

Project output: Governments across all levels have enhanced capacities for transparent and effective policy and financial management, including digital capacity, which translates into accelerated development results, accountability, and people-centered public services.

Activity/Result 1: Enabling legal and policy environment to accelerate digital transformation in the public sector

Activity/Result 2: Effective, people-centered and efficient e-government and e-services improve the quality of life for citizens and ease of doing business

Activity/Result 3: Knowledge-sharing and networking among public sector stakeholders catalyse ideas and digital capacities



PROJECT GOAL:
SUPPORT AUTHORITIES IN BOSNIA AND HERZEGOVINA IN THEIR JOURNEY TOWARDS THE COUNTRY’S DIGITAL FUTURE BY PROMOTING NEW CAPABILITIES AND LEVERAGING TECHNOLOGY AND INNOVATION FOR MORE EFFECTIVE AND INCLUSIVE GOVERNANCE AND PUBLIC SERVICE DELIVERY

**ACTIVITY 1:
 ENABLING LEGAL AND POLICY ENVIRONMENT ACCELERATE DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR**

WHAT:
 STRATEGIC FORESIGHT ASSESSMENTS
 INCLUSIVE POLICY AND STRATEGIC FRAMEWORKS
 WHOLE-OF-GOVERNMENT VISION FOR DIGITAL TRANSFORMATION IN THE COUNTRY
 REGULATORY AND INSTITUTIONAL FRAMEWORKS
 CROSS-INSTITUTIONAL DIALOGUE AND COORDINATION
 CAPACITY AND SKILLS DEVELOPMENT

HOW:
 Innovation labs
 Workshops
 Sandbox experimentation
 Design-thinking
 Data science
 Learning-by-doing

**ACTIVITY 2:
 EFFECTIVE, PEOPLE-CENTRED AND EFFICIENT E-GOVERNMENT AND E-SERVICES IMPROVE QUALITY OF LIFE FOR CITIZENS AND EASE OF DOING BUSINESS**

WHAT:
 FUTURE GOVERNMENT ENGAGEMENT GAME (strategic foresight, sci-fi prototyping, virtual reality)
 INCLUSIVE DESIGN OF KEY E-SERVICES (all government levels)
 ICT INFRASTRUCTURE AND SMART E-(DATA) SYSTEMS
 CAPACITY DEVELOPMENT AND DIGITAL SKILLS (Digital Transformation Academy)

HOW:
 Innovation labs
 Co-design
 Open data
 Data science, machine learning, artificial intelligence
 Learning-by-doing

**ACTIVITY 3:
 KNOWLEDGE-SHARING AND NETWORKING AMONG PUBLIC SECTOR STAKEHOLDERS CATALYSE IDEAS AND DIGITAL CAPACITIES**

WHAT:
 DIGITAL GOVERNANCE NETWORK AND ITS PLATFORM
 TAPPING INTO GLOBAL KNOWLEDGE AND EXPERTISE
 DIGITAL TRANSFORMERS COMPETITION AND AWARDS (benchmarking)

HOW:
 Networking and peer-to-peer exchange
 Learning visits
 Transfer of good approaches from Europe and the world
 Advice by champions
 E-learning
 Virtual debates and events

III. RESULTS AND PARTNERSHIPS

3.1. Detailed description of activities

Activity 1: Enabling legal and policy environment to accelerate digital transformation in the public sector

Action 1.1: Innovative technology-based tools and assessments enable the people-centred design of new e-services and e-policies



Under this action, the Project will support the design and implementation of the new approaches, methodologies, and tools for policy-making at all levels of government in Bosnia and Herzegovina. At the same time, the focus will be on the harmonization and creation of blueprint models of guidelines, as well as methodologies and tools that should support strategic planning and policy – making, by leveraging potential of innovation and digital together with the best practices in public administration reform and administrative transformation. The Project will work towards piloting of such solutions, and particularly through conducting of **foresight assessments and analytical studies** that can inform the course of work and provide valuable insights on the citizens’ and businesses’ needs in relation to electronic public service delivery, digital public consultations, etc.

The Project will facilitate the creation of a harmonized methodology for accessing of digital maturity and readiness at the institutional level, enabling partners to plan their digital transformation efforts strategically, and through creation of digital transformation roadmaps as strategic and analytical tools for the introduction of ‘digital by default’ and ‘citizen first’ principles in their work and service delivery.

Action 1.2: Policy dialogue enables inclusive development of e-government policy and strategic frameworks



The Project will offer **facilitation and backstopping in the process of development of inclusive and future-looking strategic frameworks** (action plans in the area of digital transformation and e-government), as well as development of adequate **priority e-government policies** (e.g. policy and methodological framework to introduce digital skills training in the public sector, etc.) that foster the digital agenda in the public sector. These will be guided by the EU strategic direction and approaches⁹.

The Project will also facilitate institutional policy dialogue (possibly also based on a digital simulation model that can help visualise different policy options and inter-operability connections in the wider system system) and identify and support “digital champions” from the public sector, based on the competencies and responsibilities for public services across all government levels. This activity will help discussions about complementarities and optimisation in the future country digital governance system capturing: i) types of e-services at each government level (as well as their horizontal and vertical connectivity) characterised by the “[digital by default](#)” and “[once only](#)” principles); ii) main institutional structures “owning” the system (including identification of possible institutional gaps); iii) e-(data) systems as information backbone of the digital governance system (across all government levels) and interoperability. On the other hand, this activity will support digital

⁹ For example, the Project will look at relevant and quality country systems, such as the United Kingdom.

champions in testing and piloting new approaches and initiatives, serving as a 'proof of concept' for innovative ways of working and service delivery.

Action 1.3: Responsible institutions supported to lead inclusive design or amendment of priority regulatory frameworks that enable e-governance



The Project will support public consultations with relevant stakeholders and the drafting of new / amended regulatory and policy frameworks that will eliminate structural barriers and unlock digital transformation in the country. These efforts will be based on governments' specific priorities and the recommendations provided by recent situation assessments in the sector. The focus will be placed on harmonising legal frameworks with the [EU Regulation on Electronic Identification and Trust Services for Electronic Transactions in the Internal Market \(the eIDAS Regulation\)](#), to ensure predictable regulatory environment to secure seamless electronic interactions between businesses, citizens and public authorities, including electronic identification schemes to access public services and electronic trusted services (i.e. electronic signatures, electronic seals, time stamp, electronic delivery service, website authentication). Other regulatory frameworks that will be in the focus of the Project include the laws on general administrative procedures to enable online transactional services, the laws on administrative taxes, law regulating the delivery of public services in various sectors, etc.

In both the policy and regulatory areas of work, the Project will support the work and facilitation of the relevant inter-institutional and inter-governmental bodies/working groups in charge of revising and proposing new strategic and policy solutions, such as working groups on interoperability, supervisory teams for public administration reform, ministerial groups and parliamentary committees. This technical assistance will provide the opportunity for policy-makers to apply different, innovative, people-centred and inclusive approaches to policy-making in the digital transformation area. These efforts will be supported by experienced Innovation Labs in the public sector worldwide¹⁰.

Result 2: Effective, people-centred and efficient e-government and e-services improve the quality of life for citizens and ease of doing business

Action 2.1: Key e-services designed and set in function



The Project will support authorities in the **prioritisation, participatory design and setting in function of key e-services** (for citizens – G2C¹¹, businesses – G2B¹² or other institutions – G2G¹³). It will be focused on a key precondition – creation and testing of a comprehensive digital solution that will enable e-service delivery, through the development of the key building blocks (such as e-ID, e-Mailbox, digital service catalogues, digital registries and integrations, e-Payment...). It is expected that such a solution will be fully tested and piloted in at least two locations, that it will prove a full functionality and scalability to other governments and LGs, and that it will be deployed, as a holistic and harmonized digital solution, in at least 10 institutions/LGs, with at least 12 new e-services supported and set in function by the project. A Blueprint of public service delivery standards will be created, as

¹⁰ Directory of Government Innovation Labs, Apolitical: <https://apolitical.co/government-innovation-lab-directory/>.

¹¹ "G2C" – "Government to citizens", i.e. e-public services provided from government to the citizens.

¹² "G2B" – "Government to businesses", i.e. e-public services provided from government to businesses.

¹³ "G2G" - "Government to government", i.e. e-public services provided from government to other governmental institutions.

a policy and technical toolkit providing guidelines and minimum technical standards/requirements for digital service delivery.

In parallel with establishment of a digital resource, a particular focus will be on providing technical assistance and support to digital champions identified across the governments, focused on initiatives for introducing innovative ways of working and service delivery in various areas.

The Project will support governments in providing digital enablers to business and citizens that would be recognized throughout the country, the region (Western Balkans¹⁴) and the EU. Support will also be provided to piloting innovative approaches that help improve e-services (including through artificial intelligence and machine learning, blockchain and distributed ledger technology, etc.) and e-public participation.

Action 2.2: Key digital infrastructure supported



In parallel, the Project will support further improvement of digital resources, including ICT infrastructure, through setting in place interoperability “building blocks”, such as module for electronic identification, modules for data exchange and verification, module for electronic delivery, portals, catalogue of services, along with the framework for the management of shared infrastructure. In that process, support will also be offered in the area of awareness raising and capacity development for cyber security. Assistance will be offered to responsible institutions to enhance and modernise information systems and data governance across all government levels.

Action 2.3: The institutional framework and capacities for digital governance is strengthened

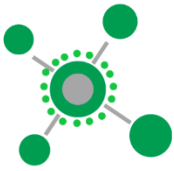


On the one side, the Project will provide on-demand technical policy and expert support for **setting in place and/or streamlining and/or strengthening capacity of the main digital transformation institutions/bodies in the public system.** Authorities will also be assisted in maintaining quality cross-institutional dialogue and coordination, including from viewpoint of meeting the functions and scope of e-services as laid out within the vision for digital transformation in the country, or interoperability matters. The Project will offer customized capacity and skills development alongside policy and regulatory processes, as well as design and deliver relevant standards, practices and redesigned processes enabling full institutionalization and embedding of innovative e-governance solutions and policies. The Project will equip policy makers and senior public servants from various sectors across all government levels with knowledge and skills that enable them to lead the transition towards agile, inclusive, and digital-ready public service. Hence, through training, on-the-job coaching built-in within the processes, and learning exchange with practitioners from the country and the world, the Project will support the creation of the first generation of digital transformation leaders and practitioners from various levels of government, so they are capable and motivated to facilitate complex change process within their institutions.

Result 3: Knowledge-sharing and networking among public sector stakeholders catalyse ideas and digital capacities

Action 3.1: Digital transformation practitioners' network established and functioning

¹⁴ Multi-annual Action Plan on Regional Economic Area in the Western Balkans ([MAP REA](#)), 2017.



The intervention will support the establishment and functioning of a **Digital Transformation Network**, which serve as a collaborative platform that enables exchange of ideas, experiences and knowledge among public sector leaders and practitioners from all government levels in the country as they go through the digital transformation journey.

The work of the digital transformation network will be supported through a **virtual space (web platform)** that enables e-learning and access to future-looking and agile e-government approaches from the country and the world, real-time peer-to-peer or group exchange among members of the network, virtual events (workshops, conferences), thematic forums and voicing thought leaders, access to resources and materials, as well as a “sandbox experimentation” space that invites open innovation in the public sector, leveraging technology, data and human genius to contribute to more inclusive and transparent government. The Project will support both virtual and physical collaboration within the network.

Action 3.2: Expert support and backstopping from advanced e-government countries provided



In order to ensure the development of digital governance in Bosnia and Herzegovina is abreast with world class e-government approaches, the Project will ensure possibility for **advice and backstopping support by affirmed and experienced international digital governance experts** and government representatives – such as the [Government Digital Service in the United Kingdom](#) - at strategic points of the process.

Action 3.3: Capacity and competence-building initiatives for digital transformation promoted and supported



The Project will support relevant initiatives for responding to specific needs when it comes to capacity and competence building within the public sector. Besides design and delivery of a customized Digital Transformation Academy, learning priorities of partner institutions will be recognized and supported, with the aim of creating “centres of excellence” within digital transformation champion institutions, which will serve as knowledge hubs and facilitate knowledge sharing among their respective administrative levels. This activity will be largely important when it comes to institutionalization and embedding of the new digital solutions and tools, and upscaling of new ways of working, piloted with partner institutions (such as e-service portals).

