

A. COVER PAGE

1. Fund Name: Joint SDG Fund

2. MPTFO Project Reference Number

3. Joint programme title: Towards the SDG Financing Ecosystem in Bosnia and Herzegovina

4. Short title: BIH SDG Financing Ecosystem

5. Country and region: Bosnia and Herzegovina (BIH)

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9. Short description:

Bosnia and Herzegovina is a fragile state, with a complex governance system set up by the Dayton Peace Agreement; the resulting fragmentation in policy-making, public service provision and managing economic development slows down development. Bosnia and Herzegovina is the least prepared for Eu accession among Western Balkan countries. This Joint Programme (JP) is an essential contribution to foster dialogue and support the governments at national and sub-national levels in BIH to **establish the ecosystem for systemic financing of the SDGs in the country**, enabling informed and targeted investment of public funds and mobilisation of additional financing for sustainable development, particularly from the private sector. More specifically, the JP will support governments in BIH to: (i) conduct a **development finance assessment** (DFA) across different government levels, allowing for a disaggregated perspective; (ii) undertake a **rapid SDG-related gender responsive public expenditure reviews** to assess current and planned allocations for SDG implementation from government sources with detailed analyses for three priority sectors in need of catalytic support; (iii) make a **rapid estimation of costs necessary for implementation of the SDG Framework in BIH**, with more detailed costing of implementation in the identified priority sectors, and a review of financing instruments currently in place; (iv) support **inclusive elaboration of an SDG financing framework** that will provide long term strategic direction to national partners for integrated sustainable development financing.

In addition, the JP will support partner governments to introduce **SDG-informed and gender-responsive resource planning (via budget tagging)**, as well as conduct dedicated SDG-informed reviews of public spending in priority areas to **assess the efficiency, effectiveness, equity and adequacy of past spending**. The reviews will contribute to **enhancing capacities of sector ministries to optimize and strategically re-channel public resources in selected priority areas**, identified as development priorities in the SDG Framework in BIH (e.g. within the sectors of education, employment,

health¹). The reviews will be informed by and support the response and recovery needs of the COVID-19 outbreak. The focus of the programme on priority SDG areas will establish a strong foundation for accelerated development as called for by the National SDG Framework.

10. Keywords: Financing ecosystem, financing strategy, private sector financing

11. Overview of budget

Joint SDG Fund contribution	USD 999,861.00
Co-funding 1 UNDP	USD 242,00.00*
Co-funding 2 UNICEF	USD 30,00.00
Co-funding 2 ILO	USD 20,00.00
TOTAL	USD 1,291,861.00

* Within this amount, UNESCO will provide USD 50,000.00 for activities

12. Timeframe:

Start date	End date	Duration (in months)
1 September 2020	31 August 2022	24

13. Gender Marker: 2

14. Participating UN Organizations (PUNO) and Partners:

14.1 PUNO

Convening agency: UNDP, Ms. Steliana Nedera, Resident Representative, steliana.nedera@undp.org, tel. +387 33 293 430

Other PUNOs:

- UN WOMEN, Mr. David Saunders, Representative, david.saunders@unwomen.org, tel.: +387 33 293 561;
- UNICEF, Ms. Rownak Khan, Representative, rkhan@unicef.org, tel.: +387 33 293 610;
- ILO, Ms. Lejla Tanović, National Coordinator in Bosnia and Herzegovina, tanovic@ilo.org, tel.: +387 33 293 585;
- WHO, Victor Olsavszky, olsavszkyv@who.int, tel.: +387 62 332 282.

UNDP will be the be the convening/lead agency and accountable for coordination among participating organizations and for consolidating narrative reporting, with significant support from UN WOMEN, UNICEF, WHO and the ILO. Each participating organization will be responsible for the implementation of their envisaged activities. UNESCO will be engaged as a responsible party for one activity implemented by UNDP. The JP will ensure regular coordination and synergies with the World Bank, the IMF and the Delegation of the European Union to BiH.

14.2 Partners

Due to the administrative organization and distribution of competencies in Bosnia and Herzegovina, the JP engages partners from the Federation of Bosnia and Herzegovina, Republika Srpska, the Brčko District, and state-level institutions:

- Ministry of Finance and Treasury of Bosnia and Herzegovina
- Ministry of Foreign Affairs of Bosnia and Herzegovina
- Ministry of Finance of the Federation of Bosnia and Herzegovina

¹ will pay attention on the emerging recovery, prevention and preparedness needs vis-à-vis the 2019-2020 COVID-19 disease outbreak.

- Ministry of Finance of Republika Srpska
- Directorate of Finance of Brčko District
- SDGs inter-governmental working group
- Directorate of Economic Planning of Bosnia and Herzegovina
- Ministry of Civil Affairs of Bosnia and Herzegovina
- RS Ministry for European Integration and Regional Cooperation
- Development Planning Institute of the Federation of Bosnia and Herzegovina
- Cantonal ministries of finance
- Line ministries at state, entity and cantonal levels
- Local governments
- Agency for Statistics of Bosnia and Herzegovina, RS Institute of Statistics, FBiH Institute of Statistics
- Chamber of Commerce of the Federation of Bosnia and Herzegovina
- Chamber of Commerce of Republika Srpska
- Association of Employers of the Federation of Bosnia and Herzegovina
- Union of Employers' Associations of the Republika Srpska
- Confederation of Trade Unions of Bosnia and Herzegovina

B. STRATEGIC FRAMEWORK

1. Call for Concept Notes: SDG Financing (2/2019) – Component 1

2. Programme Outcome [pre-selected]

- Additional financing leveraged to accelerate SDG achievement (Joint SDG Fund Outcome 2)

3. UNDAF 2015-2020 Outcomes and Outputs²

- Outcome 4: By 2020, economic, social and territorial disparities between units of local self-governance are decreased through coordinated approach by national and sub-national actors;
- Outcome 6: By 2020, better articulated and coordinated employment, education, and scientific policies and programmes enable greater access to productive employment and income opportunities;
- Outcome 8: By 2019, enrolment in preschool education for all children, including Roma children and children with disabilities, is increased;
- Outcome 11: By 2019, provision of targeted health and public health planning documents and services, including management of major health risks, and promotion of targeted health seeking behaviours, is enhanced;
- Outcome 12: By 2020, more women take part in decision making in political fora and in the economy.

3.2 Outputs (from UNDAF/ Cooperation Framework)

- Output 4.2: Improved implementation of development strategies and service delivery at subnational levels;
- Output 4.4: Strengthened partnerships and networks for sustainable local development;
- Output 6.2: Strengthened frameworks for design, delivery, M&E of policies related to employment, education and sciences;
- Output 6.3: Strengthened employability of youth and vulnerable groups;
- Output 8.1: Capacities of preschool institutions strengthened to provide quality ECE and ECI services for most vulnerable girls and boys;
- Output 11.1: Public health planning documents in BIH have been developed in line with the WHO European health policy framework and operationalized;
- Output 12.2: Capacities of gender equality advocates and selected institutions strengthened to promote women's leadership, economic and political participation and generate data and statistics on women's economic opportunities.

4. SDG Targets directly addressed by the Joint Programme

4.1 List of goals and targets

- SDG 17, target 17.14 "Enhance policy coherence for sustainable development";
- SDG 17, target 17.16 "Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs";
- SDG 17, target 17.18 "Enhance capacity building support to developing countries, to increase significantly the availability of high-quality, timely and reliable data

² BIH is an official Delivering as One country, with the current work of the UN in BIH guided through the 2015-2019 UN Development Assistance Framework (UNDAF), which has been extended until 2020. While the UNSDCF 2021-2025 is to be approved by end-2020, the JP is also designed taking into account the new UNSDCF strategic directions.

disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts”;

- SDG 5, target 5.c “Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels”;
- SDG 3, target 3.4 “By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being”;
- SDG 3, target 3.8 “Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all”;
- SDG 4, target 4.2 “By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education”;
- SDG 4, target 4.5. “By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations”.

4.2 Expected SDG impact

The JP aims to foster **dialogue and support authorities in BIH to establish basic ecosystem for systemic financing of the SDGs in the country**. The programme will enable the inclusive development of a financing framework for implementation of the SDGs in the country that guides the strategic leveraging of public and private resources for Agenda 2030. Moreover, by choosing focus areas of the **Sustainable Development Framework in BIH (SDG Framework)**, the JP will identify opportunities for optimisation and increase of public funds, so as to create fiscal space and enable strategic re-channeling of financing towards sustainable development priorities.

5. Relevant objective(s) from the national SDG framework

BIH is at the final stage of development of its SDG Framework that will, for the first time, define the country’s 2030 sustainable development agenda, in harmony with the priorities of the EU accession process. The SDG Framework sets forward the sustainable development pathways for the country, based on identified accelerators and drivers (priorities), along with nationalised SDGs indicators and targets. The JP will directly contribute to the following development pathways and corresponding priorities from the SDG Framework:

- Development pathway “Good Governance and Public Sector Management”
 - Priority: “Functional System for Policy Design and Sustainable Development Management”.
 - Priority: “Efficient Public Finance Management (PFM)”.
- Development Pathway “Society of Equal Opportunities”
 - Priority: “Improved Quality and Access to Healthcare Services”
 - Priority: “Preventive Health Measures”
 - Priority: Universal and Quality Pre-School Education
 - Priority: Efficient Long-Life Learning System

Moreover, the JP will contribute to the following national priorities stemming from the “Joint Socio-Economic Reforms 2019-2022” of governments in BIH that address concerns raised in the European Commission’s Opinion on BIH’s Application for Membership of the EU³:

³ [Analytical Report](#), Commission Opinion on BIH application for membership of the EU, May 2019.

