



Norwegian Embassy
Sarajevo



Economic Governance for Growth (EGG2)

Annual Report January – November 2025

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1. BACKGROUND

1.1. Project summary

Economic Governance for Growth 2 (EGG2) Project is a joint initiative of the Government of Norway and the United Nations Development Programme (UNDP) in Bosnia and Herzegovina (BiH), implemented from 1 December 2021 to 28 February 2026. The Project aims to ensure an integrated approach to stimulating economic growth in targeted localities through activities grouped into three key inputs for the development of a knowledge-based society: 1) education; 2) entrepreneurship and 3) innovation. The Project works to address the structural gaps systematically and sustainably, in both capacities and policies governing those three thematic areas in BiH. With an increase in demand for future skills - namely digital - the Project aims to exploit interest by domestic institutions to create a scalable model, with proof of concept, that can be taken up by other partners, both international and domestic, in the country. Under the education umbrella, the Project supports the development of 21st-century skills and enables access to new digital learning through both formal and informal opportunities across all three layers of the education system. Under the entrepreneurship umbrella, barriers for emerging entrepreneurs will be removed through immediate and quality business support services while future entrepreneurs will be nurtured with skills, knowledge, and abilities acquired through formal and informal education in secondary schools. Finally, under the innovation umbrella, policy and strategy documents will be developed to regulate and guide investment in innovation while additional resources will be allocated to fund immediate research and development priorities.

1.2. Envisaged outputs / activity results

The Project pursues an integrated approach to generating and utilizing economic growth opportunities through the three pillars, as explained below.

Education Pillar: The Project sets out to create a network of STEM laboratories across selected primary and secondary schools, expected to cultivate interest in technological disciplines. New formal learning opportunities will be created in secondary and tertiary education. Overall, it is expected that 1500 elementary, high-school and university students will benefit from learning opportunities provided through the Project. The Project will also continue to implement entrepreneurship curricula in selected high schools, which was developed through the EGG1 intervention, while expanding into new localities. Finally, the Project will also pursue the development and adoption of sustainable and EU-harmonized policies in the field of IT learning, entrepreneurship support and innovation.

Output / activity result and sub-activities to be implemented under this pillar are:

Output / Activity Result 1 – Institutional partners supported in providing better access to digital learning opportunities

- Subactivity 1.1. Assess current digital education capacities at primary and secondary level in both entities.
- Sub-activity 1.2. Establish 10 STEM laboratories countrywide and science cabinets in Canton Sarajevo.
- Sub-activity 1.3. Develop national STEM community of practice.
- Sub-activity 1.4. Design, develop and adapt an online-based university-level IT degree program.
- Sub-activity 1.5. Enhance IT learning in vocational schools.

Entrepreneurship pillar: The Project pursues institutional improvements in the enabling environment, to include learning, mentoring and infrastructure support. Through this programmatic segment, some 500 prospective entrepreneurs will receive direct development or learning assistance. Activities and sub-activities to be implemented under this pillar are:

Output / Activity Result 2 – Enabling environment for entrepreneurship development improved

- Sub-activity 2.1. Formally introduce entrepreneurship learning in secondary curricula for vocational schools.
- Sub-activity 2.2. Establish informal entrepreneurship clubs.
- Sub-activity 2.3. Develop business support service lines.
- Sub-activity 2.4. Strengthen capacities of the Training Center Gradačac for professional education of workforce for the needs of priority industries.

Innovation pillar: The Project will introduce a platform through which prevalent industrial problems and challenges could be addressed and will award the most innovative solutions with grants. Concretely, EGG2 will support the design and implementation of 15 research and development projects aimed at developing market-ready products and solutions. Activities and sub-activities to be implemented under this pillar are:

Output / Activity Result 3 – Applied research and development strengthened

- Sub-activity 3.1. Assist with development of a comprehensive government R&D program and strategy.
- Sub-activity 3.2. Support drafting of law on research and development.
- Sub-activity 3.3. Support R&D project selection and implementation.

2. PROGRESS TOWARDS OUTCOME AND OUTPUTS / ACTIVITY RESULTS

During the reporting period, all implemented activities followed an approved work plan in the project work plan.

Within **Activity 1** aimed at advancing digital and IT education, activities aimed at strengthening the capacities of ICT teaching staff in secondary schools across the Zenica–Doboj Canton were successfully completed. Implemented in partnership with the Pedagogical Institute of Zenica–Doboj Canton and the Bit Alliance Association, these activities included the development of comprehensive teaching materials hosted on an interactive platform, as well as training and mentoring support delivered by industry experts. Together, these efforts contributed to improving the quality of ICT instruction and aligning educational offerings with labor market needs.

The Ministry of Education and Culture of Republika Srpska was unable to secure funds to equip three schools with STEM laboratories as initially agreed. However, with the approval of the Project Board, the procurement process was launched using EGG2 funds to equip one secondary school, and this process was successfully completed in October 2025. Additionally, during the reporting period, all procurement processes and the delivery of equipment for physics, chemistry, and biology classrooms in 25 primary schools in Sarajevo Canton were finalized. In June, the Project reached an agreement with the Ministry of Education of Sarajevo Canton to allocate the remaining funds for the procurement of additional equipment, as defined by the Ministry.

Furthermore, during the reporting period, the Project successfully completed the provision of technical support for the implementation of a Distance Learning (DL) modality within the study program *Data Science and Artificial Intelligence (DSAI)*, in cooperation with the Faculty of Electrical Engineering at the University of Sarajevo. Support encompassed the procurement of equipment necessary for the implementation of the DL teaching modality, co-financed by the Faculty of Electrical Engineering, as well as through the engagement of technical experts for multimedia support to ensure smooth implementation of the DL modality.

Within **Activity 2** focused on strengthening entrepreneurship, the Project continued to promote successful practices and facilitate the exchange of experiences among institutional partners, despite the formal completion of earlier activities. A roundtable on enhancing digital and entrepreneurial education in Bosnia and Herzegovina was organized, bringing together institutional partners, private sector representatives, and international organizations to share insights, exchange experiences, and propose improvements in these areas. Additionally, in cooperation with Sparkasse Bank, the Project supported a workshop on entrepreneurship for primary school teachers in the Bosnia-Podrinje Canton, aiming to strengthen teachers' capacities to better integrate entrepreneurial education into primary school curricula.