3.2. Resources Required to Achieve the Expected Results

The Project will be delivered through mix of internal and external expertise and deployment of specific knowledge and skills necessary for achieving Project Results. The delivery will be based on different resources and its synergetic effect: Project Team’s skills and expertise, engagement of relevant consultants for specific tasks, and procurement of different service providers, especially for complex activities of software design and development. In specific cases, necessary infrastructure supporting the functioning of digital systems can be procured.

The composition of the Project team will ensure wide range of expertise and experience necessary for a high-quality design, quality assurance, and, where appropriate, direct implementation of activities. It will also ensure quality of terms of references, contracting, and progress monitoring of the engaged consultants and service providers.

Due to the specific nature of the Project, concrete partnerships with relevant stakeholders will be created in order to create synergies, harmonized approach and role of the Project team as facilitator and adviser when it comes to digital transformation process and individual activities. Based on the signed Memorandums of Understanding, the Project will collaborate with key policymakers and executive partners at all levels of government (BiH ministry of Transport and Communications, General Secretariat of the Council of Ministers of BiH, Agency for Information and Communication Technologies of Republika Srpska, federal Ministry of Labour and Social Policy, Federal Ministry of Justice). Direct cooperation will be established with relevant cross-government bodies, such as BiH Inter-institutional and Inter-governmental Working Groups on Interoperability, enabling coordination, relevance and joint delivery and sustainability of project activities.

Finally, the Project team will also have a role of a Knowledge hub for digital transformation for the UNDP CO, and support other UNDP projects which are dealing with digital transformation priorities, ensuring better coordination, uniform approach and indirect contribution and delivery in various policy and development areas in Bosnia and Herzegovina.

3.3. Methodological approach

This intervention rests on the belief that digital transformation in the public sector is mostly about **people and new mindsets and skills**. Thus, learning and skills development in a wide range of areas will be embedded across all Project elements. All Project-introduced training programmes will use final tests and basic certifications (including, where possible – accredited by the public training system) to ensure more effective learning.

The intervention will operate in a nascent, yet highly uncertain and politically-sensitive environment. Therefore, it will place focus on innovation, future-looking policy dialogue, practical translation of visions into new modern services, that help overcome the potential political hurdles.

The Project will embrace **innovation** and will encourage innovative solutions, experimentation, agile and adaptive implementation that considers multiple elements of the complex system we aim to shift. This will be reinforced by knowledge-sharing, broad-based partnerships, sandboxes and champion awards that nurture future-looking thinking in the public sector and help translate the digital vision into development results.

As matter of principle, the Project will **not support single-point solutions** that divert or are incompatible with the wider digital governance system. Furthermore, all of the project results, and digital products will aim to become digital public goods, and fully owned by the partners by creating custom – made, non – proprietary software. All the design and development of digital products within the Project will be based on a detailed situational and ‘as – is, to – be’ analyses, and based entirely on the existing policy, regulatory and procedural frameworks of BH public administration.

In delivering customised capacity development support to stakeholders in the public sector and facilitating policy dialogue, the Project will ensure **working on-system**, i.e. using to the extent possible the existing country systems, respecting legal competencies of various government level institutions and tapping into the energy of committed partners. At the same time, the Project will keep a “healthy distance” from institutional stakeholders, ensuring that the support is strengthening capacities and skills and not substituting the efforts and responsibilities of institutional stakeholders at all government levels. The Project will seek to identify and work with motivated **agents of change**.

The Project is seen as a **conceptual platform to enable gathering like-minded donors in the area of digital transformation** in the country, thus streamlining external support in the domain and serving as a coherent assistance framework by the international community to relevant beneficiaries and change agents.

A specific aspect of the Project is its multi-dimensional role: it will serve as a 'digital transformation portfolio' which, at the one hand, is offering a dynamic support to different priority initiatives, in the scope of wider Project objective and areas of intervention. The very scope and structure of intervention will be largely based on existing priorities, relevant current national and international trends, and experiences, and partnering with digital champions and innovative experimental activities. On the other hand, the Project will serve as a facilitator and catalyst, ensuring that all these experiments are fitting into wider context and contribute to interoperable and scalable e-governance system. Finally, the Project will play the role of 'integrator' when it comes to wider UNDP's work in the area of digital transformation, supporting other projects and aligning their efforts with key priorities and achievements in the e-governance framework in Bosnia and Herzegovina.

3.3. Stakeholder analysis

Numerous stakeholders interact within and influence the broader e-government system, including state, entity, cantonal and local government level institutions, citizens and civil society organisations.

State-level stakeholders:

The Ministry of Transport and Communications of Bosnia and Herzegovina is the main institution at the state level that has the mandate to move forward the digital transformation agenda in the country. The Ministry and particularly its Communications sector is a very important stakeholder, which can have a whole-of-country coordination role in this domain. The Ministry has limited, yet strong human resources and knowledge in the area.

The General Secretariat of the Council of Ministers of Bosnia and Herzegovina, particularly its Department for Maintenance and Development of e-Business and e-Government, is also a key stakeholder, having in mind its central horizontal coordination role and support to state-level institutions. Human resources within the Department are limited. However, there is a strong interest and motivation to contribute to the e-government agenda in the country.

The Public Administration Reform Coordination Office of Bosnia and Herzegovina has an important role in horizontal and vertical cross-institutional coordination of the design and implementation of the public administration reform agenda.

The Ministry of Foreign Affairs of Bosnia and Herzegovina has a crucial role in forming country's foreign policy. It is an important state-level institutional stakeholder, holding the responsibility to provide oversight of regulatory frameworks, as well as to support transparency, open government and access to information, including domains of diaspora, diplomatic and consular network and economic diplomacy and support to local and foreign companies.

The Ministry of Justice of Bosnia and Herzegovina is also an important state-level institutional stakeholder, holding the responsibility to provide oversight of regulatory frameworks, as well as to support transparency, open government and access to information.

The Civil Service Agency of Bosnia and Herzegovina is key for the design and delivery of training programmes for state-level civil servants and elected officials.

The Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina is responsible for setting standards for identification documents, administration and maintenance of servers which contain data from central registers, hosting applications through which competent authorities conduct administrative procedures related to the issuance of identity documents, maintenance of data transmission network between institutions at all levels of government and personalization (printing) of personal documents.

The Communications Regulatory Agency of Bosnia and Herzegovina is also a relevant stakeholder that can support telecommunication infrastructure (including the fifth-generation technology for cellular networks – 5G), as well as apply technical and quality standards to ensure interconnection and functionality of public telecommunications networks and telecommunications services.

Entity-level stakeholders:

The Ministry of Scientific and Technological Development and Higher Education of Republika Srpska is the main institution in that entity which has a direct mandate and leads the implementation of the E-Government Strategy, as well as is responsible for the strategic and operational implementation of the concept of information safety and e-government; manages matters related to digital identities of legal entities and natural persons, electronic presentation and signature; the establishment of technological and informational standards. In 2023, the Information and Communications Technology Agency for Republika Srpska was established, as a body in charge for digital transformation and taking over the mandate for Information society from the Ministry.

The General Secretariat of the Government of Republika Srpska, through its Sector for IT, is responsible for the delivery of joint services to entity-level public bodies and provides support for other activities needed for the effective performance of institutions, including information technology systems.

The Civil Service Agency of Republika Srpska leads the efforts for skills and professional development of civil servants at the entity level.

The Ministry of Transport and Communications of the Federation of Bosnia and Herzegovina among other functions, is responsible for telecommunications and establishment and functioning of joint communication devices. The Ministry supports efforts in the Federation of Bosnia and Herzegovina towards e-government and e-services. Limited human resources and capacities in the digital domain.

The General Secretariat of the Government of the Federation of Bosnia and Herzegovina, among other functions, is responsible for the creation and maintenance of the e-register of administrative procedure cases in the Federation of Bosnia and Herzegovina, monitoring of implementation of the projects related to the information technology system of the government, as well as for issuing recommendations, in cooperation with the relevant bodies, related to information systems' security and interoperability among public institutions.

The Civil Service Agency of the Federation of Bosnia and Herzegovina has an important contribution in relation to the training and professional development of civil servants at the entity level. The Agency supports the Local Government Training System in the Federation of Bosnia and Herzegovina.

The Ministry of Labour and Social Policy of the Federation of Bosnia and Herzegovina performs administrative, professional, and other tasks stipulated by law related to the competencies of the Federation in the fields of: social policy, labour, pension and invalidity insurance

The Ministry of Justice of the Federation of Bosnia and Herzegovina performs tasks related to the functioning of judicial institutions and administration including particularly administrative supervision over the work of the judiciary and federal administrative bodies. There is also the Institute for Public Administration having status of a special administrative organization within the Federal Ministry of Justice, which, among other things, is responsible for the organisation of the local self-government system, the political-territorial organization of the Federation and improving the work and organizing the public administration of the Federation, as well as professional education and training of employees in FBiH administration bodies.

Cantons in the Federation of Bosnia and Herzegovina:

Cantonal authorities have a mandate and an important role to play in the overall coherent and effective e-government and e-services system in the Federation of Bosnia and Herzegovina, connecting entity with local government policies and actions in that entity. Digital skills at the cantonal level remain very limited.

Local governments country-wide:

Local governments have a critical role in the delivery of a wide range of public services to the citizens. From this viewpoint, they represent a vital "building block" in the overall e-government systems. Local governments have responsibilities for keeping and updating a series of public registers, based on their competencies. Local governments remain detached from the information systems of other government levels, except for several top-down IT systems, such as the budget, social registers, etc. Digital skills at the local level remain very limited.

Non-governmental stakeholders:

Citizens are among the most important stakeholders, at the centre of public service work. Citizens need further capacity development and opportunities to engage in public life and participate in the design and reform of public systems and services, including e-services.

The private sector is an important stakeholder, particularly the IT sector. The private sector can provide resources, solutions and knowledge in the development of the e-government and e-services. Private sector engagement in this domain, though, tends to bring single-point solutions that result in high fragmentation of the public system and no interoperability.

Universities, innovation hubs are important players that can bring applied research and innovative solutions in the design of the e-services.

Media is key for gradual change of mindset of society, helping its better understanding and awareness, as well as promoting the achievements and progress in the digital transformation area in the country.

3.4. Project beneficiaries

The table below gives an indication of the number of beneficiaries to be directly involved in and benefit from the Project.

Elected officials	
Number of elected officials who benefit from the Project	120
Administration senior staff	
Number of public administration staff engaged in digital transformation efforts and benefitting from capacity development by the Project	800
Partner institutions	
Number of ministries, agencies and LGs participating in the Project	30
Citizens	
Number of citizens who benefit from improved public services as a result of the Project (including persons with hearing and visual impairment)	At least 500,000
Businesses	
Number of businesses which benefit from improved public services as a result of the Project	At least 5000

3.5. Transversal themes

Gender equality



The Project will seek to ensure that **women and men are equally included** in and benefit from its activities. It will track changes by collecting data for **sex-disaggregated indicators** where possible and relevant. The Project will make efforts to voice, engage and support **women political leaders** at all government levels and raise their awareness and understanding on the importance of digital transformation for the overall effectiveness, accountability and transparency of public decision-making and public service delivery.

Importantly, the aspect of gender equality will be taken into consideration in the process of **designing new policy and regulatory** frameworks, based on engagement and consultation with gender equality institutions in the country.

The Project will facilitate and promote equal participation of women and men in governance processes, ensure **equal benefits for male and female from public services**.

Social inclusion and closing the digital gap



Recognising that inclusive societies are more likely to be peaceful and stable, the Project will seek to enhance social inclusion in all relevant activities, paying particular attention on ensuring socially-sensitive policy and regulatory drafting and service delivery. In the specific Project context, **socially excluded groups are those mostly affected by the digital divide** and therefore with highest risk of limited or no access to electronic services and digital governance: the poor, the digitally illiterate, persons with disabilities; Roma; the elderly.

Resilience to natural disaster shocks and crisis



By encouraging and supporting deployment of technology and digital solutions, as well as overall shift towards e-government and e-services based on real-time data, the Project will contribute to more effective, data-based **crisis monitoring and more coordinated and timely response** to natural disasters and crisis (such as, for example, floods, the COVID-19, fires, etc.), including from view of the most vulnerable population groups.

Transparency and anti-corruption



Transparency and anti-corruption aspects will be positively affected by the Project, particularly from viewpoint of ensuring **access to data and information, access to decision – making (pubic consultations) and public services, as well as transparency in public policy design and delivery**. Special attention will be paid to strengthening individual and organisational resilience to violations of integrity, embedded in emerging new digital systems and e-services.

