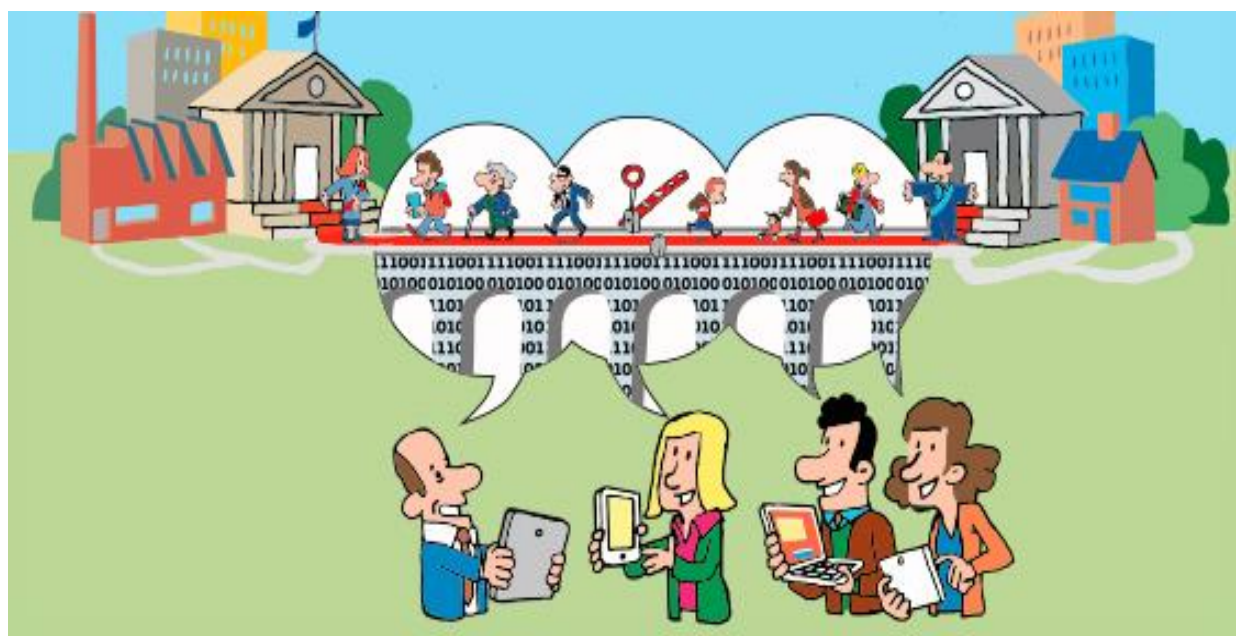




DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR IN BOSNIA AND HERZEGOVINA PROJECT (2020-2024)

PROJECT DOCUMENT



August 2020

Title: DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR IN BOSNIA AND HERZEGOVINA

Project Number: Award ID: BIH10/00126507, Output ID: 00120553

Implementing Partner: United Nations Development Programme (UNDP) in Bosnia and Herzegovina

Start Date: 12 August 2020 **End Date:** 12 August 2024 **LPAC Meeting date:** 13 July 2020

Implementation modality: Direct Implementation Modality

Brief Description
<p>The Project aim 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.</p> <p>The intervention has three main results:</p> <ol style="list-style-type: none">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.

<p>Linkage with SDGs: 16 "Peace, Justice and Strong Institutions"</p> <p>Linkage with EU accession agenda: Digital Agenda for the Western Balkans</p> <p>Linkage with UNDP Strategic Plan: Accelerate structural transformations for sustainable development</p> <p>Outcome (UNSDCF/CPD): By 2025, people contribute to, and benefit from more accountable and transparent governance systems that deliver quality public services and ensure rule of law.</p> <p>Output ID (with gender marker): 00120553; GEN</p>
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Total resources required (USD):	5,000,000	
Total resources allocated (USD):		
	UNDP	933.487,20
Unfunded (USD):	4.066.512,80	

Agreed by:

Steliana Nedera,

Steliana Nedera
Resident Representative,
UNDP in Bosnia and Herzegovina

Date: 12 August 2020

JK

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. 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. The Opinion on Bosnia and Herzegovina's EU membership application³ indicates the country needs to significantly step up its efforts to align with the EU Acquis and enforce related legislation.

Authorities at all levels collaborate 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 0.769, 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 abroad¹ and projections suggest the population could decline below 2.3 million by 2100. Unemployment stands high at 15.7%², 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 line³.