Within **Activity 3**, focused on strengthening innovation and research and development (R&D), the EGG2 Project partnered with the Federal Ministry of Education and Science (FMON), with additional funds also from the *Translating the Sustainable Development Goals (SDGs) Framework in Bosnia and Herzegovina into sustainable and inclusive growth (SDG2BIH)* Project, in launching the implementation of a joint R&D grant scheme to encourage development and research with practical application in industry and strengthen cooperation between R&D institutions and the private sector. Through this grant scheme, a total of 22 scientific research projects received grants, implemented by 16 research institutions, worth 990,882 BAM. Furthermore, the Project finalized the development of the Draft Law on Innovation Activities, formally endorsed by the Ministry of Science, Higher Education and Youth, aimed at creating conditions for more substantial innovation development and encouraging economic growth in Sarajevo Canton, which will be submitted for further procedure by the Ministry. Furthermore, the Project organized an international conference on how innovation can accelerate sustainable growth and economic development, attended by 180 people as well as the study visit to the innovation ecosystem in Slovenia for 13 representatives of the innovation ecosystem from Bosnia and Herzegovina. These activities aimed at strengthening the knowledge and understanding of regulatory frameworks, practices and financing mechanisms that can be applicable to Bosnia and Herzegovina as the country embarks on strengthening its innovation system.

Considering the savings generated within the Project, a request for budget reallocation and no-cost extension was submitted for donor approval on 3rd September which also included a proposal for the organization of a study visit under the existing activity and a justification for the no-cost extension due to delays in the implementation of R&D projects by beneficiaries. Following the endorsement of the Project Board, on 3rd September the donor approved the no-cost extension of the EGG2 Project until 28 February 2026, along with the requested budget reallocation.

Below is the overview of the results achieved so far:

Level	Goal (expected result)	Indicator	Indicator Values		Comment
			Target (as per the Results Framework)	Achieved	
Impact	Help build a knowledge-based society	# of people benefiting from improved digital learning, entrepreneurship and innovation opportunities.	2000	42,810	This indicator has been fully achieved and exceeds the established target. This number encompasses both direct (2360) and indirect (40450) beneficiaries across all implemented activities. This indicator will be monitored until the end of the Project.
Outcome	Improved institutional and policy frameworks for the creation of a knowledge society	# of policy instruments developed.	2	2	This indicator has been fully achieved. In cooperation with the Ministry of Science, Higher Education and Youth of Canton Sarajevo and the nominated inter-institutional working groups, the Project provided support for the development of two key documents for enhancing R&D and innovation activities in Canton Sarajevo: • R&D Strategy of Canton Sarajevo

					(2025-2028); • Draft Law on Innovation Activities in Canton Sarajevo. The R&D Strategy (2025–2028) establishes a strategic framework for science, research and development, and innovation with the aim of fostering economic growth. It focuses on strengthening research capacities, supporting innovation, defining clear funding mechanisms for research activities, enhancing cooperation with the business sector, and expanding international collaboration. Currently, the Strategy is in the Cantonal Assembly for further procedure. The Draft Law on Innovation Activity of Canton Sarajevo represents a significant step forward in strengthening the innovation ecosystem in Sarajevo Canton, clearly defining key concepts: categories of innovation, actors within the innovation
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					infrastructure, the establishment of the Innovation Council and Innovation Fund of Sarajevo Canton, and the obligation to develop an Innovation Development Strategy. Both documents lay the foundation for a functional innovation ecosystem in the Canton Sarajevo and simultaneously serve as a model for other cantons and levels of government.
		# of formal learning programs developed.	2	5	This indicator has been fully achieved and exceeds the established target. In cooperation with the institutional partners, primarily four cantonal ministries of education and pedagogical institutes (Herzegovina-Neretva, Tuzla, Zenica-Doboj and Bosnia-Podrinje) as well as a Ministry of Education and Culture of Republika Srpska and Pedagogical Institute of Republika Sprska, the Project developed the following formal learning programs, institutionalized by partners

					and embedded in the formal teaching processes to enhance the entrepreneurial education in classrooms: • Curriculum for subject Entrepreneurship in secondary schools; • Handbook – Sample Lesson Plans for the Subject “Fundamentals of Entrepreneurship”; • Practical Handbook for Secondary School Teaching – Business Plan Development; • Handbook for C++ Programming; • Handbook for Internet Security.
Output 1	Institutional partners supported in providing better access to digital learning opportunities	# of STEM laboratories established and operational countrywide.	10	38	This indicator has been fully achieved and exceeds the target. The Project equipped 13 STEM cabinets through co-financing provided by the ministries of education of the Herzegovina-Neretva, Una-Sana, Tuzla, and Sarajevo cantons. Furthermore, with funding from the Ministry of Education of Canton Sarajevo, the Project fully equipped science cabinets in 25 primary

					schools officially designated by the Ministry.
		# of market-driven IT degree programs offered virtually by accredited higher education institutions.	1	1	This indicator has been fully achieved. In partnership with the Faculty of Electrical Engineering, University of Sarajevo, UNDP supported the establishment and rollout of a new and unique bachelor's degree program in Data Science and Artificial Intelligence (DSAI), offered both virtually and as in-person modality. This is a unique three-year program delivered in English, offering innovative courses in data science and artificial intelligence. The program is designed to provide students with a strong foundational knowledge, practical skills, and a solid theoretical understanding of key concepts in data science and artificial intelligence, enabling them to become experts in these increasingly important technological fields. In the 2024/2025 and 2025/2026 academic years, a total of 114 students were enrolled.

		# of secondary schools where IT learning has been enhanced through strengthened capacities of teaching staff	5	28	This indicator has been fully achieved and exceeds the target. The EGG2 Project partnered with the Association of IT Companies in BiH (Bit Alijansa), the Cantonal Ministry of Education, and the Pedagogical Institute to strengthen IT education in secondary schools offering IT-oriented programs. The partnership focused on designing and developing comprehensive training and support materials that equipped teachers with the knowledge and practical tools needed to deliver ICT subjects in line with the existing secondary school curriculum. The intervention covered 28 secondary schools including from Zenica-Doboj Canton and several schools from other cantons that joined the capacity-building program.
Output 2	Enabling environment for entrepreneurship	# of vocational schools where entrepreneurship learning has been institutionalized.	10	45	This indicator has been fully achieved and exceeds the target. In close cooperation with institutional partners from four cantons in the Federation of Bosnia and