- Improve the overall systems of strategic and policy planning and budget planning to ensure better alignment of budget spending with government strategic priorities within a common performance-based monitoring and reporting framework;
- Improve public investment planning and develop a single project pipeline in all relevant sectors and ensure its endorsement by the National Investment Committee;
- Conduct comprehensive analysis of the health system to improve quality and availability of public healthcare services for all, including the most vulnerable;
- Develop and implement policies to modernise teaching curricula to improve overall quality of education at the pre-school, primary and secondary level, including basic skills.

6. Brief overview of the Theory of Change of the Joint programme

By instigating a broad-based dialogue among stakeholders and strengthening capacities of governments to strategize and manage public funds in an SDG-informed manner, **the basic building blocks of the SDG financing ecosystem will be set up. Such a system will both enable informed and targeted financing and allow for the mobilisation of additional resources for accelerated sustainable development in BIH.** Taking stock of the current level of alignment of public expenditures with SDGs across the complex four-tier governance structure in the country, as well as estimating costs of domesticated SDG targets, will help identify financing gaps and generate evidence for the design of an SDG financing framework to support implementation of the SDG Framework in BIH. On-system anchoring of relevant methodologies and tools will help connect public finance management with SDGs commitments, provide for evidence-based policies leading towards improved efficiency and effectiveness of public resource allocation in priority sectors.

7. Trans-boundary and/or regional issues

N/A

C. JOINT PROGRAMME DESCRIPTION

1. Baseline and Situation Analysis

1.1 Problem statement

BIH is a country with a complex governance structure, set by the 25-year old Dayton Peace Agreement. Besides state authorities it has governments of two entities – the Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS) – and of Brčko District. The FBiH is further administratively divided into 10 cantons and 79 local governments, while the RS consists of 64 local governments. This complex structure suffers from coordination issues and lack of political consensus; government institutions are inefficient and undermine public policies and delivery of public services, and lead to weakened public trust in government. As a result, **BIH continues to feature as a fragile state** in the global Fragile States Index⁴. Accession to the European Union (EU) is among the few common priorities for the country, however, **reforms are painfully slow** and the European Commission's Opinion on BIH's EU membership application indicated that the country is the least prepared among its Western Balkans neighbors.

Economic growth projections for 2020 are in downward trend, even before the on-set of the coronavirus that will lead to further negative impacts on the economy. The decline is caused by slower growth in Europe (that shows the dependence of the economy on the EU and regional markets) and by governance lacunae. The slight growth perspectives to 2023 are based on consumption and public investment⁵ projections. **Poverty remains a concern**, particularly in rural areas and among minorities⁶. The **unemployment rate** has decreased and was at 15.7% in 2019, but it is still very high among young people (47.3%), while high inactivity and low employment rates continue. The labour market participation of women remains low⁷. Lack of economic opportunities, combined with government failure, deficit of rule of law and justice, as well as widespread corruption, have resulted in **alarming emigration trends**⁸. The country is currently addressing the emergency crisis caused by the COVID-19 disease outbreak, working on immediate healthcare issues, but also considering economic and social impacts of the global pandemic

BIH does not have a development strategy since 2006 due to differences in political views on the role and competencies of the state vs. entities. However, in 2018 governments at national, entity and Brčko District levels initiated the design of the **SDG Framework in BIH**, considered as a unique opportunity for introducing a holistic approach to long-term development that not only defines priorities for inclusive and sustainable growth but also serves as a platform for cooperation and partnership. The commitment of governments to jointly work on the achievement of the Agenda 2030 through the SDG Framework in BIH was communicated in the country's first Voluntary Report (VNR) in 2019⁹. Under the leadership of a working group that gathers representatives of institutions from the national, entity and Brčko District levels, the process of design of the SDG Framework in BIH is well underway, to be finalized, consulted and adopted by mid 2020¹⁰. The document has been widely consulted

⁴ Reference: <https://fragilestatesindex.org/country-data/>

⁵ 250,000 citizens left the country since 2013, nearly 100,000 in the last two years alone. World Bank, [Country Report for Bosnia Herzegovina](#), 2019.

⁶ The poverty headcount ratio showed 17% of the population living on less than 60% of median national income, a lower value than in many countries of Central and Eastern Europe. Household Budget Survey, 2015, BIH Agency of Statistics.

⁷ [Labour Force Survey, BIH Agency for Statistics](#), 2018.

⁸ Migration and Brain Drain, the World Bank Group, 2019.

⁹ <https://sustainabledevelopment.un.org/memberstates/bosniaherzegovina>

¹⁰ The working group consists of formally appointed representatives of the BiH Ministry of Foreign Affairs, the BiH Directorate for Economic Planning, the FBiH Development Planning Institute, the RS Ministry for European Integration and International Cooperation, representatives of the Government of Brčko District BIH as well as BIH and entity statistical offices.

with over 250 representatives from institutions, civil society organisations (CSOs), academia and the private sector.

The SDG Framework in BIH defines the country vision 2030, key development pathways, accelerators and drivers, linked with domesticated SDG targets and indicators with baselines and target values. It also defines institutional arrangements for implementation, monitoring and reporting. Hence, in the political reality of BIH, the **SDG Framework will serve as a unique country-wide strategic document** that ties together the Agenda 2030, the EU requirements and domestic development priorities. Considering the multi-tier governance structure of BIH, further operationalisation of the Framework will be ensured through its mainstreaming into national and sub-national development strategies. Importantly, in the new 2021-2027 planning cycle, SDGs-aligned development strategies will for the first time be **linked with mid-term and annual institutional plans and budgets**, thus informing the allocation of public funds. Moreover, programme-based budgeting is expected to be introduced in 2020, which is a unique opportunity to further reinforce on-system linkages between public budgets and SDGs.

However, a number of challenges need to be addressed, predominantly stemming from obstacles related to obsolete practices, insufficient knowledge and skills, and **poor coherence between policies and financial planning and management**. Additional challenges relate to the existing deficiencies in the PFM system(s), which are still in the process of the development, requiring further strengthening, particularly in view of **systemic linking of public finance planning to development policies/strategies through (emerging) programme-based budgets**, to allow for informed and transparent budgets in line with the country's development agenda. Further, the **country does not have a financing strategy or framework for SDGs**, to steer alignment of public funds with SDG-linked national priorities and leverage financing from private sector. If the SDG Framework is to be a game-changer with governments accountable for results, it is key to align financing to SDGs and increase investments towards accelerated sustainable development. However, such a systemic approach should be preceded by significant analytical work to determine the current level of governments' investments in SDGs, the cost of reaching domesticated SDG targets and financing gaps.

There is also a need to open a **broad dialogue, create understanding and mobilise partnerships** from other actors such as the private sector, international financing institutions (IFIs), development partners and others, as well as to look into innovative ways of financing priorities. This requires addressing significant capacity gaps and raising awareness of a wide range of public and private stakeholders on how they can contribute to the achievement of the ambitious development agenda and help maximise development impact.

Moreover, **policy makers at all government levels lack specific know-how required for resources optimisation** in priority areas defined within the SDG Framework in BIH (e.g. via impact assessment, cost-benefit analysis etc.) towards freeing up resources for strategic priorities and creating pre-conditions for accelerated development. This is particularly challenging in areas that have structural or catalytic potential for improving the wellbeing of citizens, particularly the most vulnerable ones (e.g. universal healthcare, human capital and labour market, social protection, education, etc.).

1.2 SDGs and targets

The SDG Framework in BiH is the first country-wide development policy that defines the 2030 vision for the country along with three development pathways, namely (i) Good Governance, (ii) Smart Growth and, (iii) Society of Equal Opportunities. The development pathways further entail development drivers (priorities) along with SDGs targets with corresponding indicators, including their baseline, mid-term (2023) and target (2030) values. Under the objective to create the basic building blocks of the SDGs financing ecosystem, the JP will contribute to the country's progress in attaining a number of SDG targets of the SDG Framework and relevant development priorities. Moreover, as the SDG Framework incorporates governments' priorities stemming from the EU accession process, the contribution to those priorities is also specified below.¹¹

SDGs targets and corresponding and priorities from BiH SDG Framework	SDG indicators	Baselines and estimated measured progress at the end of the JP
<p>17.14 Enhance policy coherence for sustainable development, also contributing to 16.6 "Develop effective, accountable and transparent institutions at all levels"</p> <p>BiH SDG Framework: Good Governance: -Functional system for policy design and sustainable development management -Efficient PFM</p>	<p>17.14.1 Mechanisms in place to enhance policy coherence of sustainable development. Baseline (2020): Inadequate; Target (2022): Partial Target (2023): In place and functional</p>	<p><u>Progress by the end of JP:</u></p> <ul style="list-style-type: none"> - Gender responsive SDGs financing framework designed, providing for coherence and alignment of financing policies, budgets and sustainable development strategies. - Institutional mechanisms capacitated to steer the SDGs financing and foster dialogue among governments, private sector and other and non-government actors on sustainable development financings - Tool to improve allocation of resources to job-rich interventions available as part of PFM (Input-Output analysis) <p>Methods/source for measuring progress will be national reports on implementation of BiH SDG Framework.</p>
<p>5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.</p> <p>BiH SDG Framework: Good Governance: -Functional system for policy design and sustainable development management</p>	<p>5.c.1 Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment Baseline (2019): Partially existing; Target (2023): Existing and functional on national and entity levels; Target (2030); Existing and functional on national, entity,</p>	<p><u>Progress by the end of JP:</u> Set a model for a systemic SDG-linked and gender responsive planning and monitoring of public funds via simplified budget tagging.¹² Methods/source for measuring progress will be national reports on implementation of BiH SDG Framework.</p>

¹¹ As defined in "Joint Socio-Economic Reforms 2019-2022" of BiH governments addressing concerns raised in the EC Opinion on Membership of BiH to the EU. [http://www.fbihvlada.gov.ba/file/zbhs-converted\(1\).pdf](http://www.fbihvlada.gov.ba/file/zbhs-converted(1).pdf).