3.6. Strategic partnerships and synergies with other relevant interventions

UNDP is often called upon to support country-wide development coordination mechanisms, assist authorities in the formulation of their development strategies and frameworks, in line with the Sustainable Development Goals. This is facilitated by long-standing UNDP partnerships with governments at all levels.

Main institutional partners

- The Ministry of Transport and Communications of Bosnia and Herzegovina;
- The General Secretariat of the Council of Ministers of Bosnia and Herzegovina;
- The Ministry of Foreign Affairs of Bosnia and Herzegovina
- The Ministry of Justice of Bosnia and Herzegovina;
- The Ministry of Security of Bosnia and Herzegovina;
- The Civil Service Agency of Bosnia and Herzegovina;
- The Public Administration Reform Coordination Office of Bosnia and Herzegovina;
- The Communications Regulatory Agency of Bosnia and Herzegovina;
- The Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina;
- The Ministry of Labour and Social policy of the Federation of Bosnia and Herzegovina
- The Ministry of Transport and Communications of the Federation of Bosnia and Herzegovina;
- The General Secretariat of the Government of the Federation of Bosnia and Herzegovina;
- The Ministry of Justice of the Federation of Bosnia and Herzegovina;
- The Civil Service Agency of the Federation of Bosnia and Herzegovina;

- The Ministry of Scientific and Technological Development and Higher Education of Republika Srpska;
- Information and Communication Technology Agency of Republika Srpska
- The Ministry for Administration and Local Self-Government of Republika Srpska;
- The Civil Service Agency of Republika Srpska;
- Cantonal governments/ministries;
- Local governments.

Partners from the international community, civil society and key programmatic synergies

This is the only project in Bosnia and Herzegovina which supports a whole-of-country and systemic e-government and e-services development. Yet, it will tap into meaningful cooperation with other relevant stakeholders working in the area of digital transformation, such as:

- The [Regional Cooperation Council \(RCC\)](#) as one of the main partners supporting digital transformation in the Western Balkan region;
- GIZ through the on-going work in the area strengthening the public administration and institutional capacity for better public service delivery.
- The European Union and the digital agenda for the Western Balkans and priority actions for Bosnia and Herzegovina;
- The World Bank Group, particularly the World Bank and the IFC;
- The United States Agency for International Development (USAID);
- Development Agencies of Sweden and Switzerland, through other UNDP projects with elements of digital transformation in the public sector.

All representatives from the international community and the International Financing Institutions interested to contribute to digital transformation in the country are welcome to join the efforts.

Donor coordination will be addressed through existing mechanisms (e.g. Public Administration Reform donor coordination group) under the auspices of the Delegation of the European Union to Bosnia and Herzegovina.

As the only comprehensive system-building digital governance intervention in the country at present, the Project is guided by the vision and standards in digital governance and e-services of the EU. As such, the intervention may also serve as a common programmatic framework for digital transformation in the public sector in Bosnia and Herzegovina and aspire interest and support by other development partners for consolidated and maximised development impact.

The Project will also partner with **civil society organisations**, particularly those which represent the collective voice of the private and public sectors:

- [BIT Alliance](#);
- Associations of Municipalities and Cities of Federation BiH and Republika Srpska;
- Business and professional associations;
- Innovation hubs.

The Project will tap into the knowledge and best practices generated through **UNDP digital transformation work regionally and globally** and will ensure collaboration with the UNDP Regional Hub in Istanbul and with global innovation networks and centres (Asia, Africa, etc.).

The Project will ensure close linkages with on-going and planned interventions implemented by UNDP in the areas of governance and public service delivery. In addition, the intervention will reinforce and complement UNDP efforts aiming to support **digital transformation in the private sector and cyber security**.

The Project will be utilising **complementarities with all relevant on-going and planned development interventions** in the area of digital governance. In addition, it will ensure synergies with the efforts of the relevant interventions supported by the UK's Good Governance Fund in Bosnia and Herzegovina and the region, including through possible facilitation of donor coordination in this area. Moreover, the Project will be in direct coordination with the GIZ-implemented "Innovation and digitalisation in SMEs in Bosnia and Herzegovina" Project and the "Strengthening of Public Institutions in Bosnia and Herzegovina" Project. Synergies will be ensured with the relevant interventions of the World Bank Group, particularly in relation to enabling environment for main e-services, such as e-construction permits, e-administrative services for businesses, as well as with the upcoming RESIST programme financed by USAID.

3.7. Risks and assumptions

The main risks related to the Project implementation are described below, together with the anticipated types of effects on its implementation and possible mitigation measures. A more detailed risk log is enclosed as *Annex III*.

Insufficient knowledge and digital skills across public institutions may slow down the digital transformation in the public sector: The Project will actively support the promotion, capacity development, and skills development of public sector officials and staff.

Delays with adopting digital transformation policy and regulatory frameworks: place government in the driving seat of all policy and regulatory processes, ensure inclusive and result-oriented policy design, and stress exemplifying the results and effects of the new strategic/regulatory frameworks. These may cause politicization of the digital agenda.

Change of government due to political coalitions and local level due to the elections in 2024 might lead to the change of individual partners in the project on the government side. This in turn will require additional time for the project to bring from the Project staff to bring the eventual new partners up to speed with the project accomplishment and goals.

Depopulation/migration of the population: the risk of people leaving the country can have devastating effects not only on the human capital, but also on the economy, governance and public services, and social life. To mitigate the risk to the extent possible, the Project will focus its efforts on improving quality of public service delivery for the citizens and businesses.

Natural hazards and disease outbreaks: these remain a likely risk, including new waves of COVID-19 crises, challenging the functioning of governments, economies and society. The Project will develop basic tools and approaches to enable potential distance learning and remote implementation of activities in times of such events.

3.8. Knowledge

A wide range of knowledge products will be developed within the Project, including digital solutions, training programmes, assessments, methodological guidance for the public sector. All these will be owned by government counterparts and handed-over for further systemic use by institutions and the public system as relevant. Training materials and methodological tools will be made available online through web knowledge platforms, as well as by handing over to civil service agencies for future use.

3.9. Use of existing country systems, mechanisms and frameworks

The Project is fully embedded within the governance system – and it will directly support capacities of public institutions and structures, functions and their strategic commitments.

3.10. Digital Solutions

The Project is focused on building a digital governance system(s) and supporting digital transformation efforts of government and partner institutions. With that in view majority of project activities include development and application of digital solutions and promotion of the use of digital technologies as a vehicle for addressing development challenges.

Due to such specific nature of the Project, particular focus is put on the quality assurance of the design, development and deployment phase of each digital solution. The approach taken is in line with UNDP's Global Policy Network take on integration digital into development, through the concept of Digital Public Goods (DPGs)¹⁵ – a crucial building blocks enabling countries to build safe, trusted and inclusive digital public infrastructure, which are increasingly becoming critical levers for helping countries achieve the Sustainable Development Goals (SDGs)¹⁶.

The Project team will ensure that all the digital solutions developed under the Project are: co-designed with partners/beneficiaries; user-centric and tailor – made, based on existing legislative, regulatory and administrative frameworks; with source code and ownership fully transferable to beneficiaries; of modular architecture which allows full scalability and ability to be re-used and re-applied; and developed on the basis of scalable and non-proprietary technologies and building blocks which a low full interoperability and connectivity, nationally and internationally.

3.11. Sustainability and scaling up

The intervention is system-building. Such transformation requires longer-term efforts, beyond the anticipated contribution by the Project first phase. Domestic ownership and result-orientation as Project underlying principles, are essential for the overall sustainability of the intervention. Further scaling up of the results will rest on system-driven approach, expanding on the fundamentals set by this Project, keeping a whole-of-government perspective.

Several built-in aspects contribute to the Project sustainability:

¹⁵ [Roadmap for Digital Cooperation_EN.pdf \(un.org\)](#)

¹⁶ [Digital Public Goods for the SDGs | United Nations Development Programme \(undp.org\)](#)

- **Policy and regulatory frameworks** that will be supported by the Project will contribute to long-term sustainability of efforts and further developments in the area of digital transformation;
- New **e-services and technical solutions will be developed with sustainability and interoperability** as guiding principles, owned by the partners and designed as digital public goods which will inherently extend the lifetime of a technical solution, its adaptability and scalability, with limited maintenance based on the capacities of the institutional partners.
- **International experiences transposed will be fully contextualised** to country needs and circumstances and adapted prior to implementation.

In addition, sustainability will be ensured through **embedded capacity development** of public system to design and deliver on the digital agenda of Bosnia and Herzegovina.

A significant part of the Project activities is aimed at supporting the establishment of long-term sustainable e-government platforms and solutions, which will enable lower maintenance and operation costs, lower environmental footprint of government work, greater transparency and reliability of public institutions, as well as easier scalability of results.

IV. PROJECT MANAGEMENT

4.1. Cost efficiency and effectiveness

One of the main Project effects is the **decrease of time and costs for citizens, businesses and governments** associated with the introduction of electronic services and digitalised government systems and administrative processes. Successful implementation of the project will also lead to streamlined processes of providing government services and consequently to huge time and money savings. The public administration will be relieved, as the integrated services and information portals fuelled by data exchange between institutions will speed up service delivery, significantly reduce the risk of mistakes associated with manual filing of paper-based forms and up-to-date public information systems based on real-time data. Also, the shift to more digitalized and automated governance systems will contribute to **reducing opportunities and the risks of engaging in corruption**.

As interoperable digital services and ICT infrastructure emerge, **the possibilities for duplication of investments in products and systems is significantly reduced**, efforts of the public administration are optimised and shifted more towards quality and user-centricity of public services rather than administrative support to workflows.

A **knowledge/expertise hub approach** is foreseen for implementing the proposed activities, to improve cost effectiveness by leveraging activities and partnerships with other initiatives and projects. In its approach, UNDP relies heavily on its global knowledge in the area of digital transformation. Apart from contributing to sustainability of results, such an approach decreases operational costs.

4.2. Project management

UNDP in Bosnia and Herzegovina will assume responsibility and accountability for the overall Project management and implementation, working in direct collaboration with all institutional partners and stakeholders.

4.4. Project monitoring, evaluation and reporting

Project monitoring

The Project will be monitored and evaluated in line with UNDP corporate standards. The main tools for organising the Project monitoring system encompass the Project results and resources framework and the risk analysis. Project monitoring will be gender-sensitive. Surveys will be developed in cooperation with the institutional partners and communications professionals. All data collection will be directly related to the project objectives and its monitoring indicators.

Project evaluation

The Project will be subject to a **mid-term participatory review** engaging all relevant stakeholders and beneficiaries, to assess progress, achievements, relevance of the intervention and its approaches. As appropriate, the mid-term review will identify the need for Project adjustments that would be considered by the Project Board. UNDP will undertake a **mid-term internal quality assurance**, as per standard UNDP corporate project quality assurance system; the results of this procedure and its recommendations will be presented to the Project Board.

The Project will undertake an independent external **Final Evaluation** in the last implementation year. In addition, UNDP will conduct a **closing internal quality assurance**, as per corporate requirements; the results and recommendations of this procedure will be presented to the Project Board.

Reporting

UNDP will prepare annual technical and financial reports, as well as progress reports for the Project Board and as requested by other Project donors.

4.5. Visibility and communication

The visibility and communication approach will ensure valuable communication about the Project's results and opportunities, while informing the public about its importance and impact. The Project will have a **visibility and communication strategy** that will guide public information sharing and targeted communication campaigns, as well as help increase its visibility throughout the country and regionally/globally.

The Project will **ensure visibility of the UK Good Governance Fund** as the main donor of the intervention in all Project materials, media information and communication with counterparts or the public.

The main **communication and visibility tools** that the Project will deploy include: social media, electronic media, blogs, information/awareness raising campaigns, events and advocacy campaigns, video promotions, etc.

4.6. Duration of the Project

The duration of the Project is 4 years and 10 months (55 months), from August 2020 to June 2025.

The financing from the UK Government, Government of Netherlands and UNDP is planned for the period April 2021 – March 2025.

In the meantime, following several joint initiatives that promote government digital transformation in the country and the signing of the [Memorandum of Understanding between the British Embassy and UNDP](#) in September 2020, both sides have already allocated initial resources for the first several months of the Project implementation.

4.7. Project budget

The total financial framework for the Project amounts to **US\$ 3,539,474.20**.

UNDP BiH has ensured US\$ 833,465.70, UNDP SDG2 US, \$302,000, UNDP TRAC 75,000 as co-financing for this Project. The total volume of financing by the UK Government amounts to US\$ 680,994.76, Government of Netherlands US\$ 783,278.91, Government of Sweden US\$400,000, Federation of Bosnia and Herzegovina US\$ 355,385.48 and Canton Sarajevo US\$ 109,349.37.