	development improved				Herzegovina (FBiH), the Project supported the upgrading of teaching curricula in 45 schools and adapted teaching materials to enable the effective integration of new thematic areas into classroom practice. In parallel, the EGG2 Project delivered much-needed capacity-building support, significantly strengthening educational capacities in the field of entrepreneurship. Comprehensive, formal, and tailor-made training programs were developed for teaching staff across all four participating cantons in FBiH. Additionally, in Republika Srpska entity, the Project collaborated with the RS Pedagogical Institute to design an entrepreneurship learning program that was disseminated to all secondary schools in Republika Srpska by the Pedagogical Institute, complemented by capacity-building program which included 14 secondary schools from RS as nominated by the Pedagogical Institute.
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					Through these interventions, the Project contributed to more relevant, modern, and practice-oriented entrepreneurship education, ensuring ownership and sustainability.
		# of young, unemployed persons and representatives of key industries benefitting from demand-driven skill upgrade	15	32	This indicator has been fully achieved and exceeds the target. A total of 32 individuals benefited from demand-driven skills upgrades through specialized training programs in CNC milling, 3D printing, SolidCAM software, and CAD/CAM technologies. By equipping participants with advanced, industry-relevant technical skills aligned with current labor market needs, the intervention significantly enhanced their employability and competitiveness, enabling them to better meet employer demands, adapt to modern production processes, and access higher-quality job opportunities in the manufacturing and engineering sectors.
		# of entrepreneurship clubs established countrywide.	10	11	This indicator has been fully achieved and exceeds the

					target. In partnership with the Ministry of Education of Canton Sarajevo, Pedagogical Institute of Canton Sarajevo and the SSST University, the Project supported the establishment of entrepreneurship clubs in 11 high schools in Sarajevo Canton. Entrepreneurship clubs are the first of its kind in BiH, providing a replicable model with proof of concept that can be taken up by other partners in BiH. To ensure sustainability, the EGG2 Project provided equipment, capacity building for the clubs' coordinators as well as implemented a modular training program "Academy for Young Entrepreneurs" from September 2023 to March 2024, attended by 161 students from 11 high schools also complemented by mentoring support from prominent private sector experts. . In this way, through provision of extracurricular informal learning opportunities, the Project directly contributed
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					towards enhancing the entrepreneurial competencies and skills of young people needed for the 21 st century jobs.
		# of newly created/institutionalized service lines available to emerging entrepreneurs.	10	19	This indicator has been fully achieved and exceeds the target. In partnership with the Federal Ministry of Development, Entrepreneurship and Crafts (FMRPO), the Project strengthened business support services through establishment of new and upgrade of existing ones, for a total of 19 business support service lines in the territory of the Federation of Bosnia and Herzegovina and Republika Srpska, aimed at small and medium-sized enterprises (SMEs), with a special focus on start-up companies and young entrepreneurs. As a result of this intervention, so far a total of nearly 500 entrepreneurs and start-ups benefited from the improved business support services.
Output	Applied research	% increase in investment in research and development by participating public authorities.	10	TBD (ongoing)	For Canton Sarajevo in which the Project has actively provided support for

	and development strengthened				enhancing R&D and innovation activities, based on the conducted R&D Framework Impact assessment in Canton Sarajevo, data show that there has been an increase of more than 400% in budget allocations cumulatively in the period 2018 to 2022. In 2022 the budget allocated for R&D was 4 million KM, which compared to 2021 represents an increase of 33.33%, while in 2023 the budget allocated was 4,25 million KM, which represents an increase of 6,2% compared to 2022. This indicator will be monitored until the end of the Project as data will be collected also for the Federation of BiH since the FMON was the partner in the implementation of the R&D grant scheme.
		# of fully funded R&D projects.	15	22	This indicator has been fully achieved and exceeds the target. 22 research projects within the joint R&D grant scheme implemented in partnership with the Federal Ministry of Education and

					Science and SDG2BiH Project were selected across four fields (biomedicine and health, biotechnical sciences, natural and technical sciences). These projects are implemented by 16 public and private research institutions, and aim at strengthening collaboration between R&D institutions and the private sector, enhancing the capacity of research and R&D institutions, organizations, and individuals for practical application in industry, and ultimately fostering innovation development in the economy through cooperation that results in new or improved products, services, technologies, business models, or processes.
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OUTPUT 1: INSTITUTIONAL PARTNERS SUPPORTED IN PROVIDING BETTER ACCESS TO DIGITAL LEARNING OPPORTUNITIES

1. ACTIVITY 1. IMPROVING ACCESS TO DIGITAL LEARNING OPPORTUNITIES

1.2. ESTABLISH STEM LABORATORIES COUNTRYWIDE

After the Ministry of Education and Culture of Republika Srpska informed the Project team in September 2024 that it would not be able to provide the financial contributions required under the proposed co-financing model for equipping STEM laboratories in the three previously identified schools, the Project Board, at its meeting on 19 December 2024, recommended that the Project, subject to the availability of funds, finance the procurement of equipment for one school in Republika Srpska, to be designated by the Ministry. In line with this conclusion, in May 2025 the Project Board approved equipping a STEM laboratory in the newly established Secondary School Center Laktaši. The procurement process was finalized in August 2025, and the equipment was successfully delivered in October 2025.

1.2.5. PROCURE AND DISTRIBUTE EQUIPMENT FOR SCIENCE CABINETS FOR 25 ELEMENTARY SCHOOLS IN CANTON SARAJEVO

During the reporting period, the procurement process for equipping physics, chemistry, and biology cabinets in 25 primary schools in Sarajevo Canton was finalized, with the support of the Ministry of Education of Sarajevo Canton. The delivery of the planned equipment has been completed, after which a preliminary narrative and financial report were submitted to the Ministry, identifying the balance. In June, a meeting was held with the Minister to define a plan for the utilization of the remaining funds. The Ministry expressed interest in redirecting the unspent funds toward the procurement of additional equipment for a slightly larger number of schools. Once a detailed assessment of the conditions in the selected schools is completed, the Project will proceed with the procurement of the additional equipment as defined by the Ministry.

It should be noted that, due to the complexity of this procurement, it will be necessary to extend this activity beyond the EGG2 Project completion date, as requested by the Ministry of Education of Canton Sarajevo. Since this activity is fully funded by the Ministry's contribution, the Ministry requested an extension of this activity until 31 May 2026 to allow for its continuation within the internal UNDP system, which was approved by the Project Board. All other activities financed through the contribution of the Government of Norway will be completed by 28 February 2026, in line with the previously approved no-cost project extension.