¹² Supported by the EU/IPA.

SDGs targets and corresponding and priorities from BIH SDG Framework	SDG indicators	Baselines and estimated measured progress at the end of the JP
Efficient PFM	cantonal and local levels.	
<p>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs</p> <p>BIH SDG Framework: Good Governance: Functional system for policy design and sustainable development management</p>	<p>17.16.1: Reporting progress in multi stakeholder development effectiveness monitoring frameworks that support the achievement of the SDGs. Baseline (2020): 1st VNR presented in 2019; Target (2023/27) Updated VNRs presented.</p>	<p><u>Progress by the end of JP:</u> National report on implementation of BIH SDGs Framework reflects functioning of institutional and partnership mechanisms with private and institutional investors, including innovative financing instruments for attainment of SDGs. Methods/source for measuring progress will be national reports on implementation of BIH SDGs Framework.</p>
<p>17.18 Enhance capacity building support to developing countries, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts</p>	<p>17.18.1 Proportion of sustainable development indicators produced at the national level with full disaggregation when relevant to the target, in accordance with the Fundamental Principles of Official Statistics Baseline (2020): 1st VNR presented in 2019; Target (2023/27) Updated VNRs presented.</p>	<p><u>Progress by the end of JP:</u> National report on implementation of BIH SDG Framework and annual statistical reports reflect functioning of statistical data collection system needed for high-quality and reliable data in education sector. Methods/source for measuring progress will be national reports on implementation of SDG Framework in BiH, Annual statistical reports and Periodic reports of sectoral ministries.</p>
<p>Link with the EU accession agenda: (i) Improve public investment planning and develop a single project pipeline in all relevant sectors and ensure its endorsement by the National Investment Committee; (ii) Improve the overall systems of strategic and policy planning and budget planning to ensure better alignment of budget spending with government strategic priorities within a common performance-based monitoring and reporting framework.</p>		
<p>3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.</p> <p>BIH SDG Framework: Society of Equal Opportunities: Preventive Health Measures</p>	<p>Domesticated Indicator 3.4.1: "Premature mortality from non-communicable deceases" Baseline (2015): total 18.2% (men 23.6%; women 13.2%); Target (2030): total 12,1% (men 15,7%; women 8,8%)</p>	<p>Although the scope of the JP is not expected to influence the target value, the JP will significantly contribute with:</p> <ul style="list-style-type: none"> - Capacitating health institutional structure/s for design, economic analysis and development of business case/s to support investments in prevention and control of noncommunicable diseases (NCDs); - Design of business case/s to support investments in prevention and control of NCDs. <p>Methods/source for measuring progress will be national reports on implementation of BIH SDG Framework.</p>
<p>3.8 Achieve universal health coverage, including financial risk protection,</p>	<p>3.8.2: Proportion of population with large household expenditures on</p>	<p>Although the scope of the JP is not expected to influence the target value, the JP will significantly contribute with:</p>

SDGs targets and corresponding and priorities from BIH SDG Framework	SDG indicators	Baselines and estimated measured progress at the end of the JP
<p>access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p> <p>BIH SDG Framework: Society of Equal Opportunities: Improved Quality and Access to Healthcare Services</p>	<p>health as a share of total household expenditure or income (10%). Baseline (2015): 8,56%; Target (2030): 4%</p>	<ul style="list-style-type: none"> - Capacitating health institutional structure/s for undertaking financial protection analysis to monitor progress towards achieving Universal Health Coverage (UHC) and inform pro-equity UHC investments and policies aimed at increasing financial protection of the citizens most vulnerable to severe financial hardship when using needed health services; - Design of financial protection analysis to monitor progress towards achieving UHC and inform pro-equity UHC investments and policies aimed at increasing financial protection of the most vulnerable. <p>For financial protection analysis, the JP will upgrade this indicator and adjust it to the European context (catastrophic and impoverishing health spending by households redefined), in order to get policy-relevant measure of financial protection with a focus on equity (LNOB). Methods/source for measuring progress will be national reports on implementation of BIH SDG Framework.</p>
<p>Link with the EU accession agenda: Conducting comprehensive of the health system to improve quality and availability of public healthcare services for all, including the most vulnerable.</p>		
<p>4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</p> <p>BIH SDG Framework: Smart Growth: Universal and Quality Pre-School Education</p>	<p>Domesticated indicator 4.2.a Gross early childhood education enrolment ratio in pre-primary education disaggregated by sex.</p> <p>Baseline ECE (2019): 25% enrolled in ECE male: (26%, female: 24%); Target (2025): 50%.</p>	<p>Although the scope of the JP is not expected to influence the target value, the JP will significantly contribute with:</p> <ul style="list-style-type: none"> - Capacitating social protection, health and education sectors to design innovative financing models, based on evidence on the short, medium and long-term costs of inactivity as well as benefits for channelling budgets that strongly support families and children; - Design diagnostic and analytical tools to support relevant government counterparts and line ministries in public budget decision-making and enhance financing for SP, ECD, ECE and immunization, based on contextual needs, capacity and resources; - Developing a business case for investing in children and youth that will support evidence-informed policy planning and budget allocation based on the LNOB principle and corresponding SDG targets; - Equipping relevant institutional counterparts and line ministries to engage in SDG-informed budget planning

SDGs targets and corresponding and priorities from BIH SDG Framework	SDG indicators	Baselines and estimated measured progress at the end of the JP
		<p>and advocacy that puts focus on the human capital, particularly children and youth.</p> <ul style="list-style-type: none"> - Improve statistical data collection system to produce high quality and reliable data in education sector needed for policy and budget planning, which should in the long-term increase the target value. <p>Methods/source for measuring progress will be national reports SDG Framework implementation, annual statistical reports, periodic reports of line ministries as well as finalized business case for investing in children and youth in BiH.</p>
<p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.</p> <p>BIH SDG Framework: Smart Growth: Efficient Life-Long Learning System</p>	<p>4.5.1: Parity indices for all education indicators that can be disaggregated.</p> <p>a) gender parity a) gender parity index (ratio) Baseline (2007): 1,01; target (2030): 1,02</p> <p>b) gender parity index for participation rate in formal and non-formal education and training (ratio) Baseline (2016): 0,96; target (2030): 1,03</p> <p>c) language test parity index for achievement (ratio) Baseline (2007): 1,04; target (2030): 1,06</p> <p>d) rural to urban parity index for achievement (ratio) Baseline (2007): 0,95; target (2030): 1,00</p>	<p>Although the scope of the JP is not expected to influence the target value, the JP will significantly contribute with:</p> <ul style="list-style-type: none"> - Improved statistical data collection system to produce high quality and reliable data in education sector needed for policy and budget planning, which should in the long-term increase the target value. <p>Methods/source for measuring progress will be national reports on implementation of BIH SDG Framework, annual statistical reports and periodic reports of line ministries.</p>
<p>Link with the EU accession agenda: Develop and implement policies to modernise teaching curricula to improve overall quality of education at the pre-school, primary and secondary level, including basic skills.</p>		

1.3 Stakeholder mapping and target groups

A key institutional stakeholder of the JP is the **SDGs Working Group** tasked by governments in BIH to steer the roll-out of SDGs in the country. More specifically, main stakeholders within the SDGs Working Group are the **BIH Ministry of Foreign Affairs, planning institutions, namely the BIH Directorate for Economic Planning, the RS Ministry for European Integration and International Cooperation, the RS Government Planning Department, the FBiH Development Planning Institute and the Brčko District Department for Economics, as well as state and entity institutions for statistics.** The SDGs Working Group, led by the BIH Ministry of Foreign Affairs, successfully prepared and presented the country's first VNR in 2019 and coordinated the participatory development of the SDG Framework in BIH. The Working Group will be expanded with representatives from state and entity ministries of finance, so as to have a coordinated approach to the implementation and financing of the SDGs.

Ministries/departments of finance at national, entity and Brčko District levels are among the key institutional partners, having in mind that they have been directly engaged in creating strategic planning systems, undertaking a lead role in recent reform processes that ensure alignment of strategic planning with budgets. Ministries of finance are front-liners in the upcoming reform aiming to introduce programme-based budgeting; hence the momentum for linking SDGs with public budgets and financial system is optimal. However, overall capacities of the ministries of finance in terms of SDGs financing are limited, considering that they mostly focus on fiscal systems, public debts and budgets. **Ministries of finance at the cantonal level and departments of finance in local governments** are also important stakeholders and have an important role in the overall development management and financing system.

Line ministries at state, entity and Brčko District level play a key role in the creation, budgeting and implementation of policies. The current and emerging planning systems envisage that ministries prepare their mid-term and annual work plans based on SDGs-aligned integrated and sectoral strategies and that their budgets are subsequently aligned with their work plans. However, the paradigm shift brought by the Agenda 2030 requires changes in institutional mindset and significant capacity development to equip them with understanding, knowledge and tools for optimisation and re-channelling of public funds for accelerated achievements of SDGs targets in sectoral priority areas, particularly with respect to LNOB principle.

Parliamentary commissions at all government levels, particularly those dealing with finance, play a critical role in defining strategies, financial policies and budget making and oversight processes. Currently their level of understanding of the potentials of the Agenda 2030 and SDGs is insufficient and requires awareness raising and capacity development.

Other relevant institutional partners are the **BIH Agency for Gender Equality and entity Gender Centres.** Their mandate is to monitor the integration of gender mainstreaming principles in policies, budgets and laws in the country.