Annual **economic growth** increased from 3.1 % to 3.5 % between 2016-2019⁴, but in 2020 it is expected to drop because of the COVID-19 crisis⁵. 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 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. Overall, the country has 13 constitutions and legislative systems, 13 prime ministers, more than 180 ministries, and over 700 members of parliament in a country of around 3.5 million people. 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

¹ Ministry of Security of Bosnia and Herzegovina, Migration Profile of Bosnia and Herzegovina, 2018.

² 2019 Labour Force Survey, Agency for Statistics of Bosnia and Herzegovina.

³ Human Development Report: Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century; UNDP, 2019.

⁴ World Bank, Country Report for Bosnia Herzegovina, 2019.

⁵ 2020 growth is projected at -1.9 %, a significant revision from the pre-Covid-19 projection of 3.4 % for 2020. The World Bank, April 2020.

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 2018-2022⁶.

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.

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 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.

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 2018-2022. 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

⁶ Reference: <http://rju.parco.gov.ba/en/o-rju/strateski-okviri-za-rju/>.

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).

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 (apart from the Federation of Bosnia and Herzegovina) 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, 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

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.

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 organizational and technical measures for accreditation. 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 „only once” 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.

1.4 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 is equivalent to 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 who have access to modern information and communication technology and those who lack access persist and new ones emerge.

Digital inequality is evident between communities living in urban areas and those living in rural settlements; between socioeconomic groups; between less economically developed areas and more economically developed ones; between the educated and uneducated population. Gender also figures in the relationship regarding the use of technology and age is clearly 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.

1.5. Stakeholder analysis

There are numerous stakeholders which 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 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 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, Higher Education and Information Society 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 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.

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 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 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 entity level. The Agency supports the Local Government Training System in the Federation of Bosnia and Herzegovina.

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.

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

Past experiences in the area of 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 a more collaborative and people-centred e-governance in the country. Data is a valuable asset which 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.

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 local governance in Bosnia and Herzegovina. This intervention is aligned with and contributes to the achievement of the following strategic frameworks:

- i) the **draft SDG Framework in Bosnia and Herzegovina 2030**, particularly its “Good Governance” pathway;
- ii) the [Public Administration Reform Strategic Framework 2018-2022](#), specifically two of its specific objectives, namely “Accountability” and “Service delivery”;
- iii) the [Information Society Development Policy for Bosnia and Herzegovina 2017-2021](#);
- iv) Draft **Strategy for development of e-government in Bosnia and Herzegovina 2021-2025 and the respective roadmap**;
- v) the **Strategy for Development of Electronic Government of Republika Srpska 2019-2022**;
- vi) Draft **Strategy for 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 draft **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

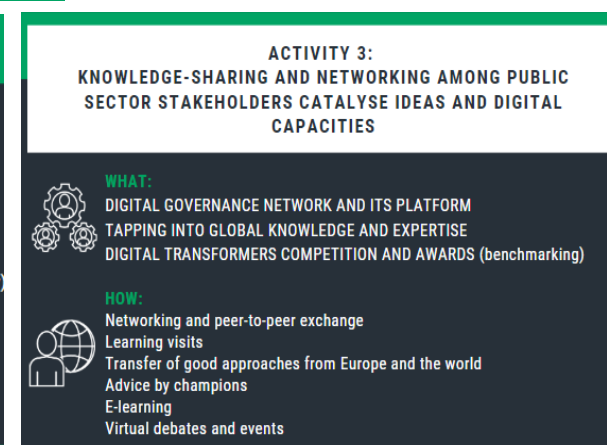
Project goal: The Project aims to support authorities in Bosnia and Herzegovina in their journey towards the country's digital future by promoting new capabilities and leveraging technology and innovation for more effective and inclusive governance and public service delivery.

Project output: Governments across all levels have enhanced capacities for transparent and effective policy and financial management, including digital capacity, which 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

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

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



III. RESULTS AND PARTNERSHIPS

3.1. Detailed description of activities

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

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



Under this action the Project will support the conduct of **strategic 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 **inclusive design and setting in function of a Future Government Engagement Game** that utilizes a combination of strategic foresight, stakeholders' engagement and design science and tools (e.g. sci-fi prototyping, virtual reality, etc.) to offer a next generation participatory tool that trigger future-looking debates among citizens, businesses and policy makers and helps re-imagine public services and next generation governance system at large. Visions and ideas captured through this process will be fed into the design of e-services and e-systems.

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** (e.g. Information Society Strategy in Bosnia and Herzegovina, other strategic frameworks as relevant and 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) on a **whole-of-government vision for digital transformation in the country**, 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.