1.4. DESIGN, DEVELOP AND ADAPT AN ONLINE-BASED UNIVERSITY-LEVEL IT PROGRAMME

Between December 2024 and June 2025, the Project completed all the activities aimed at supporting the quality implementation of the Distance Learning (DL) modality within the study program in Data Science and Artificial Intelligence (DSAI). Through intensive technical and logistical support, the engaged experts processed and uploaded over 200 video recordings: 100 videos for 7 subjects in the first semester and over 100 videos for 6 subjects in the second semester. Simultaneously, professors were provided with 96 hours of practical technical assistance during the recording and preparation of materials, ensuring a continuous flow of online teaching. During the provision of multimedia support, certain challenges arose due to the limited engagement and lack of coordination capacity on the part of the Faculty of Electrical Engineering (ETF), which hindered the efficient work of experts and required the continuous involvement of the project team to ensure effective implementation and fulfillment of the obligations outlined in the Memorandum of Understanding between UNDP and ETF.

In collaboration with the ETF, and with the support of engaged experts, the Project developed a specialized Moodle platform dedicated exclusively to this program, providing students with organized access to all resources. All steps in the process were rigorously monitored by a Quality Assurance expert engaged by the Project, ensuring the technical reliability and pedagogical value of the materials.

In parallel, in February 2025, the remaining essential equipment for online teaching was procured (robotic cameras, wireless microphones, laptop and desktop computers, server, etc.). This delivery, together with equipment purchased in September 2024, completed the entire infrastructure needed for the implementation of the DL modality. The total value of the equipment is BAM 165,483 (excluding VAT), co-financed by the EGG2 Project and ETF, demonstrated a joint commitment to the quality of teaching and successful implementation of the study program.

Through the engagement of the Quality Assurance expert, the Project collected and analyzed student satisfaction data to enable potential adjustments and improvements to the program delivery in the upcoming academic year. This ensures that the DSAI program continues to evolve, and that the DL modality is implemented in line with the highest quality standards. The report with the key findings was presented and discussed with the ETF management at the beginning of September to ensure that the recommendations for improvement are taken into consideration in the subsequent implementation of the program.

The significance of the activities carried out is manifold:

- **Operational:** students have a fully functional distance learning system.
- **Structural:** the newly developed Moodle platform and equipment permanently strengthen the capacities of ETF and contribute to sustainability of study programs.
- **Qualitative:** quality control and student satisfaction survey ensure continued growth and improvement of the program.

It is worth highlighting that during the 2025/2026 academic year, the DSAI program achieved a notable milestone with 59 students enrolling. This number serves as a clear testament to the program's exceptional quality, its alignment with emerging trends in data science and artificial intelligence, and its ability to attract motivated students seeking rigorous, future-oriented education. The sustained interest in the program underscores not only its academic strength but also its growing influence and credibility within the broader educational landscape.

1.5. ENHANCE IT LEARNING IN VOCATIONAL SCHOOLS

During the reporting period, the Project successfully implemented and completed all planned activities. From October to December 2024 and from February to April 2025, the Project, in collaboration with Bit Alliance, successfully organized 30 three-hour online trainings for teaching staff who expressed interest in participating in the program, based on a list of schools previously provided by the cantonal pedagogical institutes. As previously reported, with the decision to conduct the training online, the Project reached out to all pedagogical institutes in the country. It sent a formal letter requesting that these institutes forward the information to schools, allowing teaching staff responsible for ICT subjects to participate in the training. The training was based on previously developed, harmonized, and improved teaching materials for eight thematic areas (informatics, operating systems, computer networks, databases, information security, programming, mobile application development, and web design), which were uploaded and are available on the interactive educational web platform www.eduitkarijera.ba.

A total of 40 teachers from 28 high schools participated in the training program (25 women/15 men) - 19 secondary schools from the Zenica-Doboj Canton, 7 secondary schools from the Una-Sana Canton,

2 secondary schools from the Posavina Canton- one primary school from the Zenica-Doboj Canton, and one higher education institution from the Zenica-Doboj Canton.

In addition to the training, the project engaged experts to further strengthen the capacities of the teaching staff through mentorship for teachers who expressed interest and need for that kind of support. During the reporting period, a total of 137 hours of mentorship were delivered, validated by the Pedagogical Institute of the Zenica-Doboj Canton. The mentorship was used to support teachers in designing teaching materials and to provide additional support depending on the specific needs of the teachers.

It is worth noting that during the Project Board meeting held on 19 December 2024, a proposal was put forward to procure assistive technology for schools in the Zenica-Doboj Canton, contingent on the availability of project funds in 2025. The aim of this initiative was to strengthen inclusive education and digital skills of children with disabilities, recognizing the significant number of students with disabilities who are enrolled in regular education programs. The procurement process for assistive technology for 14 primary schools in the Zenica-Doboj Canton was completed in July 2025 and equipment was delivered in September 2025. These schools will collectively serve 398 (260 boys, 138 girls) students with various developmental difficulties during the 2025/2026 school year. This initiative aims to address systemic shortcomings and provides students with developmental difficulties the tools they need to access digital education, ultimately preparing them for the future.

Following the delivery of the mentioned equipment, on 23 September 2025 the Project, in cooperation with the Pedagogical Institute of the Zenica-Doboj Canton, organized a promotional event featuring the awarding of certificates to teachers who successfully completed the training program on strengthening IT skills and visited one of the schools which received the equipment. The visit to the school was attended by UNDP BiH Resident Representative as well as representatives of the Norwegian Embassy, Pedagogical Institute, Federal ministry of labor and social policy and association of NGOs for people with disabilities of Zenica-Doboj Canton. Following the approval of the Project Board, the Project is currently in the process of completing the Transfer of Title of procured equipment.

Considering the savings generated by the Project, the EGG2 Project team, following consultations with the UNICEF colleagues working on inclusive education reform in Bosnia and Herzegovina, initiated discussions with the ministries of education of the Herzegovina-Neretva and Una-Sana cantons to assess the needs for assistive technology equipment in primary schools. Both cantons are at an advanced stage of implementing inclusive education reforms, having adopted the necessary regulatory frameworks and established expert commissions for the assessment of children with disabilities in accordance with the International Classification of Functioning, Health and Disability. To ensure the effective operationalization of these processes, both cantons require assistive technology that will equip a total of 45 schools - 38 schools in the Herzegovina-Neretva Canton and 7 schools/centers for development of inclusion in the Una-Sana Canton. In total, 490 children with disabilities are expected to benefit from this equipment.

Upon receiving all required data from the two ministries, the EGG2 Project team submitted a request for approval of this activity to the Project Board. Following the Board's endorsement, a formal request for budget reallocation is submitted to the Norwegian Embassy with this report. The delivery of the equipment is expected to be completed no later than 28 February 2026.