In addition, having in mind the high demand, this Project document can serve as a broader platform for other development partners to also allocate co-financing - for consolidated and maximised development impact in relation to digital transformation in the public sector in Bosnia and Herzegovina.

V. RESULTS FRAMEWORK

		Intended Outcome as stated in the draft UNSDCF/CPD 2021-2025: By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law.										
		Outcome indicator as stated in the CPD, including baseline and targets: <u>Indicator 2.1a:</u> Number of new/revised policy, strategic and regulatory frameworks designed in a collaborative, evidence-based and gender-sensitive manner. Baseline (2019): 5. <u>Indicator 2.2b:</u> Number of institutions/local/cantonal governments and/or utilities that, with UNDP support, leverage technology and innovation for: (i) policy design; and/or (ii) information systems; and/or (iii) e-services; and/or (iv) future city and urban development. Baseline (2019): 1 institution; 1 city; 5 municipalities; 1 canton, 0 utilities. Target (2025): 5 institutions; 3 cities; 20 municipalities; 3 cantons; 20 utilities. Target (2025): 25. Corruption Perception Index for Bosnia and Herzegovina. Baseline (2022): Bosnia and Herzegovina ranks 111th.										
		Applicable Output(s) from the UNDP Strategic Plan: Output 3.2. Functions, financing and capacity of sub-national level institutions enabled to deliver improved basic services and respond to priorities voiced by the public. Output 7.6. Innovations enabled for development solutions, partnerships and other collaborative arrangements.										
		Project title and Atlas Project Number: Award ID: BIH10/00126507, Output ID: 00120553										
EXPECTED OUTPUT AND ACTIVITIES	INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)						DATA COLLECTION METHODS & RISKS	
			Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	FINAL (2025)		
Project output: Governments across all levels have enhanced capacities for transparent and effective policy and financial management, including digital capacity, which translate into accelerated development results, accountability and people-centred public services.	Activity 1: Enabling legal and policy environment accelerate digital transformation in the public sector	1.1 Number of successfully supported policy, strategic and regulatory initiatives for digital transformation.	Official government information; monitoring reports from SIGMA, EU and UNDP	0	2020	3	5	5	5	7	25	Review, assessment
		1.2 Number of institutions/LGs with strategic framework for digital transformation in place	Official government information; Analyses; external research and reports	0	2020	5	5	10	10	10	40	Assessment
	Activity 2: Effective, people-centred, and efficient e-government and e-services improve the quality of life for citizens and ease of doing business	2.1 Number of fully deployed digital 'one – stop – shops' enabling electronic service delivery and all relevant building blocks, based on interoperable design standards	Official government reports; government web portals	0	2020	0	2	3	5	10	20	Assessment Feedback from users
		2.2 Number of implemented innovative digital solutions, providing e-services and two – way communication with the public sector for citizens and businesses public elected officials and	UNDP Project reports. Official government reports; government web portals; media	0	2020	2	3	5	5	5	20	Review of reports and materials, Official Government procedures and documents, reports on digital solutions, users, procedures etc.
		2.3. Number of citizens and businesses benefiting from digital solutions and access to e-services	UNDP Project records, feedback from citizens, records from consultations	N/A	2020	At least 100 (40% female)	At least 1000 (40% female)	At least 10,000 (40% female)	At least 100,000 (40% female)	At least 250,000 (40% female)	At least 500,000 (40% female)	Review, assessments, official statistics, web analytics
		2.4 Number of citizens from vulnerable categories who use the e-services introduced with the Project support	Government records, government portals/websites	N/A	2020	0	0	75,000 (at least 40% women)	125,000 (at least 40% women)	200,000 (at least 40% women)	300,000 (at least 40% women)	Websites, review of reports and materials.
		2.5 Number of businesses which use the e-services as a result of the Project	Government records	N/A	2020	1,000	1,500	2,000	3,000	4,000	Up to 5,000 in total	Review of reports and materials.

	Activity 3: Knowledge-sharing and networking among public sector stakeholders catalyse ideas and digital capacities	3.1 Number of public servants who are members of the digital transformation network	Digital transformation network platform	N/A	2020	100 (at least 40 % women)	200 (at least 40 % women)	250 (at least 40 % women)	300 (at least 40 % women)	350	Up to 400 in total	Review of reports and materials.
		3.2 Frequency and attendance of the Digital Transformation Network events annually	Records from the network events (videos, attendance records, etc.)	N/A	2020	At least 2 events annually, with at least 70 participants each (among whom 40% women)	At least 2 events annually, with at least 100 participants each (among whom 40% women)	At least 2 events annually, with at least 120 participants each (among whom 40% women)	At least 3 events annually, with at least 120 participants each (among whom 40% women)	At least 3 events annually, with at least 120 participants each (among whom 40% women)	At least 12 events in total , with at least 120 participants in each event (among whom 40% women)	Videos, attendance records, etc.
		3.2 Number of public sector officials and civil servants benefiting from the training and capacity building programmes	UNDP programme reports. Media.	N/A	2020	100 (at least 40 % women)	150 (at least 40 % women)	150 (at least 40 % women)	200 (at least 40 % women)	200 (at least 40 % women)	Up, to 800 in total (at least 40 % women)	Media reviews. Interviews with partners

VI. MONITORING AND EVALUATION

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the results and resources framework will be collected and analysed to assess the progress of the project in achieving the agreed results.	Bi-monthly	- Keep updated monitoring framework - Communicate progress or delays with key institutional partners.	UNDP Partner institutions	
Progress review, in line with donors procedures/requests	Progress against the set Project results and monitoring framework.	Quarterly	- Keep updated the donors on the Project status and progress.	UNDP donors	
Collect stakeholder feedback and evidence on contextual changes, and operational performance	Appropriate and credible data and documents will be collected and properly maintained as evidence for monitoring and reporting.	Quarterly, or in the frequency of the Project Board review	Slower than expected progress will be addressed by the Project management.	UNDP Partner institutions	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Bi-monthly	- Keep an updated risk log - Apply early warning approaches to anticipate risks - Consider lessons learnt from relevant experiences in this domain	UNDP	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively shared with other interventions.	At least annually	- Keep a process journal capturing lessons and insights from the journey - Collect and share best practices	UNDP	
Annual Project Quality Assurance	The quality of the Project will be assessed against UNDP's quality standards to identify its strengths and weaknesses and to inform management decision for its improvement.	Annually	Perform annual quality assurance on the implementation.	UNDP	
Project Review	The Project governance mechanism (i.e., the Project Board) will hold regular reviews to assess the performance of the Project and review the Multi-Year Work Plan to ensure realistic budgeting. In the Project final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Bi-annually	Facilitate inclusive Project review. Capture strategic findings and recommendations and present them to the Project Board for further actions and decisions, as necessary.	UNDP Project Board Project partners	
Project monitoring budget is 1 % from the total budget generated through regular Project activities and already included in the total Project budget					50,000 USD

Evaluation Plan

<i>Evaluation Title</i>	<i>Partners (if joint)</i>	<i>Related Strategic Plan Output</i>	<i>UNDAF/CPD Outcome</i>	<i>Planned Completion Date</i>	<i>Key Evaluation Stakeholders</i>	<i>Cost and Source of Funding</i>
Final Project Evaluation	All institutions as decided by governments at all levels represented in the Project Board.	Output 3.2. Functions, financing and capacity of sub-national level institutions enabled to deliver improved basic services and respond to priorities voiced by the public.	By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law.	July 2025	UNDP	USD 20,000

VII. MULTI-YEAR WORK PLAN

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year					RESPONSIBLE PARTY	PLANNED BUDGET	Budget Description	Amount
			Y1	Y2	Y3	Y4	Y5				
OUTPUT:	Activity 1: Enabling legal and policy environment accelerate digital transformation in the public sector	1.1 Develop innovative technology-based tools and assessments that enable people-centered design of new e-services and e-policies						UNDP	UK GGF	Contractual Services	66,258.96
							UNDP				40,686.29
		1.2 Support policy dialogue to enable inclusive development of e-government policy and strategic frameworks							UK GGF	Contractual Services Personal Training	54,594.10
		1.3 Assist responsible institutions to lead inclusive design or amendment of priority regulatory frameworks that enable e-governance							Unfunded	Training	30,000.00
	Sub-Total for Activity 1										191,539.35
	Activity 2: Effective, people-centred and efficient e-government and e-services improve quality of life for citizens and ease of doing business	2.1 Support design and setting in function of key e-services						UNDP	UNDP	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	522,532.82
									UK GGF	Contractual Services Personnel	246,434.05
							Netherlands		Contractual Services Training Hardware Communication Visibility	116,137.27	

	and digital capacities						UK GGF	Contractual Services Training Travel Communication Visibility	23,197.34
		3.2 Facilitate expert support and backstopping from advanced e-government countries					UNDP	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	20,000.00
		MONITORING					UNDP	Contractual Services	27,000.00
		Sub-Total for Activity 3							165,893.67
Project management, project staff and admin-finance costs	Project Manager						UNDP	Personnel	22,916.90
							UK GGF		15,546.12
							Netherlands		26,539.00
	Project Associate						UNDP	Personnel	13,774.73
							UK GGF		12,478.81
							Netherlands		12,032.54
	E-Services Specialist						UNDP	Personnel	29,260.32
							UK GGF		23,869.05
							Netherlands		15,094.89
							Unfunded		30,800.00
	Governance Specialist						UNDP TRAC2	Personnel	16,800.00

						Unfunded		20,412.00
Data Analyst and Engineer						Netherlands	Personnel	15,096.30
						Unfunded		16,103.70
Project Coordinator						Unfunded	Personnel	31,531.86
Project Assistant						Unfunded	Personnel	16,800.00
Programme Operation support						UK GGF	Personnel	647.13
						Unfunded		3,400.00
Rent						UK GGF	Office rent	3,692.14
Office material- supplies						Unfunded	Office material-supplies	246.30
Communication						UNDP	Communication costs	800.00
						UK GGF	Communication costs	801.01
Miscellaneous						Unfunded	Miscellaneous	850.00
Running costs						Unfunded	Running cost	3,400.00
<i>Sub-Total for Project management, staff and admin-finance</i>								332,892.80
TOTAL PROGRAMME COST							UNDP DTPS	767,667.40
							UK GGF	637,816.13
							Netherlands	184,900.00
							UNDP TRAC2	75,000.00
							Unfunded	1,370,586.12
<i>INDIRECT COSTS - GMS at 8% or 3% of subtotal of direct programme costs</i>							UNDP	61,413.39
							UK GGF	50,234.84
							Netherlands	14,792.00
							Unfunded	87,413.88

TOTAL PROJECT COST		3,249,823.76
Total funded project budget		1,791,823.76
	UNDP	829,080.79
	UNDP TRAC2	75,000.00
	UK GGF	688,050.97
	Netherlands	199,692.00
Total unfunded		1,458,000.00

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year					RESPONSIBLE PARTY	PLANNED BUDGET	Budget Description	Amount
			Y1	Y2	Y3	Y4	Y5				
OUTPUT:	Activity 1: Enabling legal and policy environment accelerate digital transformation in the public sector	1.1 Develop innovative technology-based tools and assessments that enable people-centred design of new e-services and e-policies						UNDP	UK GGF	Contractual Services	66,258.96
							UNDP		40,686.29		
		1.2 Support policy dialogue to enable inclusive development of e-government policy and strategic frameworks							UK GGF	Contractual Services Personal Training	54,594.10
		1.3 Assist responsible institutions to lead inclusive design or amendment of priority regulatory frameworks that enable e-governance							Unfunded	Training	30,000.00
		Sub-Total for Activity 1									

Activity 2: Effective, people- centred and efficient e- government and e-services improve quality of life for citizens and ease of doing business	2.1 Support design and setting in function of key e-services					UNDP	UNDP	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	522,532.82
							UK GGF	Contractual Services Personnel	246,434.05
							Netherlands	Contractual Services Training Hardware Communication Visibility	116,137.27
	2.2 Support the key digital infrastructure					UNDP	Unfunded	Contractual Services Personnel Training	102,751.62
							Unfunded	Contractual Services Personnel Training	834,621.42
	2.3 Strengthen institutional framework and capacities for digital governance					UNDP	UNDP TRAC2	Software/ Hardware	58,200.00
							Unfunded	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	238,916.33