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 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. Focus will be placed on harmonising legal frameworks with the [EU](#)

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

[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 delivery of public services in various sectors, etc.

In both the policy and regulatory areas of work, the Project will support the piloting of “**policy and regulatory design innovation clinics**”, which 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 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). In that process, and as part of public innovation labs, the Project will encourage opportunities for government leaders and practitioners to ideate and experiment, re-imagine public services from a people-centred

viewpoint, apply system thinking in practice, as well as use behavioural insights that could simplify and improve administrative processes. These efforts will be implemented in collaboration with the UNDP Accelerator Lab.

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 information and communication technology (ICT) infrastructure supported



In parallel, the Project will support improvement of ICT infrastructure, including for setting in place e-service “building blocks”, such as module for electronic identification, module for electronic payment, module for electronic delivery, portals, catalogue of services, along with the framework for 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.

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.

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

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 to maintain quality cross-institutional dialogue and coordination, including from viewpoint of meeting the functions and scope of e-services as laid out within the whole-of-government 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 customised digital transformation academy for public sector leaders and practitioners. 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 transition towards agile, inclusive and digital-ready public service. Hence, through training, on-the-job coaching built-in within the processes, 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**

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 at strategic points of the process.

Action 3.3: Excellence in digital governance promoted and recognised

To incentives digital transformation and recognise extraordinary contribution and leadership in that process, the Project will organise the annual **Digital Transformers in the Public Sector Awards**. This will be based on a set of criteria, including possible benchmarking system for digital transformation champion institutions.

3.2. 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. 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.

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**.

3.3. 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	100
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 and agencies participating in the Project	15
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 50,000
Businesses	
Number of businesses which benefit from improved public services as a result of the Project	At least 5,000

3.4. 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, 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.

3.5. Strategic partnerships and synergies with other relevant interventions

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 Justice 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 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, Higher Education and Information Society of Republika Srpska;
- The Ministry for Administration and Local Self-Government of Republika Srpska;
- The Ministry of Justice of Republika Srpska;
- The Civil Service Agency of Republika Srpska;
- Cantonal ministries;
- Local governments.

Strategic Project partner

The key partner in delivery of the Project is the **British Embassy Sarajevo/the Government of the United Kingdom through its Good Governance Fund**. This partnership has already been tested and strengthened through previous project-level cooperation and joint initiatives in the area of digital transformation, including support to peer learning of key stakeholders/change agents (conferences) and launching of the Digital Transformation Practitioners' Network in the country. This partnership will result in a strong cooperation at the policy level, with advocating and promoting the concept of digital transformation towards partners in governments; a strong joint delivery of the Project activities through existing resources and prospective future funding from the UK Government; as well as ensuring access to some of the best practice in digital governance and experiences from the United Kingdom, and in particular – the Government Digital Service as the European and global leader in digital transformation in the public sector.

UNDP and the British Embassy will reach out and seek to mobilise additional collaborators for this programmatic framework, so as to maximise impact and ensure harmonised development cooperation approach to this matter in the country.

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

The partners from the international community include those which already have on-going or earmarked interventions 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);

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.

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;
- 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.

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. 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.

3.6. 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.

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.

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.

3.7. Knowledge management

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.

3.8. 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.

3.9. Sustainability and scaling up

The Project is first of this kind for Bosnia and Herzegovina and comes to contribute to one of the strategic priorities within the draft new UNDP Country Programme Document 2021-2025 related to people-centred and effective governance in the country. 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:

- **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, which will inherently extend the lifetime of a technical solution, 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. The public administration will also 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.

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.