OUTPUT 2: ENABLING ENVIRONMENT FOR ENTREPRENEURSHIP DEVELOPMENT IMPROVED

ACTIVITY 2. ADDRESSING BARRIERS TO ENTREPRENEURSHIP

2.1. FORMALLY INTRODUCE ENTREPRENEURSHIP LEARNING IN SECONDARY CURRICULA FOR VOCATIONAL SCHOOLS

The Project continued to foster partnerships and promote cooperation between institutions and the private sector in the area of entrepreneurial education. As part of these efforts, a roundtable titled *“Strengthening Digital and Entrepreneurial Education in Bosnia and Herzegovina”* was held on 12 June at the UN House. The event gathered over 20 representatives of ministries, educational institutions, international organizations, and the private sector to jointly explore opportunities for improving digital and entrepreneurial skills among young people in Bosnia and Herzegovina. The roundtable resulted in a set of conclusions and recommendations for action, highlighting the need to strengthen inter-institutional cooperation, modernize curricula, enhance the digital competencies of teaching staff, and formally integrate entrepreneurial education into school curricula, with the active involvement of development agencies and the business sector. Special emphasis was placed on best practices developed under the EGG2 Project, such as business clubs and the Young Entrepreneurs Academy, which have been successfully established and implemented with the support of the Project.

2.2. ESTABLISH INFORMAL ENTREPRENEURSHIP CLUBS

The previously established cooperation with the Sparkasse Bank continued. Following the successful teacher capacity-building workshop on entrepreneurship held on 8 November 2024 in Bihać, the Project supported the organization of another workshop, which took place in Goražde on 28 January 2025. The workshop was attended by 17 teachers (8 women, 9 men) and was implemented based on the Memorandum of Understanding signed between Sparkasse Bank and the Ministry of Education, Youth, Science, Culture, and Sports of the Bosnia-Podrinje Canton.

2.4. GRADAČAC TRAINING CENTRE CAPACITY BUILDING

In the reporting period, UNDP BiH procured licensed SolidCAM software for the needs of the Training Center. Additionally, specialized training was conducted for 5 engineers from the Training Center with the aim of strengthening their knowledge and skills in using the SolidCAM software, enabling them to effectively transfer the acquired knowledge to other engineers in the industry. As a result, the Training Center implemented a specialized CAD/CAM training program for 12 young participants, delivered over 100 hours, with the aim of enhancing their skills and improving their employability prospects. As part of the Project’s support, a dedicated website for the Training Center was developed, and a new welding machine was purchased.

Through this capacity development and technological upgrading, the Training Center has established the foundations to expand its training offerings and introduce vocational programs aligned with labor market needs, particularly in CAD/CAM and welding. It has also partnered with the secondary school MSŠ “Hasan Kikić” to provide practical classes for pupils from the mechanical and electrical school programs.

OUTPUT 3: APPLIED RESEARCH AND DEVELOPMENT STRENGTHENED

ACTIVITY 3. INCREASING INVESTMENT IN RESEARCH AND DEVELOPMENT

3.2. SUPPORT DRAFTING OF THE LAW ON INNOVATION ACTIVITIES IN SARAJEVO CANTON

Throughout the year, the Project provided technical assistance for development of the draft Law on Innovation Activities in Sarajevo Canton. Engaged experts worked closely with the Interinstitutional Working Group, appointed by the Ministry of Science, Higher Education and Youth of Sarajevo Canton and the entire drafting process was highly participatory. A key milestone was the organization of a presentation of the regulatory framework analysis on 20 January 2025, which the Project supported both technically and logistically as an integral part of the law drafting process. The event brought together 53 participants from academia, the private sector, and government institutions, enabling direct dialogue and the collection of valuable suggestions that were later incorporated into the draft law. Between February and April 2025, four working meetings were held with members of the Working Group and experts.

In addition to the support for development of the law, the Project actively contributed to building the capacities of all relevant stakeholders by providing expert knowledge on innovation processes. Between January and March 2025, two one-day workshops were organized for members of the Interinstitutional Working Group on the topics of best practices and legislative frameworks from countries in the region and the EU, as well as best practices in establishing innovation funds. Thanks to the joint efforts, the Ministry formally approved the final text of the draft law in mid-April. On 19 May 2025, a presentation of the final draft law was organized, attended by 37 key stakeholders. Although the next planned step was to submit the draft for the public consultation process, this has been temporarily postponed due to administrative challenges faced by the Ministry.

It is important to emphasize that the preparation of this legal framework represents a significant step forward in strengthening the innovation ecosystem in Sarajevo Canton, clearly defining key concepts: categories of innovation, actors within the innovation infrastructure, the establishment of the Innovation Council and Innovation Fund of Sarajevo Canton, and the obligation to develop an Innovation Development Strategy. These elements lay the foundation for a functional innovation ecosystem in Canton Sarajevo and simultaneously serve as a model for other cantons and levels of government.

On 21 and 22 October in Sarajevo, the EGG2 Project organized an international conference ***„Innovate for Growth: Accelerating Sustainable Development through Innovation“***, that gathered 180 participants from the EU, Western Balkans and Bosnia and Herzegovina, including high-level speakers and panelists of the following organizations and institutions from abroad: European Innovation Council (EIC), the Organisation for Economic Co-operation and Development (OECD), UNDP Regional Bureau, the European Institute of Innovation and Technology (EIT), COST Association, the Swedish Incubators & Science Parks Network (SISP), the Finnish Innovation Fund (SITRA), the Research Institutes of Sweden (RISE), the Estonian Education and Youth Board, the Innovation Fund of the Republic of Serbia, Innovation Fund of Montenegro, Ministry of Education, Science and Innovation of Montenegro, the Croatian Agency for SMEs, Innovation and Investments (HAMAG-BICRO), the “Digital Serbia” Initiative, Petlja Foundation from Serbia, STEMI Croatia, South Central Ventures from North Macedonia, the Knowledge Transfer Office of the University of Ljubljana, and the BioSense Institute. The conference explored how innovation drives sustainable development and economic growth through development of an enabling innovation ecosystem, enhanced research and development (R&D), stronger collaboration between academia and industry and sustainable financing mechanisms. It brought together leading stakeholders from government, venture capital funds, practitioners, innovation and technology experts, university and research institutions, innovation hubs, incubators and accelerators, entrepreneurs and startups, development agencies and business development service providers, to

exchange knowledge and showcase successful innovation models that drive both sustainability and economic prosperity, discuss strategies, opportunities and best practices to strengthen the innovation ecosystem, facilitate dialogue between policymakers, researchers, entrepreneurs, investors, and civil society to foster cross-sector collaboration, explore policy tools, financing mechanisms, and strategic partnerships that enable scalable, impact-driven innovation as well as strengthen regional innovation ecosystems by learning from EU best practices. The conference was opened by H.E. Kathrine Biering, Ambassador of Norway to Bosnia and Herzegovina and H.E. Arnhild Spence, UN Resident Coordinator in Bosnia and Herzegovina.