Systemic engagement of the **private sector** in SDGs financing is of crucial importance. Initial efforts were in place to raise awareness of the private sector on SDGs and businesses were invited to take part in an advisory sub-group which supported the SDGs Working Group. However, given the fact that the country is still in early stages of implementing SDGs in a systemic manner, the overall engagement and contribution of the private sector at this point in time is seen as only emerging; there is no channeled or organised contribution to the SDGs implementation, while at the same time the private sector is an untapped resource for SDGs financing.

Domestic development banks, domestic and international financial institutions and institutional investors are also important stakeholders from the perspective of future financing of the SDG Framework in BIH. In addition, some of the IFIs present in the country have corporately already started to consider options and integrated finance products to enhance SDGs.

Statistical institutions play an important role in collecting and providing data required for monitoring and reporting on the implementation of SDGs. In line with relevant international agreements the statistical institutions provide data to international agencies such as UN bodies, Eurostat, OECD and others. Statistical institutions have already established working bodies and, in cooperation with line ministries, begun data collection process for a significant number of SDGs targets.

CSOs (including women/gender equality CSOs), academia, unions, chambers of commerce, development agencies, local governments (including their associations) and public service providers are also relevant stakeholders that can contribute to reinforcing the SDG financing infrastructure. They can play a significant role through engaging in partnerships for accelerated SDG progress or through improving and better targeting their financial allocations.

Donors and international organisations are also important players in the context of SDG financing. Having in mind the SDG Framework in BIH, donors and international organisations can help the country achieve its SDGs targets aligning their strategies and financing streams with and acting in sync with domestic institutions.

2. Programme Strategy

2.1. Overall strategy

Based on the SDG Framework in BIH, the JP will set the foundation of the SDG financing eco system in BIH, accounting for the country's very complex administrative set-up and the requirements of the EU integration process.

BIH differs from most of the other countries with respect to SDGs nationalization, from viewpoint of its significant political divisions and fragmentation. In such circumstances and particularly having in mind the absence of a national development policy framework, the SDG Framework in BIH is rather unique, as it provides not only a commonly agreed platform to steer overall national development efforts in a coherent manner, but also serves as a departure point for political cooperation and partnership among governments, and among a wide range of external stakeholders. However, since its implementation is envisaged through development strategies at all government levels, the SDG Framework does not contain specific measures and budget but provides commonly agreed sustainable development pathways and measurable strategic directions. With this in mind, the JP will apply several strategies:

- **Capitalise on the institutional and political momentum generated by the ongoing design of the SDG Framework in BIH** to instigate a dialogue among public and private sector actors and international and domestic financial institutions towards meaningful partnerships for achieving the scale of finance required for successful implementation of the SDG Framework in BIH. Therefore, one of the strategies is not only to engage and capacitate the public sector, but ultimately bring on board the private sector and investors – with the vision to broaden up the funding streams for SDGs. This will bring together public and private financing from the outset of implementation of the SDG Framework, rather than relying on public budgets only.
- **Introduce global experiences and new methodologies applicable for BIH context**, create capacities and knowledge, particularly with ministries of finance at national and sub-national levels not only to estimate financing gaps for the SDG Framework in BIH but also to create foundations for an SDGs financing eco system where these stakeholders will work in sync. The SDGs Financing Framework will determine: (i) what policies and reforms are required to create an environment conducive for government targeted investments for sustainable development, as well as for mobilising different types of resources to complement and make more efficient allocation of public finance for achieving the domesticated SDGs targets and; (ii) what policies and reforms are required to create an environment conducive for private sector targeted investments for sustainable development and accelerated transformation.
- By zooming-in on a number of sectoral areas defined as priority within the SDG Framework in BIH, specifically those related to people and prosperity (health, education, labour market/activation) the strategy is to **create basic pre-conditions and capabilities for governments to apply SDG-linked tools for optimised and targeted financing and accelerated sectoral progress**. In this respect, the JP will seek to build on the existing momentum and work to capacitate relevant ministries at various government levels to introduce new tools and methodologies that should enable them to conduct policy impact assessments and define recommendations and measures for better results and resource optimisation. Selected sectors stem from the SDG Framework, the priorities from the EU accession processes and governments' own priorities and interventions are aimed at helping the country achieve those.

- Importantly, the JP utilises **wider reform agendas**, such as those addressing EU accession requirements, to work on reducing fragmentation and ensuring systemic approach in the public finance system.

Previous experiences in the country have shown that conventional approaches to development planning and financing have not been adequate to address the numerous challenges. This is particularly important for development and financial planning systems that are dominantly based on public finance without considering other opportunities that could be explored to broaden financing for sustainable development. To address this deficiency, the JP aims at working within existing public structures and processes but bringing a holistic and systemic perspective on linking SDG financing. The aim will be to look at how to improve policies and existing financial mechanisms, propose innovative financing instruments and mobilise partnerships with other stakeholders, such as the private and non-governmental sector, academia and others to enhance impact of different sources of finance. Importantly, the **emerging programme-based budgeting** is seen as a unique opportunity to link the SDGs and gender-responsive indicators with the budgets (budget tagging) to enable effective systemic planning and tracking of public financing for the SDGs.

Having in mind the above, the JP will seek to create pre-requisites for such partnerships and synergies through **opening dialogue, raising awareness and knowledge**, supporting the creation of mechanisms for cooperation across governments and between governments and external stakeholders, so as to ensure result-oriented public performance and encourage strategic channeling of finances towards the areas that could generate fastest and widest impact, while leveraging and multiplying resources by investments from private sector.

Through the collaboration of PUNOs, their specific expertise is combined for an integrated support. The respective PUNOs can facilitate this process and are well connected with different governments and socio-economic partners in BIH. The PUNOs will bring on board valuable sector-specific knowledge, alongside globally affirmed and tested SDGs methodologies and tools in a coherent and integrated manner.

The key **inter-governmental body responsible for the SDGs roll out in the country** (SDG Working Group) will be expanded to include ministries of finance from all government levels and will be the main JP partner. The SDG Working Group will support sharing and anchoring of the SDG financing framework, as well as other policies and instruments emerging from the JP efforts within the wider governance system. Ultimately, the SDG financing eco system based on the SDG financing framework will serve as a common knowledge and methodological platform for all levels of government in BIH. As such, it will be utilised as a departure point for practical design of short and mid-term directions, policies and instruments for re-channeling of existing public funds and more effective mobilising of external funding towards critical SDG priorities, particularly those of catalytic nature. It will provide for gradual but steady shifting from government-centered SDG financing towards more substantial inclusion of private and institutional investors, including via new and innovative financial instruments.

2.2 Theory of Change

By instigating a broad-based dialogue among stakeholders and strengthening capacities of governments to strategize and manage public funds in an SDG-informed manner, **the basic building blocks of the SDG financing ecosystem will be set up. Such a system will both enable informed and targeted financing and allow for the mobilisation of additional resources for accelerated sustainable development in BIH.** Taking stock of the current level of alignment of development finance and public expenditures with SDGs across the complex four-tier governance structure in the country, as well as estimating costs of domesticated SDG targets, will help identify financing gaps and generate evidence for the design of financing framework to offer financing solutions and support implementation of the SDG Framework in BIH. Ultimately, on-system anchoring of relevant methodologies and tools will help connect public finance management with SDGs commitments, also providing for improved efficiency and effectiveness of public resource allocation in select social sectors.

By capitalising on the commitment created during the design of the SDG Framework in BIH, the JP will **support governments to expand their capacities and engage a wide range of stakeholders** (e.g. private sector actors and investors, development banks, the financial sector, international community, diaspora, etc.) in a dialogue on SDG financing. This will be supported with dedicated DFAs conducted across different government levels, allowing for a disaggregated perspective and opportunity to discuss alignment of financing needs around chosen sector priorities. Moreover, working across government levels, a **rapid SDG-related and gender responsive public expenditure reviews** will be undertaken to assess the current state of affairs and planned allocations for SDG implementation from government sources, while a more detailed analyses will be done for 1-3 priority sectors that are to be identified through public expenditure reviews as those in need for more catalytic support. This assessment will be complemented by a **rapid estimate of costs necessary for implementation of the SDG Framework in BIH** against the select indicators and their terminal values, with a more detailed costing of implementation in the identified 1-3 priority sectors, along with a review of the landscape of financing instruments currently in place.

Those analyses will enable governments to obtain **an estimate of the volume of financial resources needed to achieve the 2030 SDG targets in BIH** (with specific estimates of gaps in the identified priority sectors), thus generating critical data for governments to embark on the creation of a first of its kind SDGs Financing Framework in the country, engaging public, private and civil stakeholders around a platform for increased financing of sustainable development efforts.

Further, by supporting governments, specifically ministries of finance at the state, entity and Brčko District levels, to **align the public financing with SDGs through budget tagging** as part of the emerging programme based-budgeting, the JP will set a model for a systemic and SDG-linked planning and monitoring of public funds¹³. Additionally, budget tagging will help generate a database of SDG-aligned projects in the country. In view of the **"leave no one behind"** (LNOB) principle, dedicated SDG-informed reviews of public spending in priority areas will be undertaken in order to assess the efficiency, effectiveness, equity and adequacy of past spending. These reviews will contribute to enhancing capacities of sectoral ministries to optimize and strategically re-channel public resources in selected priority areas, identified as development priorities in the SDG Framework in BIH (e.g. within

¹³ In case that local governments are not covered by the emerging programme-based budgets, such linkages will be made on the existing budget classifications.