								UK GGF	Contractual Services	190,297.42
	MONITORING							UNDP	Contractual Services	15,000.00
	Sub-Total for Activity 2									2,324,890.94
Activity 3: Knowledge-sharing and networking among public sector stakeholders catalyse ideas and digital capacities	3.1 Support the establishment of the digital transformation practitioners' network						UNDP	UNDP	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	95,696.33
								UK GGF	Contractual Services Training Travel Communication Visibility	23,197.34
	3.2 Facilitate expert support and backstopping from advanced e-government countries						UNDP	Unfunded	Contractual Services Personnel Training Software/ Hardware Travel Communication Visibility	20,000.00
	MONITORING							UNDP	Contractual Services	27,000.00
	Sub-Total for Activity 3									165,893.67
Project management, project staff and admin-finance costs	Project Manager						UNDP	UNDP	Personnel	22,916.90
						UK GGF		15,546.12		
						Netherlands		26,539.00		
	Project Associate					UNDP		Personnel	13,774.73	

	UK GGF	637,816.13
	Netherlands	184,900.00
	UNDP TRAC2	75,000.00
	Unfunded	1,349,833.23
INDIRECT COSTS - GMS at 8% of subtotal of direct programme costs	UNDP	61,413.39
	UK GGF	50,234.84
	Netherlands	14,792.00
	Unfunded	107,986.66
TOTAL PROJECT COST		3,249,643.65
Total funded project budget		1,681,923.76
	UNDP	829,080.79
	UNDP TRAC2	75,000.00
	UK GGF	688,050.97
	NL	89,792.00
Total unfunded		1,567,719.89

Pursuant to paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018, the funding partner agrees that an amount corresponding to 1% of the contribution to UNDP shall be paid to fund the United Nations Resident Coordinator System. This amount, hereinafter referred to as the "coordination levy" will be held in trust by UNDP until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund for the reinvigorated Resident Coordinator system, which has been established to fund the UN Resident Coordinator System and is managed by the United Nations Secretariat.

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The Project governance structure comprises the **Project Board**, the **Project Assurance** and the **Project Manager with the Project Team**, interacting with partners and all interested stakeholders.

Additionally, the Project will establish a roster of relevant individual experts/consultants with specific expertise both from the public and private sector, and who will be in charge of ensuring high quality of implementation and capacities for scope and volume of activities. This resource will also ensure adaptive programming and delivery and increase capacity of the Project team to timely respond to ever-changing priorities and requests for support from partners.

The **Project Board** will be the group responsible for making, by consensus, management decisions for the Project when guidance is required by the Project Manager, including recommendations for approval of Project plans and revisions. Based on the approved annual work plan, the Project Board supervises the overall implementation progress and authorizes any major deviation. It provides strategic guidance, as well as gives final approval to selected strategic and operational issues. The Project Board ensures that required resources are committed and arbitrates on any conflicts within the Project or negotiates a solution to any problems between the Project and external bodies. The Project Board will meet at least twice per year, or as necessary when raised by the Project Manager. Members of the Project Board will be designated representatives from state and both entity government levels, the Embassy of the United Kingdom, UNDP and other potential donors.

The **Project Assurance** role supports the Project Board by carrying out objective programmatic oversight and monitoring functions. This role ensures appropriate Project management milestones are managed and completed. Project Assurance has to be independent of the Project Manager. The role of Project Assurance will be performed by the relevant UNDP programme structure as designated by the UNDP Resident Representative.

The **Project Team** will comprise the National Project Manager and core team members. The Project Team will be secretariat to the Project Board.

The **Project Manager** has the authority to run the Project on behalf of UNDP. The Project Manager will have the responsibility to ensure that the Project produces the required results that can achieve the benefits defined in this document. S/he will be responsible for day-to-day management and will ensure that the Project produces the results specified, to the required corporate standards and within the constraints of time and cost.

The Project will have the following core **team members**: 1 E-Government Specialist, 2 E-Services Design Specialist, 1 Legal Specialist, 1 Governance Specialist, 1 Data Analyst and Engineer, 1 project Coordinator, 1 Project Assistant and 1 Project Associate.

The Project will have its main office in Sarajevo and will establish field presence in Banja Luka through its office in Banja Luka to ensure proximity to main institutional partners.

The Project will be supported on part-time basis by other UNDP staff, namely the Governance Chief Technical Advisor, the Accelerator Lab, the programmatic quality assurance, the Programme Operations Support Staff, and the PR and Communication Specialist.

IX. LEGAL CONTEXT

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

The United Nations Sustainable Development Cooperation Framework (UNSDCF) in Bosnia and Herzegovina for the period 2021-2025 (*expected to be signed by the Council of Ministers of Bosnia and Herzegovina and the UN by the end of 2020*), as well as the [UNDP Country Programme Document 2021-2025 approved by the Executive Board in September 2020](#) represent the basis for these activities of UNDP in the country.

This Project will be implemented by UNDP in accordance with its financial regulations, rules, practices and procedures.

X. RISK MANAGEMENT

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS).
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the Project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and Project-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:
 - a. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
 - b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the

responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.

- c. Each responsible party, subcontractor and sub-recipient (each a "sub-party" and together "sub-parties") acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

(a) In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

- d. In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:

(i) Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

(ii) Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;

(iii) Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and status thereof;

(iv) Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

- (v) Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
- e. Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
- f. Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.
- g. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.
- h. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- i. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.

- j. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud, corruption other financial irregularities with due confidentiality.
- k. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

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

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

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

XI. ANNEXES

Annex I: Project Quality Assurance Report

<https://intranet-apps.undp.org/ProjectQA/Forms/Design?fid=5586&year=2020&ou=BIH&pid=00124413&fltr=PROJECT>

Annex II: Social and Environmental Screening

Annex III: Risk Analysis.

Annex IV: Project Board Terms of Reference and TORs of key management positions. The standard Project Board TOR can be found [here](#).

Annex V: Project Budget

Annex VI: A detailed overview of the existing e-services "building blocks" which can serve as platform for further harmonised and system-wide effort

Annex VII: Minutes from the meeting of the Local Project Appraisal Committee (13 July 2020)

Annex II: Social and Environmental Screening

Project Information

Project Information	
1. Project title	Digital transformation in the public sector in Bosnia and Herzegovina
2. Project number	Award ID: BIH10/00126507, Output ID: 00120553
3. Location	Bosnia and Herzegovina

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
Briefly describe in the space below how the Project mainstreams the human-rights based approach
The Project document does not explicitly elaborate on human rights it addresses nor it provides reference to the standards adhered to. However, recognising that inclusive societies are more likely to be peaceful and stable, the Project will seek to enhance social inclusion in all relevant activities, paying particular attention on ensuring socially-sensitive policy and regulatory drafting and service delivery. In the specific Project context, socially excluded groups are those mostly affected by the digital divide and therefore with highest risk of limited or no access to electronic services and digital governance: the poor, the digitally illiterate, persons with disabilities; Roma; the elderly.
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
The Project will seek to ensure that women and men are equally included in and benefit from its activities. It will track changes by collecting data for sex-disaggregated indicators where possible and relevant. The Project will make efforts to voice, engage and support women political leaders at all government levels and raise their awareness and understanding on the importance of digital transformation for the overall effectiveness, accountability and transparency of public decision-making and public service delivery. Importantly, the aspect of gender equality will be taken into consideration in the process of designing new policy and regulatory frameworks, based on engagement and consultation with gender equality institutions in the country. The Project will facilitate and promote equal participation of women and men in governance processes, ensure equal benefits for male and female from public services.
Briefly describe in the space below how the Project mainstreams environmental sustainability
By encouraging and supporting deployment of technology and digital solutions, as well as overall shift towards e-government and e-services based on real-time data, the Project will contribute to more effective, data-based crisis monitoring and more coordinated and timely response to natural disasters and crisis (such as, for example, floods, the COVID-19, fires, etc.), including from view of the most vulnerable population groups.

Part B. Identifying and managing social and environmental risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any "Yes" responses). If no risks have been identified in Attachment 1 then note "No Risks Identified" and skip to Question 4 and Select "Low Risk". Questions 5 and 6 not required for Low Risk Projects.</i>	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>		QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk description	Impact and probability (1-5)	Significance (Low, Moderate, High)	Comments
Risk 1: There a potential risk that duty-bearers do not have the capacity to meet their obligations in the Project.	I = 2 P = 2	Low	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks. The lack of capacity and commitment of policymakers to digital transformation, insufficient knowledge and digital skills across public institutions may slow down

				the speed of digital transformation in the public sector: the Project will actively support promotion, capacity development and skills development of public sector officials and staff. Delays with adopting digital transformation policy and regulatory frameworks: place government in the driving seat of all policy and regulatory processes, ensure inclusive and result-oriented policy design and stress on exemplifying the results and effects by the new strategic/regulatory frameworks.
Risk 2: The potential outcomes of the Project could be sensitive or vulnerable to potential impacts of climate change.	I = 2 P = 2	Low		Climate change remains a risk challenging the functioning of governments, economies and society. The Project will ensure alternate strategies and plans are in place to enable implementation of the Project in changed circumstances.
Risk 3: The Project result in potential to increase health risks related to COVID-19 pandemic	I=2 P=3	Low to moderate		The Project will develop basic tools and approaches to enable potential distance learning and remote implementation of activities in times of such events.
QUESTION 4: What is the overall Project risk categorization?				
Select one (see SESP for guidance)		Comments		
Low Risk		<input checked="" type="checkbox"/>	The project is assessed as a low risk category, particularly from human rights, climate change and health aspects viewpoint.	
Moderate Risk		<input type="checkbox"/>		
High Risk		<input type="checkbox"/>		
QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?				
Check all that apply		Comments		
Principle 1: Human Rights		<input checked="" type="checkbox"/>	N/A	
Principle 2: Gender Equality and Women's Empowerment		<input type="checkbox"/>	N/A	
1. Biodiversity Conservation and Natural Resource Management		<input type="checkbox"/>	N/A	
2. Climate Change Mitigation and Adaptation		<input checked="" type="checkbox"/>	N/A	
3. Community Health, Safety and Working Conditions		<input checked="" type="checkbox"/>	N/A	
4. Cultural Heritage		<input type="checkbox"/>	N/A	
5. Displacement and Resettlement		<input type="checkbox"/>	N/A	
6. Indigenous Peoples		<input type="checkbox"/>	N/A	
7. Pollution Prevention and Resource Efficiency		<input type="checkbox"/>	N/A	

Final Sign Off

Signature	Date	Description
QA Assessor		Amra Zorlak, Monitoring and Evaluation Analyst
QA Approver		Sukhrob Khoshmukhamedov, Deputy resident Representative
PAC Chair		Marina Dimova, Chief Governance Technical Adviser

SESP Attachment 1. Social and environmental risk screening checklist

Checklist Potential Social and Environmental Risks	
Principles 1: Human Rights	Answer (Yes/No)

1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups?	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	Yes
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ¹⁷ greenhouse gas emissions or may exacerbate climate change?	No

¹⁷ In regard to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	Yes
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labour standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect, and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions?	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to the screening question 6.3 is "yes" the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No

6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

Annex III: Risk assessment

#	Event	Cause	Impact(s)	Risk Category and Sub-category (including Risk Appetite)	Impact, Likelihood & Risk Level (see Annex 3 Risk Matrix)	Risk Valid From/To	Risk Owner (individual team accountable for managing the risk)	Risk Treatment and Treatment Owner
1	There is a risk that delay/failure in policy/regulatory agenda advocated for by the Project will occur	As a result of political instability in the country	Which will impact in possibilities and level of delivery of certain project activities	7. STRATEGIC (7.6. Change/turnover in government) - UNDP Risk Appetite: OPEN TO SEEKING	Likelihood: 2 - Low likelihood Impact: 4 - Extensive Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 12-Aug-20 To: 30-Jun-25	... Project Team GG Sector Project Board	Risk Treatment 1.1: ... Careful monitoring of the political context Risk Treatment Owner:: Project Team/GG Sector Risk Treatment 1.2: Joint decisions on the new approaches Risk Treatment Owner: Project Board Risk Treatment 1.3: Strategic and policy dialogue with key partners Risk Treatment Owner: GG Sector
2	There is a risk that delay/failure in the introduction of the e-government principles in the public sector will occur	As a result of Insufficient knowledge, understanding and digital skills across public institutions	Which will impact in slowing down the speed and scope of digital transformation in the public sector	3. OPERATIONAL (3.5. Partners' engagement) - UNDP Risk Appetite: EXPLORATORY TO OPEN	Likelihood: 4 - Highly likely Impact: 4 - Extensive Risk level: SUBSTANTIAL (equates to a risk appetite of OPEN)	From: 12-Aug-20 To: 30-Jun-25	Project Team GG Sector	Risk Treatment 2.1: The Project will actively support promotion and advocacy efforts of key partners Risk Treatment Owner: Project team Risk Treatment 2.2: Project team will ensure co-design, policy dialogue and