As a side event to the conference, the EGG2 Project organized an inspiring and well-attended talk with Mr. Michiel Scheffer, President of the Board of the European Innovation Council (EIC) and one of the conference's keynote speakers. The session took place on 20 October at the UN House and served as a valuable platform for the startup community in Bosnia and Herzegovina to engage directly with one of Europe's most prominent leaders in innovation, technology development, and entrepreneurship. During the event, Mr. Scheffer shared his perspectives on the evolving European innovation landscape, emerging opportunities within the EIC framework, and the essential steps local startups can take to strengthen their competitive advantage. He highlighted pathways for accessing European funding, the importance of building strong innovation ecosystems, and the role of regional collaboration in accelerating growth. For the participants the discussion offered rare, first-hand insights into how startups from Bosnia and Herzegovina can enhance their visibility, align with EU priorities, and position themselves more strategically on the European innovation map. The event also fostered valuable networking, sparked new ideas for collaboration, and reinforced the EGG2 Project's commitment to facilitating the integrated approach and supporting innovation-driven economic development in the country.

Furthermore, the Project organized a study visit for 13 representatives of the innovation ecosystem in Bosnia and Herzegovina, namely: Federal ministry of development, entrepreneurship and crafts, Federal ministry of energy, mining and industry, Ministry of science, technological development and higher education of Republika Srpska, Ministry of economy of Canton Sarajevo, Ministry of science, higher education and youth of Canton Sarajevo, Chamber of Commerce of the Federation of Bosnia and Herzegovina, Rectorate of the University of Sarajevo, Rectorate of the University of Tuzla, Chamber of Commerce of Republika Srpska, Faculty of mechanical engineering of the University of Sarajevo, Faculty of economics of the University of Banja Luka, Innovation Centre Banja Luka and the Federal ministry of education and science. The purpose of the visit was to gain detailed insights into the structure and best practices of a thriving and dynamic innovation system, as well as the research and development system, with the aim of transferring knowledge and experiences that can be applicable in the context of Bosnia and Herzegovina. Participants met with representatives of 12 institutions and organizations in the Slovenian innovation ecosystem, including ministries, innovation centers, entrepreneurship support organizations, and research institutions. These meetings provided participants with the opportunities for exchange and consultation with Slovenian counterparts as well as for gaining practical insights into successful models of cooperation between the government, academia, and the private sector, as well as mechanisms for coordinating and expanding innovation activities, which is particularly relevant considering various current ongoing efforts at strengthening innovation, particularly at the Canton Sarajevo and the Federation of Bosnia and Herzegovina levels. Special focus was placed on innovation management models, financial support instruments, regulatory frameworks that have proven effective in fostering innovation and economic development, and collaboration mechanisms among different actors in the innovation ecosystem. The visit served as an opportunity to strengthen professional networks and lay the foundation for long-term cooperation, including potential cross-border innovation initiatives. Direct contact with institutions that have successfully implemented innovation strategies will contribute to reform efforts in Bosnia and Herzegovina, particularly in aligning local strategies with relevant EU standards and international best practices. In the short to medium term, the study visit is expected to serve as a catalyst for creating

new approaches in public policy formulation, strengthening institutional capacities, and building a resilient innovation environment that will contribute to the economic and social development of Bosnia and Herzegovina.

3.3. SUPPORT R&D PROJECT SELECTION AND IMPLEMENTATION

In the reporting period, upon the evaluation of applications 22 research projects within the joint R&D grant scheme implemented with the Federal ministry of education and science were selected in four fields (biomedicine and health, biotechnical sciences, natural and technical sciences). These projects are implemented by 16 public and private research institutions, with a strong focus on applied research. In doing so, the Project has exceeded the target of supporting at least 15 projects through the grant scheme, which aims to fund projects with ideas and solutions that have practical value and application in industry in FBiH and/or directly respond to industry needs, addressing specific practical problems or challenges. Accordingly, the grant scheme, with a total budget of BAM 990,882 aims to raise the level of high-quality R&D innovation activities and to strengthen collaboration between R&D institutions and the private sector, enhance the capacity of research and R&D institutions, organizations, and individuals for practical application in industry, and ultimately foster innovation development in the economy through cooperation that results in new or improved products, services, technologies, business models, or processes.

After FMON signed contracts with the project leads on 31 December 2024, the conditions were met for transferring grant funds to the final beneficiaries. This process was slower than expected due to complex administrative procedures related to the registration of faculties in the Quantum system (UNDP's corporate payment system) and linking individual user accounts with university accounts. FMON was also delayed in transferring funds. Formal implementation of the projects began in April 2025, following the finalization of fund transfers from both UNDP and FMON, as co-funders of the grant scheme. During the reporting period, three online info sessions were held with project leads and FMON representatives to explain the narrative and financial reporting processes in more detail. For this purpose, the Project also developed and distributed a brief Manual to all project leads. In addition, Project representatives held individual meetings with each project lead. These meetings were used to update project implementation action plans and address any questions or concerns.

It is important to note that, under the contracts signed between FMON and the beneficiaries, project implementation officially started when the funds were transferred to the beneficiary's account. Given that most projects have an implementation period of eight months, it was necessary to extend their duration until the end of December 2025 to ensure adequate and high-quality implementation. Since the Agreement between FMON and UNDP expired at the end of August, it was necessary to extend the Agreement until mid-February 2026, to ensure that both FMON and UNDP have enough time to conduct field monitoring visits for result validation and financial verifications of 22 projects and ultimately to ensure the fulfillment of all obligations under the Agreement between FMON and UNDP.

During the reporting period, particularly in June, July and November the project team conducted monitoring activities and field visits as well as held several meetings, both in-person and online with FMON representatives to discuss technical details of monitoring project implementation to address potential challenges and risks. The main challenges in implementing the R&D grant scheme so far include delays in conducting public procurement processes, due to the obligation of public universities to conduct procurement in accordance with the Law on Public Procurement of BiH. An additional challenge exists with projects implemented within the University of Sarajevo, as all payment orders must be approved and processed by the Sarajevo Canton Ministry of Finance, which has demonstrated significant delays in approving payment orders. Furthermore, due to insufficient human resource capacity, FMON, in line with its role under the signed Agreement with UNDP, has faced challenges in responding in a timely and effective manner to issues arising during implementation. These challenges,

raised by both the Project Team and project leads, were not addressed with the required efficiency, which further contributed to delays in implementation.