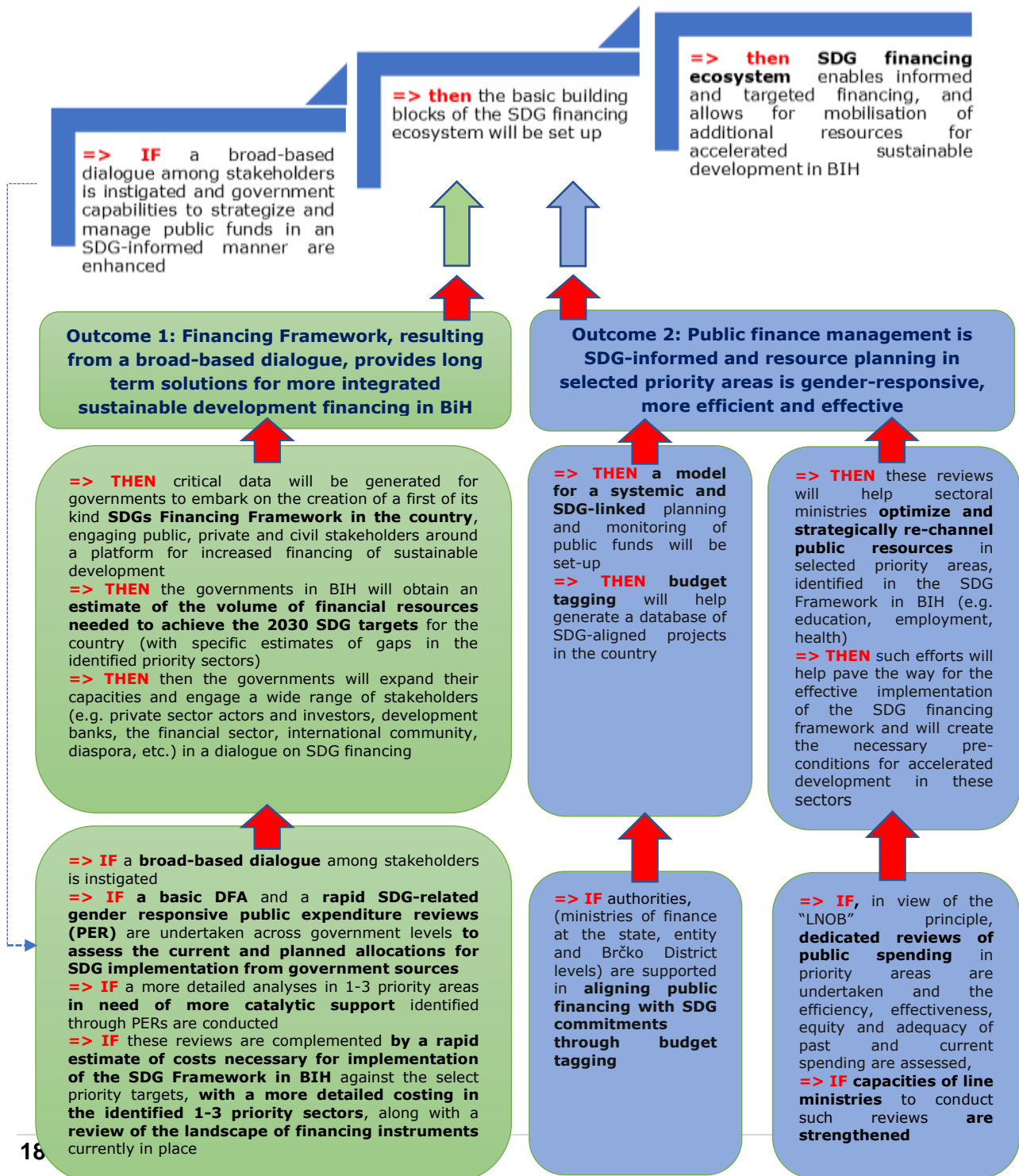
the sectors of education, employment, health). Such efforts will help pave the way not only for the effective implementation of the SDGs financing framework but will also create the necessary pre-conditions for accelerated development in these sectors.

Graphic 1. Theory of Change

“Towards the SDG Financing Ecosystem in Bosnia and Herzegovina”

Long term desired vision of change:

Durable government capabilities to strategize and manage public financing for SDGs at the centre of SDG financing eco system.



The **main assumptions** behind the theory of change:

- There is political will for the implementation of the SDG Framework in BiH across government levels, as committed in the country's first VNR presented in 2019.
- Ministries of finance at state, entity and Brčko District levels proactively engage in SDGs financing analytics and defining SDGs financing strategies through a broad-based dialogue with a wide range of stakeholders (e.g. private sector actors and investors, development banks, the financial sector, international community, diaspora, etc.).
- Relevant line ministries at state and entity levels are committed to improve efficiency and effectiveness of public resource allocation in selected sectoral priority areas.
- Authorities are not in a crisis response mode, which may undermine and delay implementation of this complex intervention.

2.3 Expected results by outcome and outputs

The JP will ultimately contribute to informed and targeted financing and mobilising additional resources for accelerated sustainable development in BiH by reaching the following outcomes:

- 1. Financing Framework, resulting from a broad-based dialogue, provides long term solutions for more integrated sustainable development financing in BiH;**
- 2. Public finance management is SDG-informed and resource planning in selected priority areas is gender-responsive, more efficient and effective.**

These will be achieved by accomplishing outputs and undertaking activities as specified below, designed to directly reinforce and complement each other for maximised effects:

Outcome 1: Financing Framework, resulting from a broad-based dialogue, provides long term solutions for more integrated sustainable development financing in BiH

Building on the governments' commitment created during the design of the SDG Framework in BiH, the JP will work to capacitate governments, raise awareness and engage multiple stakeholders in setting up long term directions for sustainable SDGs financing in BiH.

Output 1.1. Meaningful dialogue instigated and evidence for SDG Financing Framework generated

Within Output 1, the JP will engage in **supporting the ministries of finance to generate evidence required for launching the process of design of the SDG Financing Framework**. This entails a **basic development finance assessment (DFA)**, including rapid SDG-related and gender responsive public expenditure reviews. The DFA will be followed by an **estimate of costs** needed for reaching the set 2030 targets, with a more detailed review and costing in the up to three priority areas, along with a **review of the landscape of financing instruments currently in place**. This will **enable governments in BiH to estimate the volume of financial resources needed to achieve the 2030 SDG targets with focus on priority areas (limited to the prosperity and people dimension)**. These exercises will use specific expertise, tools and methodologies developed within the UN system, including the World Bank and the IMF. Specific activities:

- 1.1.1. Organize an SDG financing event to set a country-wide platform for gender-responsive SDG financing;
- 1.1.2. Provide orientation training on SDG financing for ministries of finance/line ministries;
- 1.1.3. Conduct basic DFA and rapid public expenditure reviews against the SDG Framework in BiH, with focus on priority sectors identified in need for more catalytic support;

- 1.1.4. Estimate financing needs for achieving domesticated 2030 SDG targets (focus on 1-3 identified priority sectors);
- 1.1.5. Review existing and potential SDG financing instruments;
- 1.1.6. Identify SDG financing gaps (with focus on 1-3 priority sectors).

Output 1.2: SDGs Financing Framework developed, offering key financing solutions for accelerated sustainable development

Based on Output 1.2, an inter-governmental task force will be established and capacitated to lead the **design of the SDGs Financing Framework in BIH** (ministries of finance, relevant line ministries, development banks, IFIs, private sector, institutional investors, etc). The process of design of the SDGs Financing Framework in BIH will be conducted through a series of participatory workshops of the inter-governmental task force and reinforced by extensive consultations with other relevant external stakeholders, such as the private sector, international and domestic financial institutions, institutional investors, etc.

The SDGs Financing Framework will essentially **elaborate on longer-term policy recommendations and instruments for more optimised and targeted public financing and creation of conducive environment for targeted investments by the private sector**. A particular focus of the Financing Framework will be **on reinforcing the existing and introducing new innovative financing instruments applicable to BIH** (e.g. impact investments, green/climate/social bonds, etc.). Once adopted by relevant governments, the SDGs Financing Framework will be widely promoted and utilised for awareness raising and fostering partnerships, so as to enable a gradual transformation and shift from public sector-centered financing towards more substantial inclusion of private and institutional investors in financing of sustainable development.

The entry point for SDGs Financing Framework development will be based on the obtained assessment results from output 1.1. (i.e. from conducted DFA and rapid public expenditure reviews against the SDG Framework in BIH, with focus on priority sectors identified in need for more catalytic support; estimated financing needs for achieving domesticated 2030 SDG targets (with focus on 1-3 identified priority sectors); reviewed existing and potential SDG financing instruments; and identified SDG financing gaps). The collected assessment results will be firstly thoroughly analyzed and streamlined for further methodological and substantial use during the envisaged preparation of the methodological approach for design of SDGs Financing Framework in BIH, as well as during the actual development of SDGs Financing Framework in BIH. In designing the methodological approach for preparation of the SDG Financing Framework, the JP will seek to engage existing UN knowledge and expertise on SDG financing in the region (i.e. engagement of UNDP regional hub, peer reviews, etc.) as well as the most recent evidence-based UN SDG financing development methods. The developed methodological approach for SDG Financing Framework will be used as a base to equip the inter-governmental task force, as well as the consultative bodies and working groups, that will be established for SDGs Financing Framework in BIH development, with the understanding, guidance and key directions on the forthcoming SDGs Financing Framework in BIH development.

The design of SDG Financing Framework in BIH will be organized in broad participatory manner and consultation with all relevant actors for SDG financing like SDG working group members, ministries of finance, relevant line ministries, development banks, IFIs, private sector, institutional investors, etc. Through broad consultation with all relevant actors, facilitated by highly-experienced of UN SDG financing experts, and accompanied by domestic experts that have specific expertise, the process of SDG Financing Framework design in essence will seek for longer-term policy recommendations and instruments for more optimized and targeted public financing in BIH. Considering the important role of

private sector for SDG financing, creating a conducive environment for target investments will be in focus of the process of SDG Financing Framework design.