#	Event	Cause	Impact(s)	Risk Category and Sub-category (including Risk Appetite)	Impact, Likelihood & Risk Level (see Annex 3 Risk Matrix)	Risk Valid From/To	Risk Owner (individual team accountable for managing the risk)	Risk Treatment and Treatment Owner
								<p>coordination with key partners Risk Treatment Owner: Project team</p> <p>Risk Treatment 2.3: Project will ensure relevant capacity development and skills development of public sector officials and staff Risk Treatment Owner: Project Team</p>
3	There is a risk that the pace of introducing digital governance culture and approaches in administration will be reduced	As a result of reluctance to behavioural change in the public sector	Which will impact in undermining the digital government agenda	1. SOCIAL AND ENVIRONMENTAL (1.12. Stakeholder engagement) - UNDP Risk Appetite: CAUTIOUS	<p>Likelihood: 4 - Highly likely</p> <p>Impact: 3 - Intermediate</p> <p>Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)</p>	From: 12-Aug-20 : 30-Jun-25	Project Team GG Sector	<p>Risk Treatment 3.1: The Project will ensure continual, flexible and long-term sensitization and awareness raising activities as accompanying approaches in all interventions- Risk Treatment Owner: Project Team</p> <p>Risk Treatment 3.2: The Project will ensure relevant co-design, policy dialogue and preparatory/analytical background for all activities. Risk Treatment Owner: Project Team</p> <p>Risk Treatment 3.3: Demonstrated motivation, commitment and participation will be main</p>

#	Event	Cause	Impact(s)	Risk Category and Sub-category (including Risk Appetite)	Impact, Likelihood & Risk Level (see Annex 3 Risk Matrix)	Risk Valid From/To	Risk Owner (individual team accountable for managing the risk)	Risk Treatment and Treatment Owner
								selection criteria for partner institutions. Risk Treatment Owner: GG Sector
4	There is a risk of delay in adopting and institutionalizing digital transformation policy and regulatory frameworks	As a result of delays/failure in policy/regulatory agenda advocated for by the Project	Which will impact in operationalization and implementation of activities/results	6. REGULATORY (6.1. Changes in the regulatory framework within the country of operation) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 4 - Highly likely Impact: 3 - Intermediate Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 1-Jan-21 To: 30-Jun-25	...	Risk Treatment 4.1: ... Risk Treatment Owner: ... Risk Treatment 4.2: ... Risk Treatment Owner: ... Risk Treatment 4.3: ... Risk Treatment Owner: ...
5	There is a risk that Natural hazards and disease outbreaks	As a result of COVID 19 pandemic and global health situation	Which will impact in significant delays and ability of all parties to commit and deliver expected activities/results	1. SOCIAL AND ENVIRONMENTAL (1.6. Community health, safety and security) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 3 - Moderately likely Impact: 4 - Extensive Risk level: SUBSTANTIAL (equates to a risk appetite of OPEN)	From: 20-Aug-20 To: 31-Dec-23	...	Risk Treatment 5.1: The Project will have a flexible approach, including reprogramming of activities to respond to the emerging needs. Risk Treatment Owner:: Project Team Risk Treatment 5.2: The Project will develop basic tools and approaches to enable potential distance learning and remote implementation of activities in times of such events. Risk Treatment Owner:: Project Team Risk Treatment 5.3: In relation to COVID-19 crisis, the Project will embed the aspect of public health crisis

#	Event	Cause	Impact(s)	Risk Category and Sub-category (including Risk Appetite)	Impact, Likelihood & Risk Level (see Annex 3 Risk Matrix)	Risk Valid From/To	Risk Owner (individual team accountable for managing the risk)	Risk Treatment and Treatment Owner
								in the design of the e-services design. Risk Treatment Owner: Project Team
6	There is a risk of intensive depopulation/migration of population	As a result of political, economic and social instability and geographical distribution of inequalities	Which will impact in devastating effects on the economy, governance and public services, and social life.	1. SOCIAL AND ENVIRONMENTAL (1.8. Displacement and resettlement) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW (equates to a risk appetite of MINIMAL)	From: 20-Aug-20 To: 30-Jun-25	...	Risk Treatment 6.1: To mitigate the risk to the extent possible, the Project will focus its efforts on improving quality of public service delivery and accessibility for the citizens and businesses Risk Treatment Owner: Project Team Risk Treatment 6.2: The Project will focus its support and activities toward multi-tier results, ensuring benefits for social inclusion, support to marginalized groups and overall focus on citizens' demand. Risk Treatment Owner: Project Team

Annex 4. PROJECT BOARD TERMS OF REFERENCE

UNDP Standard Terms of Reference (ToR) for the Project Board of Digital Transformation in the Public Sector in Bosnia and Herzegovina Project

I. Background

All UNDP projects must be governed by a multi-stakeholder board or committee established to review performance based on established monitoring and evaluation metrics and high-level implementation issues to ensure quality delivery of results. For the purpose of this ToR and to ensure standardization, henceforth, as regards project documentation, such a body shall only be referred to one name: 'Project Board'. The Project Board is the most senior, dedicated oversight body for a UNDP 'Development Project', which is defined in the PPM as an instrument where UNDP "Delivers outputs where UNDP has accountability for design, oversight and quality assurance of the entire project."

II. Duties and Responsibilities

The two prominent (mandatory) roles of the Project Board are as follows:

- 1) High-level oversight of the project.** This is the primary function of the Project Board. The Project Board reviews evidence of project performance based on monitoring, evaluation and reporting, including progress reports, monitoring missions' reports, evaluations, risk logs, quality assessments, and the combined delivery report. The Project Board is the main body responsible for taking corrective actions as needed to ensure the project achieves the desired results. And its function includes oversight of annual (and as-needed) assessments of any major risks to the programme or project, and related decisions/agreements on any management actions or remedial measures to address them effectively.

The Project Board also carries the role of quality assurance of the project taking decisions informed by, among other inputs, the project quality assessment. In this role the Board is supported by the quality assurer, whose function is to assess the quality of the project against the corporate standard criteria. This function is performed by a UNDP programme or monitoring and evaluation officer to maintain independence from the project manager regardless of the project 's implementation modality.

The Project Board reviews updates to the project risk log.

- 2) Approval of key project execution decisions.** The Project Board has an equally important, secondary role in approving certain adjustments above provided tolerance levels, including substantive programmatic revisions (major/minor amendments), budget revisions, requests for suspension or extension and other major changes (subject to additional funding partner/donor requirements).

The Project Board is responsible for making management decisions by consensus when required, including the approval of project plans and revisions, and the project manager's tolerances. The Project Board approves annual work plans and reviews updates to the project risk log.

In cases where UNDP or a national government entity are concurrently playing roles and represented in both layers of the project organization structure, the entity must seek to separate its project oversight and implementation duties and describe in the relevant project document a: 1) satisfactory internal institutional arrangement for the separation of oversight and implementation functions in different departments of said entity and; 2) clear lines of responsibility, reporting and accountability within the entity between their oversight and implementation functions.

In order to ensure UNDP's ultimate accountability, the Project Board decisions should be made in accordance with [the Quality Standards for Programming](#) that shall ensure management for development results, best value money, fairness, integrity, transparency and effective national and international competition. An effective Project Board needs credible data, evidence, quality assurance and reporting to aid decision making (see next

section on supporting functions to the Board). The Project Board also needs to be accountable to protect against conflicts of interest and fraud.

Specific responsibilities of the Project Board include the following:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints, and promote gender equality and social inclusion (LNOB) in the project implementation;
- Review project performance based on monitoring, evaluation and reporting, including standard quality assurance checks, progress reports, risk logs, spot checks/audit reports and the combined delivery report;
- Address any high-level project issues as raised by the project manager and project assurance;
- Provide guidance on emerging and/or pressing project risks and agree on possible mitigation and management actions to address specific risks (including ensuring compliance with UNDP's Social and Environmental Standards, Fraud/corruption, Sexual Exploitation and Abuse and Sexual Harassment);
- Agree or decide on project manager's tolerances as required, within the parameters set by UNDP ([Manage Change](#) in the PPM) and the donor, and provide direction and decisions for exceptional situations when the project manager's tolerances are exceeded;
- Advise on major and minor amendments to the project within the parameters set by UNDP and the donor;
- Agree or decide on a project suspension or cancellation, if required;
- Provide high-level direction and recommendations to the project management unit to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Receive and address project level grievance, including overseeing whatever specific compliance and stakeholder response (or grievance) mechanisms have been put in place so that individuals and communities potentially affected by the project have access to effective mechanisms and procedures for raising concerns about the social and environmental performance of the project.
- Engage in the low value grant selection process where there is no Grant Selection Committee, as guided by the [Low Value Grants – UNDP Operational Guide](#).

Additional responsibilities of the Project Board can include, but are not limited to, the following:

- Appraise the annual project implementation report, including the quality assessment rating report;
- Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;
- Act as an informal consultation mechanism for stakeholders;
- Approve the Project Inception Report, Mid-term Review and Terminal Evaluation reports and corresponding management responses;
- Review the final project report package during an end-of-project review meeting to discuss lessons learned and opportunities for scaling up;

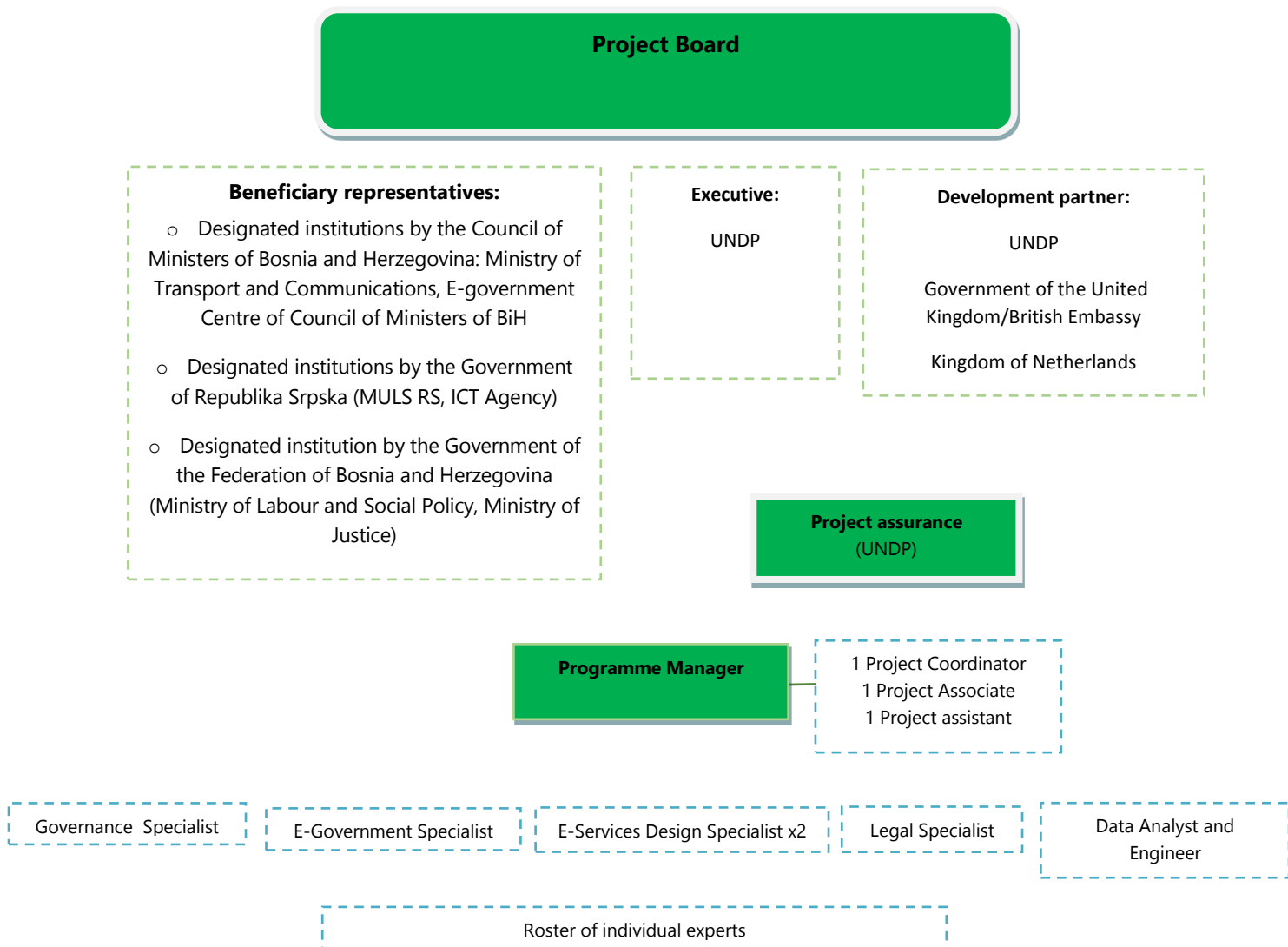
III. Composition of the Project Board

As noted in the diagram below, every Project Board in a UNDP project has three categories of formal members (e.g. voting members). The role of every formal Project Board member must correspond to one of these three roles and be identified accordingly in the project documentation.