3.3.4 PROCURE AND DISTRIBUTE EQUIPMENT FOR R&D PROJECTS AIMED AT STRENGTHENING R&D INFRASTRUCTURE AT THE UNIVERSITY OF SARAJEVO

In line with the signed agreement with the University of Sarajevo, the Project continued to support the implementation of research projects for 20 organizational units of the University during the reporting period, primarily through the procurement of necessary equipment and materials. All the planned processes have been completed and the Project submitted preliminary narrative and financial reports to the University of Sarajevo, awaiting further instructions related to the remaining balance.

3. OBSTACLES ENCOUNTERED IN IMPLEMENTATION

The project has regularly monitored identified risks in the reporting period in accordance with established rules and procedures. The key challenges during this period were as follows:

- There was a risk that the Ministry of Education and Culture of Republika Srpska would be unable to secure the required co-financing for equipping STEM laboratories in the three targeted schools, which would prevent implementation of the planned activity. This risk materialized; however, it was mitigated by revising the scope of the activity, with Project Board approval, and equipping one STEM laboratory in one high school in Republika Srpska instead.
- Limited technical and human capacities of the Faculty of Electrical Engineering (ETF) to implement the distance learning (DL) program affected the dynamics of planned activities and the quality of teaching. To ensure adequate quality of teaching materials and to enable direct access to lectures for students involved in the DL program, the project provided additional support to ETF staff to better organize the process. Despite continuous technical and expert support provided by the EGG2 project, there were challenges, specifically regarding the lack of unified visuals, caused by insufficient coordination capacities at ETF. Although ETF, according to the signed Memorandum of Understanding with UNDP, was obligated to ensure the unhindered work of the engaged technical experts providing multimedia support and to require the teaching staff to use the technical support to ensure a unified appearance of the prepared teaching materials, the lack of adequate engagement by ETF has led to delays and inefficient use of multimedia support by the teaching staff.
- Due to difficulties with administrative procedures for fund disbursement, there were delays in transferring funds to R&D grant scheme beneficiaries. Consequently, UNDP and FMON funds were only deposited into beneficiaries' accounts in April 2025, which significantly affected the planned implementation timeline of these projects and ultimately led to the extension of the projects' implementation until the end of December 2025. This situation resulted in the need to extend the EGG2 Project until the end of February 2026. To minimize the effects of the delay on further implementation, the EGG2 project team established intensive communication with grant scheme beneficiaries and held several meetings regarding further planning and procurement procedures. Additionally, from June 2025, the EGG2 project team began intensive monitoring of the projects, which enabled a detailed overview of the level of project implementation and encountered challenges, thereby allowing timely mitigation of potential implementation risks. It should be noted that, in line with the agreement modality signed between UNDP and FMON, the Ministry is solely responsible for approving all extension requests and budget reallocations, as well as for ensuring that all monitoring obligations are fully met. However, as mentioned above, FMON has not been effectively responding to the needs and requests of projects, which affected the implementation dynamics and caused delays in some instances. The EGG2 team has supported the Ministry in monitoring the implementation, helping to maintain compliance with all monitoring and reporting requirements.

4. MONITORING ACTIVITIES

Throughout the year, the project team organized a series of meetings with project partners involved in the implementation of completed and ongoing project activities, with the aim of monitoring the effects of previously implemented activities and initiatives, as well as monitoring the progress of the ongoing ones.

Special focus was placed on the work of business clubs established in 10 schools in the Sarajevo Canton. During visits and meetings with these schools, data was collected on the activities of the clubs during the 2024/2025 school year. It was noted that in most schools, business club activities are actively continuing, involving new generations of students who develop innovative business ideas and participate in domestic and international competitions. This continuity confirms the sustainability of the business club model and its significance for the development of practical knowledge and skills among young people. A particularly notable example is the team from Secondary School Center Vogošća, winners of the 2024 Academy for Young Entrepreneurs, who have continued developing their business idea "Smart Bench." The team is in the process of registering their own start-up, which represents an important indicator of the practical impact of the Academy for Young Entrepreneurs on the development of entrepreneurial competencies among youth.

In addition, meetings were held with beneficiaries of the joint grant scheme successfully completed and closed in 2024, implemented in cooperation with the Federal Ministry of Development, Entrepreneurship and Crafts (FMRPO). During these meetings, data was collected on new users of established or improved business support lines. The gathered information indicated the continuation of these services and their positive impact on strengthening the entrepreneurial competencies of young entrepreneurs across the Federation of Bosnia and Herzegovina.

In relation to the ongoing activities, as detailed under Activity 3.3, monitoring activities and field visits were carried out to track the progress of R&D project implementation and ensure that the projects remain on course to achieve their intended objectives.

The Project has, as previously approved, initiated steps to engage the consultant who will conduct the end of project participatory review, which will focus on high stakeholder-participation to ensure a rigorous, impartial, and in-depth assessment of all key aspects of the EGG2 Project, including its relevance, effectiveness, efficiency, achieved results, sustainability, and any observed signs of change resulting from project interventions. The consultant is expected to be engaged by mid-January 2026.

5. PROJECT VISIBILITY

Communication activities during the reporting period (January– November 2025) were carried out in accordance with the Project Communication and Visibility Plan, with a focus on the strategic promotion of key results and the observance of relevant international days.

Promotion of the joint grant scheme by the Federal Ministry of Education and Science and UNDP was conducted through the publication of information about the projects selected for funding under the grant scheme aimed at applied research and innovation.

Within the context of systemic support for the development of innovation policies, the Analysis of the Legal and Institutional Framework for Innovation in Sarajevo Canton was presented, along with the draft Law on Innovation Activities in Sarajevo Canton.

On the occasion of International Education Day and the International Day of Girls and Women in Science, stories highlighting the importance of investing in education and the equal participation of women and girls in STEM fields were published.

On World Creativity and Innovation Day, initiatives of young innovators were showcased, while the Girls in ICT Day was marked through testimonials from female students in schools supported by EGG2 project activities in the STEM education sector.

Additionally, the development of new educational materials for ICT subject teachers was promoted, and a panel discussion on digital education and entrepreneurship was held, with the participation of relevant stakeholders from the education and business sectors.