Broad but structured discussions with relevant actors from the private sector will be conducted to obtain domestic views on major challenges and potentials and recommended solutions for a more active role of private sector in SDG financing. Moreover, the JP will seek to bring on board innovative solutions in engaging private sector in SDG financing from advanced countries in an attempt to foster discussions on their applicability and adjustment for the BIH specifics. A special focus will be given to reinforcing the existing financing instruments to be used more transparently, efficiently, and effectively, in line with strategic SDG policies. This would entail discussion and setting directions for long-term systemic changes in terms of policy and institutional reforms to better target existing public finance and leverage additional capital from private and institutional investors for accelerated sustainable development. With respect to new innovative financing instruments applicable to BIH (e.g. impact investments, green/climate/social bonds, etc.), the existing analyses, recommendations and proposed solutions / modalities from similar countries will be utilized to promote possible solutions through relevant working groups. In addition, specific working groups comprising relevant actors from private and public sector that have interest or potential for new innovative financing instruments due to “traditional” (profit/investment related) reasons (e.g. insurance, banking and capital market institutions as well as private companies) or those others that are interested in new innovative financing instruments due to other reasons (e.g. private companies, civil society organizations and other institutions engaged in social services, social responsible companies, philanthropic organizations, etc.) will be encouraged to open discussion in setting directions aimed at fostering creation of an enabling environment for new innovative financing instruments applicable in BIH.

Once adopted by relevant governments, the SDG financing framework will provide long term directions for gradual changes of traditional public sector-centered financing towards more substantial inclusion of private and institutional investors in financing of sustainable development. Its adoption will be followed by a wide promotion through a set of carefully designed promotional activities, which will also be used to inform interested parties on partnership potentials that emerge from SDG financing framework.

Specific output and activities include:

- 1.2.1. Capacitate the SDG Working Group and ministries of finance;
- 1.2.2. Participatory design of a gender responsive SDG Financing Framework;
- 1.2.3. SDG financing awareness raising for the private sector, development banks, IFIs;
- 1.2.4. Promotion and mobilising partnerships for SDG financing.

Outcome 2: Public finance management is SDG-informed and resource planning in selected priority areas is gender-responsive, more efficient and effective.

Building on the efforts of governments to align SDGs-linked development strategies at sub-national levels and strategy-based mid-term and annual planning with government budgets as well as on the results achieved in gender responsive budgeting, and in close coordination with the upcoming introduction of programme-based budgeting, the JP will **set a model for a systemic SDG-linked and gender responsive planning and monitoring of public funds via simplified budget tagging**.¹⁴ Additionally, to ensure incorporation of the Leave No One Behind (LNOB) principle within the SDG financing ecosystem and at the same time - address key priorities identified in the SDG Framework and national sectoral priorities, the

¹⁴ Supported by the EU/IPA

JP will enhance capacities of a number of sectoral ministries to optimise and strategically re-channel public funds for accelerated achievements of relevant SDGs targets.

Output 2.1. Budgets reflect priorities from the SDG Framework and enable targeted planning and monitoring for SDG financing

The focus of Output 2.1. is to assess whether and how SDG-related interventions are embedded in public budgets and the budget information management system. It will be followed by recommendations for introduction of a simplified SDG and gender responsive budget tagging, also contributing to implementation of Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) Concluding observations on the sixth periodic report of BIH with respect to gender responsive monitoring of policies and laws and gender-responsive budgeting¹⁵. This will allow for systemic planning and monitoring of allocation of public funds for implementation of the SDG and enable **generating a database on SDG-aligned projects across governments**. Output 2.1. entails the following activities:

2.1.1. Capacitate the ministries of finances, line ministries and parliamentary commissions) and support linking of public financing with SDG through budget tagging as part of the emerging programme-based budgeting;

2.1.2. Support the development of SDG-aligned project database with focus on public investment programme.

Output 2.2 Enhanced capabilities of sectoral ministries enable optimization and strategic re-channelling of public resources in selected sectoral priority areas for accelerated achievement of SDG commitments

Output 2.2. will increase capacities of sectoral ministries to optimise resources, create fiscal space and strategically re-channel funds for accelerated progress in priority areas described below, particularly in view of the LNOB principle. The selected priority sector stem from the SDG Framework in BIH and other sectoral strategic documents, including those related to requirements of the EU accession process.¹⁶

Education is one of the critical areas for the country where significant and complex reforms are required for creating human capital for 21st century. One of the preconditions for the reforms is reliable and accurate data for adequate policy planning and budgeting. To help address this gap, activities under the JP will result in improved statistical reporting system for the education sector required for assessing education's contribution to sustainable development, with the purpose to provide policy recommendations for increasing of investments and interventions in this sector. This will be achieved via **technical assistance to state and entity statistical institutions and capacity building activities in the form of training for the educational institutions from all levels of government**, building on the achievements of UNESCO in this field.

Pre-school education, improving social protection systems and early childhood development are priority areas where there are persistent challenges, such as non-equitable targeting and distribution of social assistance, geographic disparities of services for children, adolescents and youth, the lack of evidence on cost-effective/alternative quality

¹⁵ In particular noting the need for the country to monitor, in a gender responsive manner, the impact of laws, policies and action plans and assess the situation of women and progress towards the realization of substantive equality between women and men, as well as intensify its efforts to pursue gender-responsive budgeting in all government departments: https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CEDAW/C/BIH/CO/6&Lang=En.

¹⁶ I.e. defined in document "Joint Socio-Economic Reforms 2019-2020" (Reform Agenda 2) addressing concerns from the EU Opinion of BIH's application for membership

early childhood education and care models, etc. To capacitate relevant line ministries to address the challenges, **the JP will propose innovative financing models to highlight the cost of inactivity and demonstrate the benefits of targeted and effective allocation of finance that would be realized if funding was allocated to services that strongly support children, adolescents, youth and their families.** This will be achieved through: (i) evidence generation; (ii) public dialogue and advocacy; and (iii) tailored capacity-building for strategic and needs-based resource (re)allocation informed by SDGs with focus on innovative financing models. These will capitalize on the ongoing UNICEF efforts of conducting social and child protection budget briefs, providing evidence into the efficiency, effectiveness, equity and adequacy of past and future spending in this sector.

Employment is another critical dimension within the SDG Framework. It underlines the need to ensure the transformation of innovative and productive ideas into more and better jobs. In turn, decent jobs engender greater productivity and accelerated growth. The SDG approach pays particular attention to the most marginalized (e.g. such as women in rural areas, people with limited educational attainment, persons with disabilities, and others) and their risk of detachment from the labour market and social exclusion. It also emphasizes the importance of delivering better services to citizens and businesses, including employment services and business development services to enable job creation and transitions to formality. The JP aims at capacitating institutional partners to conduct an employment impact assessment of current policies and strategies with recommendations for resource optimization to maximize job creation and formalization. This will be achieved via capacity building and knowledge dissemination in the form of training and technical assistance, to all statistical institutes, governments at national and sub-national levels, academia and social partners.

Ensuring universal health coverage (UHC) in BIH, including financial protection of population from impoverishing or catastrophic health spending by 2030, will be difficult to achieve without better understanding of not only level but also distribution of financial protection provided by health system/s in BIH. In the context of an upper-middle income European country, SDGs metrics developed for catastrophic health spending holds the poorest and the richest households to the same standard, underestimating financial hardship among the poor and overestimating it among the rich. To contribute to ensuring UHC in BIH, including financial protection of population from impoverishing or catastrophic health spending by 2030, **the JP will provide technical assistance to identify and develop country's institutional capacities to undertake a financial protection analysis, directly focused on the level of financial hardship to which poor and vulnerable are exposed when using health services in BIH.** The results of this analysis will produce actionable evidence for policy makers aiming at breaking the link between ill health and poverty and ultimately increasing the level and distribution of financial protection to reach UHC. In this process, the JP will ensure adequate consideration of the needs in regard to the overall preparedness and needs in the sector vis-à-vis disease outbreaks and the on-going COVID-19-related emergency.

Moreover, **noncommunicable diseases (NCDs)** are the foremost cause of premature death and disability in the country, with presumably vast but currently undetermined consequences on its economy. In spite of the existing evidence that the costs of scaling up core NCDs interventions and services represent only a minor fraction of the costs of NCDs burden, and already demonstrated major returns on investment in NCDs prevention and control, NCDs prevention and control programmes remain under-funded in BIH. There is a lack of capacity to economically quantify and analyse the costs of NCDs and return on investment in NCDs programmes. To help the governments address these challenges, **the**

JP will identify and develop country's capacities to determine the economic costs of NCDs and return on investments in NCDs prevention and control programmes/service packages. Fully developed business/investment cases in BiH¹⁷ are intended for use in the budgetary process and also to inform parliamentarians who eventually decide on the investments proposed.

Activities under Output 2.2. include:

2.2.1. Capacitate institutional partners, develop a business case for investing in children and youth (including the cost of inaction in priority sectors) and support informed policy planning and budget allocation;

2.2.2. Capacitate institutional partners to conduct employment impact assessment of current policies and strategies with recommendations for resource optimization to maximize job creation and formalization;

2.2.3. Strengthen institutional capacities and develop a business case for investing in noncommunicable diseases interventions and services in BiH;

2.2.4. Determine the levels of financial protection provided by the health systems in BiH and distribution of financial protection among population to inform development of tailored, leaving no one unprotected, Universal Health Coverage policies in BiH;

2.2.5. Creating statistical data ecosystems in the field of education by strengthening capacities of the statistical and educational institutions and supporting informed policy planning and budget allocation for achievement of the SDG's related to education.

Importantly, for **all implemented activities** continuous linkages will be established with key institutional stakeholders, the SDGs Working Group, as well as relevant ministries of finance so that results of the activities **will feed into a wider process of design of the SDGs Financing Framework** to sustain results and ensure institutional anchoring and ownership.