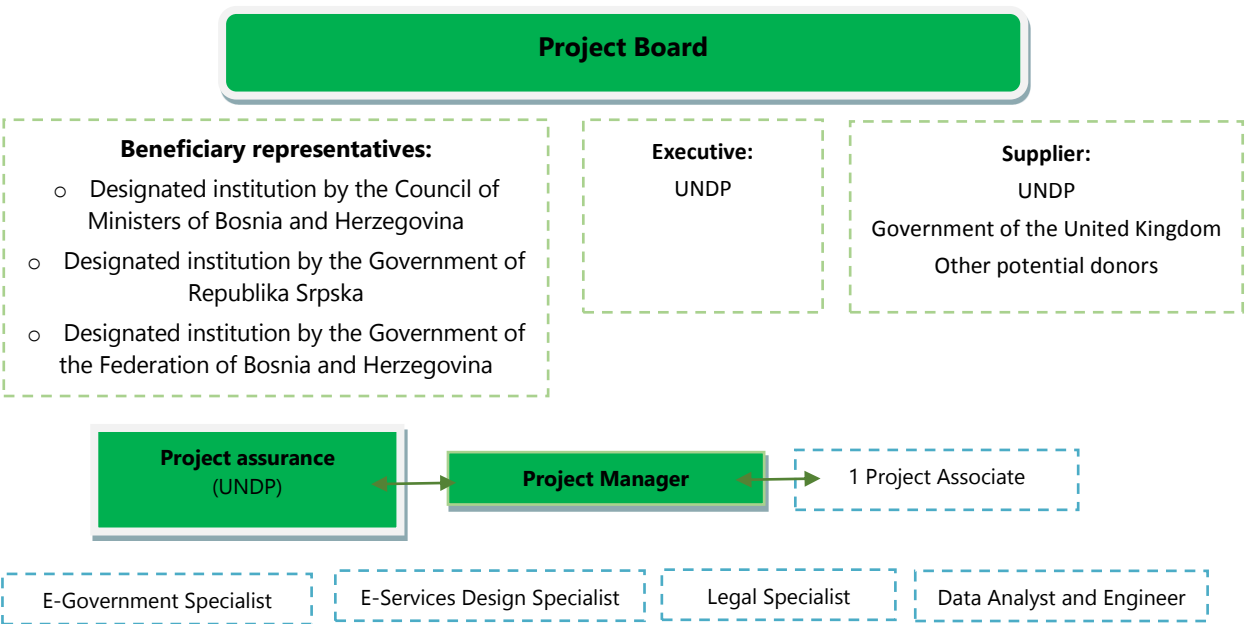
4.2. Project management

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.

In the course of Project implementation, UNDP will explore the opportunity to partner with PricewaterhouseCoopers as a company with rich e-governance expertise and experiences in the area of digital transformation in the public sector in Bosnia and Herzegovina, which was also leading implementation of the “Support to e-government reforms and the digitalisation of services in Bosnia and Herzegovina” project supported by the UK Good Governance Fund.

4.3. Project governance and organisational structure

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.



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 recommendation 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 therefrom. 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 will establish an **Advisory Board** as an inclusive body whose specific responsibilities will include: promoting the importance of digital transformation in the public sector in the country; serving as a forum for cooperation and dialogue on the digital agenda among governments, professional associations and practitioners; enabling coordination and exchange on Project-related strategic, thematic and operational issues among relevant stakeholders; enabling exchange of expert opinions; proposing recommendations and remedies to possible barriers for consideration by the Project Board, including for the success of policy processes, etc. Participation and contributions in the Advisory Board will be on voluntary basis.

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, 1 E-Services Design Specialist, 1 Legal Specialist, 1 Data Analyst and Engineer 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.

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.

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. Duration of the Project

The duration of the Project is 4 years (48 months), from August 2020 to August 2024.

4.6. Project budget

The total indicative financial framework for the Project amounts to **US\$ 5 million**. UNDP has **earmarked US\$ 933.487,20 as co-financing for** this Project.

This programmatic framework can serve as a broader platform and inspire interest and support by other development partners for consolidated and maximised development impact.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/CPD: By 2019, economic, social and territorial disparities are decreased through coordinated approach by national and subnational actors											
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 Country Programme, including baseline and targets: <u>Indicator:</u> Value of development index in targeted areas; <u>Baseline:</u> 2014 development index in cities; <u>Target:</u> Growth of development index value in targeted areas (2020).											
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	FINAL (2024)	
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 Extent to which enabling strategic and regulatory environment for digital transformation is in place.	Official government information; monitoring reports from SIGMA, EU and UNDP	Insufficient	2020	Insufficient	Partial	Adequate	Good	Good	Review, assessment
		1.2 Value of the BTI Governance Index.	BTI Transformation Index	3.80	2020	3.85	3.85	3.90	4.00	4.00	Assessment
	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 Number of fully transactional public e-services set in function based on interoperable design standards	Official government reports; government web portals	0	2020	2	5	10	15	15	Assessment Feedback from users
		2.2 Number of public elected officials and staff who strengthen their capacity as a result of the Project support	UNDP Project reports. Evidence from capacity development activities. Feedback from participants.	N/A	2020	200	400	600	800	800	Review of reports and materials
		2.3 Number of citizens who use the e-services introduced with the Project support	Government records	N/A	3,000	5,000	15,000	20,000	25,000	25,000	Review of reports and materials.
		2.4 Number of businesses which use the e-services as a result of the Project	Government records	N/A	500	1,000	1,500	2,000	5,000	5,000	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	100	200	300	400	500	500	Review of reports and materials.
		3.2 Number of digital champions from the public sector recognised for their important contribution to the digital agenda	UNDP programme reports. Media.	N/A	5	10	15	20	25	25	Media reviews. Interviews with partners