The three categories of Project Board members are the following:

1. **Project Executive(s):** This is an individual(s) who represents ownership of the project and chairs (or co-chairs) the Project Board. The Project Executive is UNDP Resident Representative.

2. **Beneficiary Representative(s):** This is an individual(s) representing the interests of those groups of stakeholders who will ultimately benefit from the project. Their primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. The Beneficiary Representative(s) are Ministry of Transport and Communications, E-government Centre of Council of Ministers of BiH, MULS RS, RS ICT Agency, Federal Ministry of Labour and Social Policy, and Federal Ministry of Justice. Names and titles of the representatives will be obtained at the later date, and this ToR will be updated accordingly.
3. **Development Partner(s):** Individuals representing the interests of the parties concerned that provide funding, strategic guidance and/or technical expertise to the project¹⁸. There can be multiple development partners representatives in a Project Board. **The Development Partner representatives are Government of the United Kingdom/British Embassy Government of Netherlands¹⁹** Names and titles of the representative will be obtained at the later date, and this ToR will be updated accordingly.



¹⁸ With the exception of responsible parties or any firms/entities engaged by the project to provide technical expertise with project funds

A UNDP representative must always be represented in the Project Board in either the project executive or development partner role.

Where applicable, representatives from responsible parties to the project cannot sit on the Project Board a formal voting member; they can (if requested) attend board meetings as observers. Since the chief responsibility of the Board is to provide high-level oversight of project implementation, to avoid any conflicts of interest, it is not appropriate for representatives of third-party entities engaged by the project to provide services – whether responsible parties or contractors/service providers – to concurrently sit on the Board. Representatives of responsible parties can attend board meetings (as observers) but can have no official role in board decision-making. The same principle applies to the project manager who in attending and presenting at board meetings, does so in a non-voting capacity.

In cases where the inputs and guidance of responsible parties or other entities formally engaged in providing goods or services to the project are needed by the Board on a recurring basis, it is recommended to establish appropriate advisory or technical committees or working groups composed of those entities that can formally report to the Board, while ensuring the impartiality and integrity of board decisions happening independent of those bodies (see Section V of the ToR).

IV. Standard Project Board Protocols

The Project Board must meet one time annually at a minimum. It is recommended that the timing of board meetings be agreed upon in advance and corresponds to key project reporting or work planning milestones. This Project Board will meet two times annually according to this provisional schedule.

Project Board members cannot receive remuneration from project funds for their participation in the Board. However, it is allowable for board members to be reimbursed from project funds for certain reasonable, qualified expenses related to travel or lodging to attend board meetings. Such protocols are outlined in this ToR and the benefits are applicable to all eligible board members.

All Project Boards must have rules for quorum²⁰ and documentation/minuting of board decisions. All board decisions and minutes should be kept by the project management unit and UNDP. In cases where decisions have to be taken in between board meetings or virtually, a quorum must be upheld and decisions made by unanimous consensus.

Unless otherwise specified, Project Board decisions are made by unanimous consensus. If a consensus cannot be reached within the Board, the final decision shall rest with the UNDP representative on the Project Board or a UNDP staff member with delegated authority as the programme manager²¹.

It is required that as per internationally recognized professional standards and principles of sound governance, conflicts of interest affecting board members in performing their duties must be formally disclosed if not avoidable. Where a board member has a specific personal conflict of interest with a given matter before the board, he/she must recuse oneself from their participation in a decision. No board member can vote or deliberate on a question in which he/she has a direct personal or pecuniary interest not common to other members of the board.

Designated Board members must sign or otherwise indicate written acceptance of the final ToR (via formal signature of the ToR, an exchange of letters or e-mail acknowledgment) for the Project Board as a precondition

²⁰ At any meeting of the Project Board, attendance in person by at least one-half of the members shall constitute a quorum. The decision by the Project Board shall be approved upon receipt of a two-thirds affirmative majority of the weighted votes at the Project Board meeting at which a quorum is present.

²¹ UNDP has this special right since the ultimate legal and fiduciary accountability for a UNDO Project, irrespective of modality, rests with UNDP and UNDP must (in line with its obligations to donors and to the Executive Board) be able to ensure that no action is taken by any body in UNDP project that contravenes UNDP rules and regulations.

for serving on the Project Board. The formal written acceptance of the ToR by all board members will be documented and kept by UNDP.

V. Standard Outputs of Project Board Meetings

In its oversight function, the Project Board will (at a minimum) review and assess the following project-related evidence at each meeting:

- Assessment of project progress to date against project output indicators (as documented in the project document results framework)
- Approval/review of annual work plans
- Assessment of the relevant Monitoring & Evaluation mechanisms, including all evaluations⁵
- Review and assessment of the Project Risk Log (with updating/amendments as needed)
- Assessment of project spending, based on a review of the combined delivery report
- Review of required resources versus available funding (if applicable) and steps taken to reduce funding gap identified at the project design stage

This will be in addition to the review and approval of any required project execution decisions.

The output of every Project Board should be a written record (minutes) that captures the agenda and issues discussed and the agreed upon action items and decisions (if applicable). Each report should clearly document the members attending the meeting (as well as all participants in the meeting) and the modality used to agree on a certain action or decision (whether formal voting or no-objection or other mechanism). All records of board meetings should be documented and kept by UNDP in their quality assurance function (see next section).

VI. Support Functions to the Project Board

There are two main entities/functions outside the Project Board structure whose role is to report to the Project Board and support board members in effectively fulfilling their roles: project assurance and project management.

The diagram above explains the primary role of these two entities in the context of their support to Board operations. A description of these two entities follows.

Project Assurance: Project assurance is the responsibility of each Project Board member; however, UNDP has a distinct assurance role for all UNDP projects in carrying out objective and independent project oversight and monitoring functions. UNDP performs quality assurance and supports the Project Board (and Project Management Unit) by carrying out objective and independent project oversight and monitoring functions, including applying UNDP's social and environmental management system to ensure the SES are applied through the project cycle. The Project Board cannot delegate any of its quality assurance responsibilities to the project manager. Project assurance is totally independent of project execution.

A designated representative of UNDP playing the project assurance role is expected to attend all Project Board meetings and support board processes as a non-voting representative. It should be noted that while in certain cases UNDP's project assurance role across the project may encompass activities happening at several levels (e.g. global, regional), at least one UNDP representative playing that function must, as part of their duties, specifically attend board meetings and provide board members with the required documentation required to perform their duties.

The UNDP representative playing the main project assurance function is Aida Lakovic Hosu, Good Governance Sector Leader, UNDP BiH.

Project Support or Project Management Unit: The Project Manager (PM) is the senior most representative of the Project Management Unit (PMU) and is responsible for the overall management of the project on behalf of UNDP, including the mobilization of all project inputs, supervision over project staff, responsible parties,

consultants and sub-contractors. The project manager presents key deliverables and documents to the Board for review and approval, including progress reports, annual work plans, adjustments to tolerance levels and risk logs.

A designated representative of the PMU is expected to attend all board meetings and present the required progress reports and other documentation needed to support board processes as a non-voting representative.

The primary PMU representative attending board meetings is the Project Manager.

Acknowledgement of this ToR by each designated official Project Board member

The formal acknowledgement of the ToR by board members will be done by having the final ToR signed by each appointed board member at the first project board meeting after Project Document signing with the approvals recorded in the minutes of the meeting. The signature or acknowledgement will include the name, title and category of board representation for the person signing.

Annex VI: A detailed overview of the existing e-services "building blocks" which can serve as platform for further harmonised and system-wide effort

Area	Status in Bosnia and Herzegovina
Citizens	
Income tax	Electronic services provide an overview of: tax cards, bills for declared real estate, arrears and real estate, review of citizenship card (review of monthly employer filings), synthetic review of obligations and payments of pension and disability insurance by years, and review of data on work engagements.
Employment services	
Social security contributions (unemployment benefits, child allowance, health insurance, student scholarships)	
Personal documents (passports and driving licenses)	The Agency for Identification Documents, Records and Data Exchange of Bosnia and Herzegovina is responsible for managing and maintaining central residence registers, identity cards, passports and driver's licenses on behalf of the following data owners: the Ministry of Interior of Republika Srpska, the Ministry of Interior of the Federation of Bosnia and Herzegovina, cantonal ministries of interior and Brčko District Public Register, while some of these registers are already available at the interoperability platform.
Registration of vehicles (new, used and imported vehicles)	
Requirements for building permits	e-Constructions permit will be piloted in Banja Luka and Gradiška by establishing online service for submitting application forms for permits, tracking the process, communicating with the issuing authority and receiving permits in electronic format. This will enable relevant authorities to share the information in the process, thus significantly reduce the number of procedures an investor needs to perform to obtain a building permit, making the procedure more transparent, less costly and more predictable.
Reporting to the police (e.g. in case of theft)	
Public libraries (availability of catalogues, search tools)	
Birth certificates (births, marriages): request and delivery	Registries from local government level (citizens' data on birth, death, marriage, etc.) are consolidated at the entities and Brčko District levels, so that data for all citizens is equally available for all local governments.
Enrolment in higher education institutions or colleges	
Relocation reporting (change of address)	
Health services (e.g., consulting on services, scheduling check-ups).	
Businesses	
Social security contributions for employees	
Taxes paid by business entities: reporting,	The Tax Administration of the Federation of Bosnia and

Area	Status in Bosnia and Herzegovina
notification	Herzegovina enable taxpayers who become users of e-services / services the electronic submission of forms, to review correctness of submitted forms and the status of claims. Electronic services in the Tax Administration in Republika Srpska allow legal entities and entrepreneurs to view tax cards, bills for declared real estate, review of incorrect tax returns, unverified tax returns, and view registered workers in a single system of payment of contributions.
VAT: reporting, notification	Registered VAT taxpayers who become users of the "e-PDV" system are given access to their own records and data contained in the information system, so users can see the status on their tax card, VAT refund information, tax credit, etc.
Registration of new businesses	
Submission of data to statistical institutes	
Customs clearance of goods	The introduction of the Automated System for Customs Data (ASYCUDA) enabled: Direct Trader Input (DTI) filing, use of selectivity in import and export procedures, electronic filing of transit declarations, automatic payment of customs duties, up-to-date statistics, speeding up of customs clearance, movement of goods and passengers.
Permits under environmental law (including reporting)	
Public procurement	The contracting authorities publish notices and report through the e-procurement system

Annex VI: Minutes from the meeting of the Local Project Appraisal Committee (13 July 2020)

LOCAL PROJECT APPRAISAL COMMITTEE (LPAC) VIRTUAL MEETING
DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR IN BOSNIA AND HERZEGOVINA PROJECT

13 July 2020 at 13:00 h

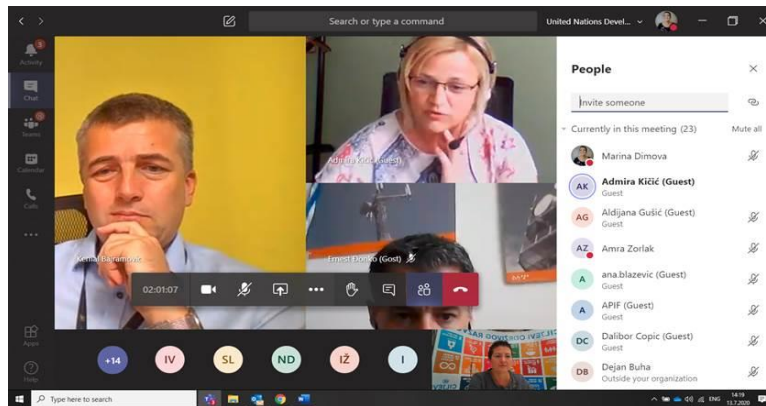
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Agenda

13:00 – 13:15	<p>Welcome and introduction</p> <ul style="list-style-type: none"> • Steliana Nedera, Resident Representative, UNDP in Bosnia and Herzegovina • Tom Barrie, 2nd Secretary/Head of Good Governance Fund, British Embassy Sarajevo
13:15 – 13:30	<p>Presentation of the draft Digital Transformation Project</p> <ul style="list-style-type: none"> • Marina Dimova, Governance Chief Technical Specialist, UNDP
13:30 – 14:15	<p>Questions, discussion and feedback from partners</p>
14:15 – 14:30	<p>Wrap up, next steps and closing</p>

The meeting was moderated by Kemal Bajramovic, Head of Experimentation, UNDP Accelerator Lab

On 13 July 2020 UNDP, in collaboration with the British Embassy in Bosnia and Herzegovina facilitated the consultation meeting on the Draft **“Digital Transformation in the Public Sector Project 2020-2024”**. The meeting gathered 25 institutional stakeholders, representatives of the state, entity, cantonal and local government level institutions to discuss the main aspects of the new Project and provide their feedback, so the Project is fully in line with the strategic priorities and vision in the area of e-government in Bosnia and Herzegovina.