Following the successful achievements of the JP outcomes, **by the end of 2022** the basic financing eco systems will enable systemic, targeted and optimised use of public and private resources for achieving the SDGs priorities. These results will support the country towards achieving **the long-term impact of the SDG Framework so as to achieve the its ultimate objectives:** (i) a stronger policy and regulatory environment to enable low-carbon development, spur business development, support the creation of green and decent jobs, and enhance environmental management including conditions for more inclusive and higher quality education that offer all children and young people the 21st century skills they will need for employment success in a modern, EU-oriented labour market; (ii) more efficient, fair, and inclusive health and social services that respond to the context of an ageing population and high levels of out-migration, and that better serve vulnerable groups and; (iii) practical reforms to strengthen governance and the rule of law and more accountable institutions to deliver effective public services that are gender-responsive and inclusive of vulnerable groups.

¹⁷ E.g. Investment case in Turkey - http://www.euro.who.int/data/assets/pdf_file/0009/387162/bizzcase-tur-eng.pdf?ua=1

2.4 Budget and value for money

The total budget required for implementation of the JP amounts to **USD 1,291,861**, out of which **999,861 is requested from the Joint SDG Fund (77 %), while USD 292,000 (23 %) will be provided by PUNOs**. Out of the total budget, USD 524,753 is allocated for Outcome 1, which aims at capacitating the institutional partners in the country to identifying and systemically addressing the financing gaps for the attainment of SDGs in BIH, while USD 663,600 is allocated to Outcome 2 aiming at creation fiscal space in sectoral priority areas via optimization and re-channeling of public resources. JP coordination amounts USD 103,508. A total of **44% of costs for all foreseen activities is allocated to gender equality** through engaging gender expertise, conducting gender analysis and addressing different needs of women and men. The detailed breakdown of funds per specific activities is included in the Joint Work Plan, as required.

In developing the ecosystem for SDGs financing in BIH and based on the “Delivering as One UN” approach, the JP will bring collective expertise, existing tools and methodologies of the UN agencies to enable implementation to begin with minimal start up. The JP will utilize **existing UN knowledge and solutions from piloted or successfully implemented SDG financing approaches from across the world**. This will allow for effective utilization of the JP financial resources to equip the partner institutions in BIH with key methodologies, capacity building and innovative solutions that have already been successfully tested. Moreover, the JP will build upon the related initiatives already implemented by PUNOs thus contributing to optimized results.

The SDGs Financing Framework in BIH, that will be designed with support of the JP, will provide **directions for long-term systemic changes in terms of policy and institutional reforms**, to better target existing public finance and leverage additional capital from private and institutional investors for accelerated sustainable development. The results of the JP will be sustained with the existing SDGs Working Group that is likely to be transformed into a sustainable development council with responsibility for steering and coordinating overall SDGs implementation in the country. In addition, capacity development interventions along with specific tools and methodologies that will be brought by the PUNOs and adjusted to the BIH context will result in strengthened capacities of line ministries to scale up the new approaches and innovative instruments across governments.

As the SDG financing eco system will be based on the common SDG financing framework, it will provide long-term directions for all relevant actors to pursue SDG financing in a harmonized and converging manner. A particular focus within the government sector will be placed on **cross sectoral co-financing and mutually reinforcing structural interventions**. In addition, the partner institutions will be supported to develop modalities and instruments to leverage co-financing and establish partnerships with private sector and other relevant investors.

Ultimately, the overall SDGs financing eco system will serve as a **long-term knowledge, policy and solutions platform for broad based dialogue among all stakeholders in BIH** on how to steer, re-channel, optimize the existing and mobilize new funds through innovative financing solutions towards accelerated SDG implementation.

2.5 Partnerships and stakeholder engagement

Overall steering of the JP will be anchored with the main relevant representatives from the **SDG Working Group** that brings together representatives of governments at the state, entity and Brčko District levels. The Working Group has led the design of the SDG Framework in BIH and is well placed to oversee activities meant to create enabling conditions and capacities for aligning public and private capital to the SDGs and related strategies in the country. Further, representatives of ministries of finance as well as relevant line ministries at national and sub-national levels will be engaged as part of technical or working bodies to lead the JP implementation.

The JP will be implemented by using “**Delivering as One UN**” approach and the UN Resident Coordinator will lead political engagement at the highest political level, also ensuring engagement of the UNCT. The PUNOs will include UNDP, UN WOMEN, ILO and UNICEF. UNDP will act as a Convening Agency for the overall coordination and implementation of the JP. All PUNOs will implement specific activities as defined in the JP under relevant outcomes and outputs and based on their mandates and expertise, including expertise they will mobilise from their global and regional offices or knowledge hubs. While many of the JP activities will be implemented via joint PUNOs engagement, the below table summarizes which PUNO will take the lead for which activity.

PUNO	Activity
UNDP	1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5, 1.1.6, 1.2.1, 1.2.2, 1.2.3, 1.2.4, 2.2.5
UN WOMEN	2.1.1, 2.1.2,
UNICEF	2.2.1
ILO	2.2.2
WHO	2.2.3, 2.2.4

Besides acting as a convening agency, **UNDP** will take the lead for implementing activities under Outputs 1.1 and 1.2, aiming at developing capacities of ministries of finance at national and sub-national levels to define and implement long-term strategies for increased SDG financing. These activities will build on UNDP support in the design of the SDG Framework in BIH and previous experience in supporting the overall strategic planning and development management system in the country. UN WOMEN will also engage in this process, by supporting awareness raising activities, as well as integration of gender responsive budgeting and planning. **Engagement of other stakeholders, including private and institutional investors, financial institutions, local development agencies, CSOs and importantly, relevant parliamentary commissions, will be mobilised** through awareness raising events, creation of forums for their effective participation and consultations in the design of the SDG Financing Framework and promoting and mobilising partnership for SDG financing. Under UNDP’s lead, **UNESCO** will work on strengthening capacities of the **ministries of education at all levels of government** to conduct informed policy planning and budget allocation for achievement of the SDGs related to education.

UN WOMEN will contribute to the creation of an SDG financing eco system by taking lead on strengthening institutional capacities of ministries of finance across governments to introduce SDGs related and gender responsive budget tagging and generate a database on SDG-aligned projects (with contribution from UNDP). This will be done through training and technical assistance to **ministries of finance, line ministries as well as tailored training for parliamentary commissions for finance**. These activities will build on previous UN WOMEN support to the ministries of finance on introducing gender sensitive budgeting. Close cooperation will be sought with the **EU Delegation to BIH** in view of its project aimed at supporting ministries of finance in BIH in introducing programme-based budgeting.

UNICEF will capacitate line ministries to determine inefficiencies and cost of “SDG inaction” relevant for children and youth, as well as to introduce innovative financing models, also entailing cross-sector/multi-level and public-private partnership. Focus will be on influencing transformation of social spending in sectors relevant to children, youth and the overall LNOB agenda, by developing evidence and practical models to increase efficiency, effectiveness, equity and adequacy of spending. Target stakeholders include relevant **ministries at state, entity and cantonal levels (social protection, health and education), local authorities, as well as education and healthcare institutions and service providers (including CSOs)**. Ministries of finance are also important stakeholders to be closely involved in the planned interventions.

Given the prominence and importance of the topic of employment in the SDG Framework in BIH and other strategic documents, the **ILO** will provide capacity building to statistical institutes, as well as relevant ministries at national and sub-national levels and to academia and socio-economic partners. These stakeholders will be trained to conduct Input-Output analyses and develop an accompanying labor productivity module critically needed to **prepare estimates of direct job creations and recommendations for resource optimization to maximize job creation and formalization**.

WHO will address priorities of the SDG Framework related to UHC and financial inclusion. Activities will aim at strengthening the capacities of health ministries to develop a business case for investing in NCD interventions and services in BIH, as well as at conducting an equity analysis of financial protection among population, which will ultimately contribute to evidence-based policy making and optimisation of public spending. This will be done in **close collaboration with the health authorities in BIH**¹⁸, supporting institutional capacity development for economic analysis in health and health financing analysis.

In view of their support to the authorities in the county, strategic cooperation will be also ensured with the **World Bank** and **IMF**. Their contribution and expertise will be particularly important in the process of design of the SDG Financing Framework, including in relation to public expenditure reviews, SDGs costing and estimating of financing gaps, as well as is in defining innovative financing instruments that could be applied in the BIH context. Furthermore, the JP Outcome 2 will build on the findings of a number of sectoral functional and efficiency reviews performed by the World Bank (i.e. in the health and education sector).

Civil society and academia, including research institutes, will be engaged in the inclusive consultations for the SDG Financing Framework, following their extensive participation and consultations in the process of design of the SDG Framework. Additionally, CSOs will be consulted in the process of designing innovative financing models in selected sectoral priorities.

Cooperation and synergies will be sought with relevant **international donors and organisations** not only to maximize results of the JP but, more importantly, to encourage their long-term support to the country’s sustainable development as part of a broader SDG financing ecosystem. In this context, close cooperation with the EU Delegation to BIH is key, having in mind BIH is a potential candidate to the EU. Donors that support the SDGs implementation architecture in the country or establishment of related strategic and planning systems (Sweden, Switzerland, Slovakia, Germany, UK) will be also engaged in relevant dialogue and consultations on SDG financing.

¹⁸ BIH Ministry of Civil Affairs, FbiH Ministry of Health, RS Ministry of Health and Social Welfare and the Department of Health and Other Services of Brčko District.

3. Programme implementation

3.1 Governance and implementation arrangements

The overall JP implementation will be guided by **three distinct and important principles**: (i) full alignment with and utilization of the ongoing SDG-related efforts in BIH; (ii) reduction of transaction costs and duplication in a complex BIH governing system; and (iii) inclusive engagement of relevant government authorities.