IV. 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	
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 Advisory Board	
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

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
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 2024	UNDP	USD 20,000

V. MULTI-YEAR WORK PLAN

EXPECTED OUTPUT	ACTIVITIES	PLANNED SUB-ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
			Y1	Y2	Y3	Y4		Funding Source	Budget Description	Amount
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. Gender marker: 2	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	Unfunded	Expertise Software	300,000
		1.2 Support policy dialogue to enable inclusive development of e-government policy and strategic frameworks						UNDP	Expertise Events Translation Video Salaries staff	285,000
		1.3 Assist responsible institutions to lead inclusive design or amendment of priority regulatory frameworks that enable e-governance						Unfunded	Expertise Events Translation Video	170,000
		MONITORING						UNDP	Survey, review	5,000
		Sub-Total for Activity 1								760,000
	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 (part)	Expertise Software Events Translation Video Salaries staff	300,000
		2.2 Support key ICT infrastructure						Unfunded	Software Hardware Capital investments	3,000,000
		2.3 Strengthen institutional framework and capacities for digital governance						UNDP (part)	Expertise Events Translation Video Travel Salaries staff	250,000
		MONITORING						Unfunded	Review	15,000
		Sub-Total for Activity 2								3,565,000

	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 (part)	Software Services Expertise Events Comms and video Salaries staff Publication	100,000
		3.2 Facilitate expert support and backstopping from advanced e-government countries						Unfunded	Expertise Events Translation Video Travel	100,000
		3.3 Assist in the establishment and affirmation of digital governance excellence awards						Unfunded	Events Translation Video Travel	50,000
		MONITORING						Unfunded	Research, survey	5,000
		Sub-Total for Activity 3								255,000
		Evaluation (as relevant)	EVALUATION						Unfunded	Review and assessment
	General Management Support								400,000	
	TOTAL									5,000,000

VI. 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 Development Assistance Framework (UNDAF) in Bosnia and Herzegovina for the period 2015-2020 (signed by the Council of Ministers of Bosnia and Herzegovina and UN on 15 June 2015), as well as the current UNDP Country Programme Document 2015-2019 extended by 2020 following the extension of the UNDAF, represent the basis for the activities of UNDP in the country.

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

VII. 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. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.
- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project, or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- f. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- g. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

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

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

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to

have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

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

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

VIII. 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

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	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.
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		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 <u>Risks</u>		
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 ¹⁵ greenhouse gas emissions or may exacerbate climate change?	No
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

¹⁵ 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.]

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

General Risks	Risk Category	Likelihood	Consequence	Risk Management
Political instability	Political	Medium	Delay/failure in policy/regulatory agenda advocated for by the Project.	<ul style="list-style-type: none"> Careful monitoring of the political context by the Project team. Joint decisions on the new approaches with the Project Board.
Insufficient knowledge and digital skills across public institutions may slow down the speed of digital transformation in the public sector	Organisational	High	Delay/failure in the introduction of the e-government in the public sector.	<ul style="list-style-type: none"> The Project will actively support promotion, capacity development and skills development of public sector officials and staff
Reluctance to behavioural change in the public sector	Organisational	Medium	This may slow down the speed of professionalizing the administrations and undermine the digital government agenda	<ul style="list-style-type: none"> The Project will ensure continual, flexible and long-term sensitization and awareness raising activities as accompanying approaches in all interventions and will make sure that motivation for engagement and positive change is within the main selection criteria for partner institutions.
Delays with adopting digital transformation policy and regulatory frameworks	Political	Medium	Delay/failure in policy/regulatory agenda advocated for by the Project.	<ul style="list-style-type: none"> The Project will 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.
Depopulation/migration of the population	Societal	Medium	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.	<ul style="list-style-type: none"> 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	Natural	Medium	Affects human lives and wellbeing, disrupts public services and governance, damages public infrastructure, reduces public financial resources. These remain a likely risk, including new waves of COVID-19 crises, challenging the functioning of governments, economies and society.	<ul style="list-style-type: none"> The Project will have a flexible approach, including reprogramming of activities to respond to the emerging needs. In relation to COVID-19 crisis, the Project will embed the aspect of public health crisis in the design of the e-services design. The Project will develop basic tools and approaches to enable potential distance learning and remote implementation of activities in times of such events.