On the International Youth Skills Day, the Young Entrepreneurs Academy was promoted — an educational program that enabled over 150 high school students from Sarajevo Canton to develop entrepreneurial skills and innovations through practical projects. Among them, the winning team from the Vogošća High School Center developed the innovative Edu Tech Desk, which is now in the startup launch phase.

In Zenica-Doboj Canton, the Project's support for inclusive education was promoted through a [dedicated video](#) highlighting the delivery of specialized assistive technology to 14 primary schools, enabling nearly 400 children with disabilities to access more inclusive and adapted learning environments.

During SDG Week, the Project organised the *Innovate for Growth* conference, bringing together partners from government, business, academia and the innovation ecosystem from EU, Western Balkans and Bosnia and Herzegovina to discuss how innovation and digital transformation can support sustainable and inclusive economic growth. The conference was promoted through a series of UNDP social media posts announcing all panels and panellists.

The study visit to Slovenia was also promoted through UNDP communication channels, highlighting the importance of knowledge transfer and exchange between the Slovenian counterparts and local relevant institutions and organizations as the country is seeking to strengthen the innovation ecosystem. The promotion was further amplified by institutional partners through their own communication channels, ensuring broader outreach and visibility.

The EGG2 Project's activities and results were also presented at the Western Balkans Digital Summit, held in Skopje from 1–2 October, where the EGG2 Project Manager participated in a panel discussion focused on building 21st-century skills for youth.

During the reporting period, a total of 32 social media posts were published on UNDP channels, and 26 media reports on EGG2 Project activities were recorded.

6. LESSONS LEARNED

During the reporting period, the relevance of project activities was confirmed.

Through the implementation of the R&D grant scheme, a significant step was made toward raising public awareness about the importance of innovation and R&D for economic growth, as well as encouraging partnerships based on the “triple helix” principle among the private, public, and academic sectors. Although relatively limited in terms of budget and duration, the pilot R&D grant scheme demonstrated that targeted funding can stimulate concrete forms of cooperation and synergy between the scientific-research community and industry. This has opened the door for further structuring and implementation of similar programs at other levels of government, taking into account the best practices and lessons learned through the rollout of this grant scheme.

Project activities also showed that private companies are interested in innovation but often lack the capacity to independently develop research projects or establish cooperation with academia. The R&D grant scheme enabled a structured approach that fosters collaboration, contributes to building trust, and establishes long-term partnerships between sectors, all of which are crucial for a functional and thriving innovation ecosystem.

While the grant scheme showed potential, based on global practices and experiences in implementing similar programs, overcoming the challenges of short-term financing is essential to achieve strategic effects. For sustainability and strong innovation activity, similar instruments should become an integral part of innovation and science policies, with predictable funding sources and clear evaluation criteria.

Additionally, the process of drafting the Law on Innovation Activities in Sarajevo Canton highlighted the necessity of regulating innovation activities through legislation. The lack of a legal framework creates institutional and financial uncertainty. Without clear legal norms, innovation activities remain sporadic and often depend on *ad hoc initiatives*. The law provides predictability, legal certainty, and defines clear roles for actors in the innovation ecosystem. It enables strategic planning and long-term public support for innovation through the establishment of stable financing mechanisms (e.g., innovation funds), incentive systems for the private sector, and frameworks for cooperation between the public, private, and academic sectors.

Furthermore, the international conference on innovation and the study visit of relevant representatives from Bosnia and Herzegovina to the Slovenian innovation ecosystem demonstrated the relevance and need for structured opportunities for exchange and networking. These activities highlighted how direct exposure to successful innovation models can inspire and shape practical reforms and strengthen cross-border collaboration. They also underscored the importance of sustained dialogue and follow-up mechanisms to ensure that insights gained translate into concrete actions and long-term partnerships.

Lastly, the need to strengthen digital and entrepreneurial education, both through improved infrastructure and through capacity-building for educators and students, was strongly reaffirmed. This indicates that further targeted efforts are required across all levels of the education system, including more active engagement from the private sector, to ensure that students acquire the 21st-century skills demanded by the modern labour market. Furthermore, inclusive education was highlighted as a critical priority, underscoring the importance of creating learning environments that are accessible, equitable, and responsive to the diverse needs of all learners, particularly children with disabilities. Stakeholders emphasized that advancing inclusive practices will require continued investments in assistive technologies, specialized training for teachers, and the development of supportive policies and services that enable every child to fully participate and thrive within the education system.

7. PROJECT MANAGEMENT

Apart from delays in the implementation of the R&D grant scheme and operational challenges related to activities aimed at supporting the establishment of the distance learning (DL) study program, the Project has followed the planned work schedule.

During the reporting period, due to the summer season and the inability to convene an in-person meeting, the Project Board meeting was held online. The semi-annual progress report for the period January–July 2025 was circulated for written approval on 6 August. All Project Board members endorsed the report in writing, along with the accompanying conclusions.

Considering the savings generated within the Project, a request for budget reallocation was submitted for donor approval on 3rd September which also included a proposal for the organization of a study visit, as previously mentioned. Furthermore, due to delays in the implementation of the R&D grant

scheme, specifically the delay in transferring funds to beneficiaries' accounts, which was finalized in April 2025, the approved projects formally began implementation in April, in accordance with the contract signed with FMON, which stipulates that project implementation starts from the moment funds are transferred.

Since most of the approved projects have an implementation period of eight months, with the completion of all projects expected by the end of December 2025, it was necessary to extend the EGG2 Project to ensure thorough final monitoring of achieved results and indicators, as well as financial monitoring of 22 projects. In this regard, following the endorsement of the Project Board, on 3rd September the donor approved the extension of the EGG2 Project until 28 February, 2026, along with the requested budget reallocation.

Furthermore, the Project obtained endorsement from the Project Board and, together with the preliminary financial and narrative annual report for 2025, submitted an additional budget reallocation request to the donor to ensure that the remaining saved funds are allocated for the procurement of assistive technology equipment for primary schools in two cantons. In this way, the results and impact of the project will be further enhanced.

Also as previously mentioned the Project obtained by the Project Board the approval to extend within the internal UNDP system the activity 1.2.5. *Procurement of equipment for science cabinets for 25 elementary schools in Canton Sarajevo*, funded fully by the Ministry of Education of Canton Sarajevo until 31 May 2026 to ensure the successful completion of all the foreseen procurement processes. All other activities financed through the contribution of the Government of Norway will be completed by 28 February 2026, in line with the previously approved no-cost project extension.