➤ **Welcome and Introduction**

Introduction and opening remarks were delivered **by Steliana Nedera, Resident Representative in Bosnia and Herzegovina and Tom Barrie, 2nd Secretary/Head of Good Governance Fund, British Embassy Sarajevo.**

On behalf of UNDP, Nedera expressed pleasure for being able to welcome partners to the consultations on the topic of digital transformation in public sector in Bosnia and Herzegovina. She emphasized UNDP's recognition that digital transformation can be a powerful accelerator towards more transparent, accountable and people-centered government, especially in the COVID-19 crisis which speeded up digitalization in education, public services and the economy in only several weeks. Seeing the need to have adequate enabling environment, capacities and innovative vision among government leadership and staff, UNDP in partnership with the British Embassy in Bosnia and Herzegovina, have developed a new 4-year Project which aims to support authorities in Bosnia and Herzegovina in their journey towards the country's digital future by promoting new capabilities and leveraging technology and innovation for more effective and inclusive governance and public service delivery for citizens and businesses. In conclusion of her address, Mrs. Nedera invited the participants, representatives from all government levels to share their feedback and reflections on the new Project, so it would meet the needs in the public sector in this area and also stimulate progressive transformation towards e-government and e-services.

On behalf of the British Embassy, Mr. Barrie reflected on the previous successful cooperation of the Embassy with the present institutional partners and their critical role in implementation of the complementary projects supported by the Embassy's Good Governance Fund in Bosnia and Herzegovina, such as E-government, Road Maps, Open-data in Republika Srpska etc., all of which have led to the formulation of this new Project. Specifically, the two conferences on digital transformation in 2020 were of a great importance for the Project's design. Mr. Barrie emphasized that, based on the strong United Kingdom's institutional capacities in digitalization and traditionally good cooperation with UNDP, the British Embassy in Bosnia and Herzegovina would remain committed to digital future of the country and continue to support design and implementation of this Project.

➤ **Presentation of the draft Digital Transformation Project**

Marina Dimova, UNDP Chief Governance Specialist, presented the key aspects of the Project: its overall objective, results and activities, its duration and budget, management arrangements and transversal topics mainstreamed throughout the Project. In a nutshell, it aims to support authorities in Bosnia and Herzegovina in their journey towards the country's digital future by promoting new capabilities and leveraging technology and innovation for more effective and inclusive governance and public service delivery. **It has three main results/pillars:** 1) Improved legal and policy environment accelerates digital transformation in the public sector; 2) Inclusive and people-centered advancement of e-government and e-services; 3) Enhanced capacities and open innovation in the public sector through knowledge-sharing and networking. Under each pillar, the Project envisages a set of concrete outputs and activities through which the Project will be implemented on the ground, reinforced by knowledge-sharing, broad-based partnerships, sandboxes and champion awards that nurture future-looking thinking in the public sector and help translate the digital vision into development results. **Methodological approach** of the Project will imply new digital skills and innovative solutions. **Horizontal themes** mainstreamed through the Project are: Gender equality; Social inclusion and closing the digital gap; Resilience to natural disaster shocks and crisis; and Transparency and anti-corruption. **Institutional partners** of the Project include the strategic implementing partner - the Good Governance Fund of the British Embassy in Sarajevo and wide range of institutional partners relevant in the sector of communications and technology (state and entity ministries, coordination and other governmental bodies, representatives of cantons and local government units) as well as other international organizations (RCC, EU, World Bank, GIZ), CSOs, innovation centers, Bit Alliance, etc.

The **Project governance mechanism** will be composed of the Project Board and Project Management Team. UNDP is taking full responsibility for implementation and management of the Project implemented in direct coordination with the institutional partners and other stakeholders. **Envisaged duration** of the Project is 4 years (48 months), from 20 July 2020 to 20 July 2024. **Indicative Budget** of the Project is 5 million US dollars. Mrs. Dimova said that the Project was designed in line with the UNDP Quality Standards for Programming. She invited the participants to provide their feedback and suggestions on the draft.

Mr. Dejan Buha from British Embassy also invited the participants to provide their feedback on the draft Project. He noted that the Project is highly relevant for the needs of the public sector, as it provides clear links to the actual strategic reforms and processes. In this context, the third Project Pillar which relates to capacity building in public sector is particularly important because it brings learning and knowledge-sharing.

➤ **Questions, discussion and feedback from partners**

Mr. Denis Turkanović, Ministry of Scientific and Technological Development, Higher Education and Information Society of Republika Srpska, commended the work of the British Embassy and UNDP in Bosnia and Herzegovina. In his opinion, it was positive that the Project was linked to the reform of public sector, which has offered a great level of complementarity and agreement at all levels. There is a lot of work yet to be done in the public sector to offer to citizens full digital service.

Mrs. Ivana Šarić, Council of Ministers of Bosnia and Herzegovina, thanked to the British Embassy and UNDP for the support they provide and asked what the next steps in terms of the Project Board formulation would be. She added that it has been very positive that the Project has offered extensive training and knowledge exchange for the public sector in the domain of digitalization, and particularly for involving Bit Alliance as one of the partners.

In relation to the Project Board formulation, **Mrs. Dimova** responded that the Project would be officially presented to the Council of Ministers of Bosnia and Herzegovina, as well as to both entity Governments in the following 2-3 weeks and UNDP will officially invite governments to designate members to the Project Board. UNDP will apply its standard procedures to establish a horizontal coordination mechanism. After the Prodoc is finalized, in consultation with institutional partners, the Project will come out with a concrete Action Plan for the next 12 months, which will specify the next steps in the short-term operationalization of the Project.

In relation to capacity building, **Mr. Buha** reflected that the entire Pillar III of the Project has been dedicated to exchange of knowledge and education. The British Embassy will try to bring best practices and expertise available locally and in the national system of the United Kingdom. A fellowship programme is considered with the United Kingdom for public officials.

Mrs. Nedžib Delić, Public Administration Reform Coordination Office, agreed that the Project has been very relevant for the needs of the public sector in the country, particularly from the viewpoint of its linkage with the Public Sector Reform Strategy and its Action Plan. **Mrs. Dimova** confirmed that, in the design of the Project UNDP did consult this and other strategies and action plans relevant for the concerned area of work.

Mrs. Ana Blažević, City of Mostar, asked how local governments will be represented in the Project Board. Mrs. Dimova responded that based on previous practices, municipalities and cities have been represented by the entity Association of Municipalities and Cities and this may also be considered for this Project. Mr. Buha added that local governments are recognized as very important partners in the Project implementation.

Mr. Nenad Despotović, Ministry of Communications and Transport of Bosnia and Herzegovina, commended the excellent cooperation with the British Embassy and UNDP. He welcomed the new Project that will bring the novelties and remove barriers in this important sphere. For better coordination, it would be good that the Project sets the internal models of communication. On behalf of the Ministry, he is looking forward to the new innovative solutions, new tools and joint work. The Minister for Transport and Communication has also welcomed the Project proposal.

Mr. Igor Puzović, Central Bosnian Canton, was very pleased to see the new Project and innovative solutions it offers, but he also proposed one correction in the Project's text referring to the limited digital skills at cantonal level. He said, this was not the case for the Central Bosnia Canton. This Canton, in cooperation with UNDP and SDC implements a huge project enabling digitalization of many administrative processes, including setting up of an e-registry service for the citizens.

Mrs. Admira Kličić, City of Prijedor, presented a good example that started digitalization of administrative public services in the city eight years ago and since then enabled 280 digital services to citizens.

Mr. Mladen Mrkaja, Assistant Minister of Security in Sector for IT and telecommunication system, expressed support to UNDP and the British Embassy in Bosnia and Herzegovina in the assistance they provide to Bosnia and Herzegovina's institutions for the country's digital future, promoting new capabilities and using technology and innovation for more efficient and inclusive governance and the provision of public services. He suggested, **the Chapters 1.5 and 3.5 of the Project** should also list the Ministry of Security of Bosnia and Herzegovina as a relevant actor and institutional partner, since the Ministry, in the Sector for Informatics and Telecommunications Systems has a Computer Incident Response Team for Institutions of Bosnia and Herzegovina (CERT BIH) established by the Decision of the Council of Ministers of Bosnia and Herzegovina. Also, in the Result 2.2. it is necessary to additionally emphasize the importance of the security aspect in the key infrastructure of the information and communication systems and in the future digital systems within the public sector, for which an important role is played by the aforementioned team in the Ministry of Security of Bosnia and Herzegovina.

➤ **Wrap up, next steps and closing**

Following discussion, Mrs. Dimova concluded the meeting by presenting the next steps in operationalization of the Project:

- Finalization of the Project document based on the participants' comments and suggestions. Any additional comments can be provided in the following 3-4 days;
- Formulation of the Project Governance Mechanism – the Project Board comprising representatives as designated by the Council of Ministers of Bosnia and Herzegovina and both entity governments;
- First meeting of the Project Board and presentation of the Project 12-month work plan (outlining the first priorities and operational steps);
- The Project will remain flexible to enable adaptation as required by implementation dynamics and needs.

List of participants in the LPAC meeting

NAME	FUNCTION	INSTITUTION / ORGANISATION
Nenad Despotović	Advisor to the Minister	Ministry of Transport and Communications of Bosnia and Herzegovina
Irida Varatanović	Head of Informatisation Department	Ministry of Transport and Communications of Bosnia and Herzegovina
Ivana Šarić	Head of Maintenance and Development of E-Services and E-Government Department	General Secretariat, Council of Ministers of Bosnia and Herzegovina

NAME	FUNCTION	INSTITUTION / ORGANISATION
Goran Kučera	Expert Advisor	Ministry of Justice of Bosnia and Herzegovina
Zdravko Kujundžija	Head of Training Department	Civil Service Agency of Bosnia and Herzegovina
Aldijana Gušić	Head of Information technology Department	Civil Service Agency of Bosnia and Herzegovina
Nedžib Delić	Head of Department	Public Administration Reform Coordination Office of Bosnia and Herzegovina
Amir Husić	Head of Personal Data Protection Department	Ministry of Security of Bosnia and Herzegovina
Ernest Đonko	Assistant Minister	Ministry of Traffic and Communications of the Federation of Bosnia and Herzegovina
Samra Ljuca	Head of Training Section	Civil Service Agency of the Federation of Bosnia and Herzegovina
Damjana Zorić	Open Government Partnership Focal Point	General Secretariat of the Government of the Federation of Bosnia and Herzegovina
Hasmir Selimović	Assistant Secretary for IT	General Secretariat of the Government of the Federation of Bosnia and Herzegovina
Dalibor Čopić	Head of Training Section	Civil Service Agency of the Federation of Republika Srpska
Krsto Grujić	Assistant Secretary for IT	General Secretariat of the Government of Republika Srpska
Denis Turkanović	Assistant Minister	Ministry for Science and technological Development, Higher Education and Information Society of Republika Srpska
Ivan Jurilj	Head of Development Management Unit	Western Herzegovina Canton
Igor Puzović	Expert, Informatics	Middle-Bosnian Canton
Admira Kličić	Head of ICT Department	City of Prijedor
Ana Blažević	Head of Department	City of Mostar