Annex IV: 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	

Area	Status in Bosnia and Herzegovina
Social security contributions for employees	
Taxes paid by business entities: reporting, notification	The Tax Administration of the Federation of Bosnia and 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 V: Annual work plan (12 months) for the first implementation year (August 2021 – August 2021)

ACTIVITY 1: ENABLING LEGAL AND POLICY ENVIRONMENT ACCELERATE DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR							
ACTION 1.1: INNOVATIVE TECHNOLOGY-BASED TOOLS AND ASSESSMENTS ENABLE PEOPLE-CENTERED DESIGN OF NEW E-SERVICES AND E-POLICIES							
Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
1.1.1. Design and launch an interactive e-government foresight assessment	Having in mind the country context and realities, as well as considering the latest challenges and changing environment for e-government, design an interactive, future-looking assessment that can draw recommendations for setting up of the e-government and e-services system	Country-wide, covering all government levels	November 2020 - February 2021	25.000,00	25.000,00		UNDP (with the Accelerator Lab) in collaboration with the British Embassy
1.1.2. Prepare the launch of the Future Governance Engagement Game	Get in contact with the owner of the tool (European Union) and inquire possibilities to use it in Bosnia and Herzegovina. Plan how the inputs from this tool can feed into the foresight assessment and recommendations.	Country-wide, with focus on citizens' perspective	September - November 2020	2.000,00	2.000,00		UNDP (with the Accelerator Lab) in collaboration with the British Embassy
ACTION 1.2: POLICY DIALOGUE ENABLES INCLUSIVE DEVELOPMENT OF E-GOVERNMENT POLICY AND STRATEGIC FRAMEWORKS							
Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
1.2.1. Information Society Development Strategy and Action Plan for Bosnia and Herzegovina 2021-2027	Support the Ministry for Transport and Communications of Bosnia and Herzegovina, together with all government levels, steer the process of design of the Information Society Strategy of the country	All government levels included (state, entities, Brčko District, cantons, local governments)	September 2020 - February 2021	100.000,00	100.000,00		UNDP through PwC in partnership with the British Embassy and GDS

1.2.2. Development of methodological competency framework for digital skills in the civil service	Work with civil service agencies and other relevant institutional partners across all government levels to design the methodological competency framework.	State, entity, cantonal and Brčko District levels	September 2020 - February 2021	15.000,00	15.000,00	UNDP through PwC in partnership with the British Embassy and GDS
1.2.3. Design legal, policy and tax incentives for research and development in information and communication technology (ICT) industry	Conduct a robust legal and policy analysis to help identify a portfolio of viable public measures (policy, legal/tax, financial, etc.) that can stimulate research and development (R&D) and innovation in the ICT sector. These recommendations will inform further policy and legal efforts of the Ministry and other relevant institutions.	Pilot in Republika Srpska	August 2020 - October 2020	30.240,00	30.240,00	UNDP in collaboration with the British Embassy

ACTION 1.3: RESPONSIBLE INSTITUTIONS SUPPORTED TO LEAD INCLUSIVE DESIGN OR AMENDMENT OF PRIORITY REGULATORY FRAMEWORKS THAT ENABLE E-GOVERNANCE

Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
1.3.1. Identification of potential priority legal frameworks for amendment/design	Based on discussion with institutional partners and their priorities, identify potential priority regulatory frameworks that need support for amendment/design	State and entity government levels	September - December 2020	10.000,00	10.000,00		UNDP through PwC in collaboration with the British Embassy

ACTIVITY 2: EFFECTIVE, PEOPLE-CENTERED AND EFFICIENT E-GOVERNMENT AND E-SERVICES IMPROVE QUALITY OF LIFE FOR CITIZENS AND EASE OF DOING BUSINESS
ACTION 2.1: KEY E-SERVICES DESIGNED AND SET IN FUNCTION

Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
2.1.1. Development of the portal for Economic Diplomacy activities of the Ministry of Foreign Affairs	Support the design and setting in function, including necessary infrastructure, of the portal	State level	September - December 2020	60.000,00	60.000,00		UNDP in collaboration with the British Embassy

2.1.2. Development of the Information system for the sessions and work of the Government of the Federation of Bosnia and Herzegovina (e-Cabinet Office) connected to the public citizens' portal and the information system of the Parliament of the federation of Bosnia and Herzegovina

Support for the design, setting in function, connecting and testing the new system, abreast with global highest quality solutions in this area

Entity of the Federation of Bosnia and Herzegovina

September 2020 - March 2021

140.000,00

140.000,00

UNDP in collaboration with the British Embassy

2.1.3. E-Service for issuance of transportation license and journey form log (G2B)

Measure from the e-Services roadmaps developed.

State and entity government levels

October 2020 / August 2021

150.000,00

20.000,00

130.000,00

UNDP through PwC in collaboration with the British Embassy

2.1.4. E-Service for issuance of Tax registration certificate (G2B)

Measure from the e-Services roadmaps developed.

Entity level

October 2020 / August 2021

100.000,00

30.000,00

70.000,00

UNDP through PwC in collaboration with the British Embassy

2.1.5. E-Service for submitting tax declaration, tax payment, tax settlements (G2C, G2B)

Measure from the e-Services roadmaps developed.

Entity level

October 2020 / August 2021

100.000,00

25.000,00

75.000,00

UNDP through PwC in collaboration with the British Embassy

2.1.6. Support local government e-services for submitting and issuing birth, death, marriage, citizenship certificates (G2C)

Offer technical support and necessary equipment for pilot solutions in the city of Bijeljina and the Municipality Centar (Sarajevo)

Local governments

September 2020 - March 2021

100.000,00

30.000,00

70.000,00

UNDP through PwC in collaboration with the British Embassy

2.1.7. Promotion and campaigning for wider use of e-Service across the country

Media campaign

Local governments

September 2020 - March 2021

20.000,00

10.000,00

10.000,00

UNDP in collaboration with the British Embassy

ACTION 2.2: KEY INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) INFRASTRUCTURE SUPPORTED

Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	

2.2.1. Baseline assessments of public registries and data, with recommendations for modernisation of priority public registers	Assess all government information assets (databases, registries, information systems) to provide basis for further interoperability, re-use and exchange of data.	State and both entities	October 2020 / January 2021	20.000,00	20.000,00		UNDP through PwC
2.2.2. Development of catalogue of public sector registries, information systems, components, services, data models, semantic assets, etc. as an interoperability infrastructure	The main goal of this catalogue is to provide transparency of government information assets for the optimal use and efficient management of public sector information. It would support the interoperability of databases and information systems, as well as their life-cycle management, and the re-use of data by providing complete and up-to-date metadata of public sector information systems. From the legal viewpoint, the registration of public databases and information systems to this system will be made mandatory and enforced by law/bylaw.	State and both entities	January - August 2021	100.000,00	15.000,00	85.000,00	UNDP through PwC in collaboration with the British Embassy
2.2.3. e-Health communication and data system	Establishing the crises communication and e-Learning facilities with real time data exchange between health institutions.	Entity of Federation of BiH and cantons	September 2020 - August 2021	150.000,00	100.000,00	50.000,00	UNDP

ACTION 2.3: THE INSTITUTIONAL FRAMEWORK AND CAPACITIES FOR DIGITAL GOVERNANCE IS STRENGTHENED

Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
2.3.1. Design and delivery of the customised Digital Transformation Academy programme for the public sector leaders and practitioners	Design and deliver on-line and face-to-face training programmes	State and entity level	September 2020 - May 2020	70.000,00	30.000,00	40.000,00	UNDP in collaboration with the British Embassy

2.3.2. Design and deliver a digitalisation and digital skills in local administration	Design and deliver in selected 5 local governments. Prepare contemporary local administrations for future-looking skills, solutions, digital systems, etc. to ensure more effective and modern public service and performance at the local level	Local governments	January 2021 - May 2021	30.000,00	10.000,00	20.000,00	UNDP through PwC in collaboration with the British Embassy
2.3.3. Facilitation and backstopping the work of inter-institutional coordination groups on interoperability	Supporting the work of all public inter-institutional working group for interoperability in Bosnia and Herzegovina	All government levels included (state, entities, Brčko District, cantons)	September 2020 - August 2021	20.000,00	10.000,00	10.000,00	UNDP through PwC in collaboration with the British Embassy
2.3.4. Provide support to relevant institutions to develop a detailed concept for Science and Technology Parks	Technical assistance to develop the concept of the Science and Technology Parks and connect with innovation and policy labs, IoT, circular economy	Both entities	September 2020 - August 2021	20.000,00	20.000,00		UNDP in collaboration with the British Embassy

ACTIVITY 3: KNOWLEDGE-SHARING AND NETWORKING AMONG PUBLIC SECTOR STAKEHOLDERS CATALYSE IDEAS AND DIGITAL CAPACITIES
ACTION 3.1: DIGITAL TRANSFORMATION PRACTITIONERS' NETWORK ESTABLISHED AND FUNCTIONING

Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
3.1.1. Development of the country-wide Digital Transformation Practitioners' Network platform	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	All government levels including local governments	September 2020 - December 2020	50.000,00	50.000,00		UNDP through PwC in collaboration with the British Embassy

Series of practitioners' issue-based discussions and on-line learning	e-Signature, e-Identity organised through the platform	All government levels including local governments	January - August 2021	30.000,00		30.000,00	UNDP through PwC, in collaboration with the British Embassy and in partnership with the UK GDS and UNDP in Serbia
ACTION 3.2: EXPERT SUPPORT AND BACKSTOPPING FROM ADVANCED E-GOVERNMENT COUNTRIES PROVIDED							
Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
3.2.1. Backstopping from global champions in policy and e-solution formulation processes	Bring on board quality expertise from successful e-government systems (e.g. UK, Serbia, etc.)	Country-wide use	September 2020 - August 2021	50.000,00		50.000,00	UNDP through PwC in collaboration with the British Embassy (1.2.1., 1.2.2.)
ACTION 3.3: EXCELLENCE IN DIGITAL GOVERNANCE PROMOTED AND RECOGNISED							
Activity	Description	Government level	Duration of activity	Indicative budget (USD)	Source of funding		Implementation responsibility
					UNDP	UK	
3.2.2. Design of the concept for the digital governance awards	Develop, in consultation with institutional partners, the concept for the excellence in digital governance in Bosnia and Herzegovina	All government levels	February-August 2021	2.000,00	2.000,00		UNDP through PwC in collaboration with the British Embassy
3.2.3. Launch the first cycle of the annual recognition awards	Public launch and start of the annual competition cycle	All government levels	okt.21	2.000,00	2.000,00		UNDP in collaboration with the British Embassy
3.2.4. Annual conference	Annual event for the policy-makers and practitioners (continuation of what has been already started by the British Embassy and UNDP in 2020)	All government levels	mar.21	3.000,00	3.000,00		UNDP through PwC in collaboration with the British Embassy
PROJECT MANAGEMENT							
Project Manager	Project leadership and management. National post.	N/A	okt.20	35.750,00	35.750,00		UNDP in collaboration with the British Embassy
Project Associate	Project administrative and financial support. National post.	N/A	okt.20	28.050,00	14.050,00	14.000,00	UNDP in collaboration with the British Embassy
E-Services Specialist	Expert. National post	N/A	okt.20	31.900,00	16.900,00	15.000,00	UNDP in collaboration with the British Embassy

Programme Operation Support	Financial and programmatic support by UNDP Country Office team	N/A	August 2020 - August 2021	36.000,00	18.000,00	18.000,00	UNDP in collaboration with the British Embassy
Rent	Office space	N/A	August 2020 - August 2021	24.000,00	12.000,00	12.000,00	UNDP in collaboration with the British Embassy
Office material-supplies	Stationary, paper, etc.	N/A	August 2020 - August 2021	1.200,00	1.200,00		UNDP in collaboration with the British Embassy
Communication costs	Office phones and a mobile phone for the Project Manager	N/A	August 2020 - August 2021	2.400,00	1.200,00	1.200,00	UNDP in collaboration with the British Embassy
Miscellaneous	Bank charges, etc.	N/A	August 2020 - August 2021	1.200,00	1.200,00		UNDP in collaboration with the British Embassy
Travel costs	Daily Subsistence Allowance	N/A	August 2020 - August 2021	3.600,00	1.800,00	1.800,00	UNDP in collaboration with the British Embassy
Running costs	Fuel and vehicle maintenance	N/A	August 2020 - August 2022	6.000,00	3.000,00	3.000,00	UNDP in collaboration with the British Embassy
TOTAL DIRECT PROJECT COST				1.569.340,00	864.340,00	705.000,00	
INDIRECT COSTS - GMS at 8% of subtotal of direct Project costs				125.547,20	69.147,20	56.400,00	
TOTAL PROJECT COST				1.694.887,20	933.487,20	761.400,00	

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

[Join Microsoft Teams Meeting](#)

Agenda

13:00 – 13:15	Welcome and introduction <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	Presentation of the draft Digital Transformation Project <ul style="list-style-type: none"> Marina Dimova, Governance Chief Technical Specialist, UNDP
13:30 – 14:15	Questions, discussion and feedback from partners
14:15 – 14:30	Wrap up, next steps and closing

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. Nedžad 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. Admir 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
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

NAME	FUNCTION	INSTITUTION / ORGANISATION
Dalibor Ćopić	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