Anchored in the Guidance Note on Joint UN Programmes, the **Steering Committee** for this JP will ensure systemwide coherence that supports BIH priorities and needs, applying tailored tools and approaches contextualized to ongoing development trends and reforms. The Steering Committee will consist of designated representatives of state, entity and Brčko District governments (possibly members of the existing SDG Working Group, likely to be transformed into a Sustainable Development Council), the UN Resident Coordinator and Heads of PUNOs. This will enable the JP to build upon the ongoing SDGs consultation and prioritization process in BIH, as well as the formulation of the new UNSDCF, utilizing the existing information and structures already established through UN partnership with the authorities in BIH. Such a composition of the Steering Committee will provide for cohesive, efficient and focused action that connects multi-domain efforts in an integrated manner.

The Steering Committee will facilitate collaboration between PUNOs and governments in BIH for the JP implementation. It will act as the main decision-making authority, responsible for the oversight of the overall JP implementation. The Committee will provide strategic guidance, as well as give final approval to selected strategic and operational issues. It will be responsible for reviewing annual work plans, implementation progress and annual reports, as well as for approving any substantial changes or deviations in the budget or activities. The Committee will meet semi-annually or as per ad hoc need, when necessary or raised by the JP Coordinator. UNDP as a Convening Agency will serve as the secretariat to the Steering Committee, responsible for sending out invitation for meetings, preparing meeting agenda and materials, as well as meeting minutes.

The **UN Resident Coordinator** will ensure the overall strategic guidance, oversight and coordinated approach of the PUNOs, reinforced by the framework of the UN development system repositioning.

UNDP will act as the **Convening Agency** of the JP responsible for its strategic and programmatic leadership and ensuring cohesive and coordinated approach of PUNOs. The Convening Agency, in partnership with other PUNOs, will be responsible and accountable to the JP Steering Committee for facilitation of the achievement of agreed JP results.

Each of the **PUNOs** will be substantively and financially accountable for the activities designated to it in the JP with strong coordination and coherence in achieving results. The PUNOs will be individually responsible for: ensuring the timely implementation of the activities and delivery of the reports and other outputs identified in this programme document; contracting and supervising qualified local and international experts, financial administration, monitoring, reporting and procurement for the activities they are responsible for, and carrying out all the necessary tasks and responsibilities to assist the Steering Committee.

The **JP Team** will be responsible for day-to-day implementation of the programme, ensuring interagency coordination. The JP Team will consist of designated focal points by each PUNO.

The **JP Coordinator** (by UNDP/Convening Agency) will be tasked to coordinate the JP, including annual planning, implementation and reporting, in close cooperation with JP Team members. The JP Coordinator will report to the Steering Committee. S/he will also be responsible for consolidating inputs of PUNOs into narrative reports to the donor. The JP Coordinator will consult with the PUNOs on the financial plans and expenditures related to activities defined within the work plans.

Sustainability and ownership of interventions under the JP will be sought by focused institutional capacity development, to enable the authorities in BIH to independently continue the work without or with decreasing assistance provided within the scope of the JP. Sustainability of results will be incorporated from the early, design stage and gradual institutionalization of progress as implementation continues. The fact that the JP builds on consultative, comprehensive and strategic SDG priority-setting process in BIH and that it is incorporated in the existing SDG coordinating structures, provides a platform for sustainability and alignment of results with BIH priorities and needs. In addition, UN will embed this JP in complementary fundraising efforts to increase potentials for wider outreach, scale-up results and enable continuation of UN support as per identified needs.

3.2 Monitoring, reporting, and evaluation

Reporting on the Joint SDG Fund will be results-oriented, and evidence based. Each PUNO will provide the Convening/Lead Agent with the following narrative reports prepared in accordance with instructions and templates developed by the Joint SDG Fund Secretariat:

- *Annual narrative progress reports*, to be provided no later than one (1) month (31 January) after the end of the calendar year, and must include the result matrix, updated risk log, and anticipated expenditures and results for the next 12-month funding period;
- *Mid-term progress review report* to be submitted halfway through the implementation of Joint Programme¹⁹; and
- *Final consolidated narrative report*, after the completion of the joint programme, to be provided no later than two (2) months after the operational closure of the activities of the joint programme.

The Convening/Lead Agent will compile the narrative reports of PUNOs and submit a consolidated report to the Joint SDG Fund Secretariat, through the Resident Coordinator.

The Resident Coordinator will be required to monitor the implementation of the joint programme, with the involvement of Joint SDG Fund Secretariat to which it must submit data and information when requested. As a minimum, joint programmes will prepare, and submit to the Joint SDG Fund Secretariat, 6-month monitoring updates. Additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided, per request of the Joint SDG Fund Secretariat. Joint programme will allocate resources for monitoring and evaluation in the budget.

Data for all indicators of the results framework will be shared with the Fund Secretariat on a regular basis, in order to allow the Fund Secretariat to aggregate results at the global level and integrate findings into reporting on progress of the Joint SDG Fund.

PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting done throughout the year.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, as follows:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

In addition, regular updates on financial delivery might need to be provided, per request of the Fund Secretariat.

¹⁹ This will be the basis for release of funding for the second year of implementation.

After competition of the JP, a final, *independent and gender-responsive*²⁰ evaluation will be organized by the Resident Coordinator. The cost needs to be budgeted, and in case there are no remaining funds at the end of the joint programme, it will be the responsibility of PUNOs to pay for the final, independent evaluation from their own resources.

A joint final independent evaluation will be managed jointly by PUNOs as per established process for independent evaluations, including the use of a joint evaluation steering group and dedicated evaluation managers not involved in the implementation of the joint programme. The evaluations will follow the United Nations Evaluation Group's (UNEG) Norms and Standards for Evaluation in the UN System, using the guidance on Joint Evaluation and relevant UNDG guidance on evaluations. The management and implementation of the joint evaluation will have due regard to the evaluation policies of PUNOs to ensure the requirements of those policies are met and the evaluation is conducted with use of appropriate guidance from PUNOs on joint evaluation. The evaluation process will be participative and will involve all relevant programme's stakeholders and partners. Evaluation results will be disseminated amongst government, development partners, civil society, and other stakeholders. A joint management response will be produced upon completion of the evaluation process and made publicly available on the evaluation platforms or similar of PUNOs.

3.3 Accountability, financial management, and public disclosure

The JP will be using a pass-through fund management modality. UNDP Multi-Partner Trust Fund Office will act as the Administrative Agent (AA) responsible for a financial management. Each Participating UN Organization receiving funds through the pass-through will sign a standard Memorandum of Understanding with the AA.

Each Participating UN Organization (PUNO) shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent of the Joint SDG Fund (Multi-Partner Trust Fund Office). Such funds will be administered by each UN Agency, Fund, and Programme in accordance with its own regulations, rules, directives and procedures. Each PUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

Each Participating Organizations will recover indirect costs at the established rate of 7%. All other costs incurred by each PUNO in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

Funding by the Joint SDG Fund will be provided on annual basis, initial annual installment and next annual installment payment paid upon successful review of the first-year performance of the joint programme.

Procedures on financial transfers, extensions, financial and operational closure, and related administrative issues are stipulated in the Operational Guidance of the Joint SDG Fund.

PUNOs and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements.

Each PUNO will take appropriate measures to publicize the Joint SDG Fund and give due credit to the other PUNOs. All related publicity material, official notices, reports and

²⁰ [How to manage a gender responsive evaluation, Evaluation handbook](#), UN Women, 2015.

publications, provided to the press or Fund beneficiaries, will acknowledge the role of the host Government, donors, PUNOs, the Administrative Agent, and any other relevant entities. In particular, the Administrative Agent will include and ensure due recognition of the role of each Participating Organization and partners in all external communications related to the Joint SDG Fund.

3.4 Legal context

This JP, in respect of each of the United Nations system agencies signing, will be read, interpreted, and implemented in accordance with and in a manner that is consistent with the basic agreement between such United Nations system agency and the Host Government.

Agency	Agreement	Date signed
UNDP	Standard Basic Assistance Agreement (SBAA) between Bosnia and Herzegovina and UNDP	07.12.1995
UN WOMEN	Standard Basic Assistance Agreement (SBAA) between Bosnia and Herzegovina and UNDP	07.12.1995
UNICEF	Basic Cooperation Agreement between UNICEF and BiH	13.10.1993
ILO	Decent Work Country Programme	06.02.2013
WHO	Basic Agreement between the World Health Organization and the Government of Bosnia and Herzegovina.	15.06.1994

D. ANNEXES OF THE JOINT PROGRAMME TEMPLATE

Annex 1. List of related initiatives

Name of initiative/project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
SDGs Roll-out Support and Private Sector Engagement	SDG Roadmap for Bosnia and Herzegovina developed, and implementation started. Private sector actors sensitized and engaged in SDGs prioritization, planning and implementation. SDG Framework in BiH designed and adopted.	Contributing to all 13 UNDAF Outcomes for the period 2015-2020	UNDP	BiH Ministry of Foreign Affairs	Government of Sweden	Aida Laković Hošo, aida.lakovic-hoso@undp.org
Integrated Local Development Project	Lead planning structures at entity level steer the development planning and management systems characterized by vertical and horizontal coordination and greater accountability towards the citizens; Local and cantonal governments effectively address needs of citizens and accelerate growth through inclusive development planning and management; Citizens and socio-economic partners take pro-active part in development management and benefit from improved services.	By 2019, economic, social and territorial disparities are decreased through coordinated approach by national and sub-national actors	UNDP	BiH Ministry for Human Rights and Refugees, FBIH Ministry of Justice, RS Ministry for Administration and Local Self-Governance, Association of Municipalities and Cities	Government of Switzerland	Aida Laković Hošo, aida.lakovic-hoso@undp.org
Social and Child Protection Budget Briefs	Budget analysis of the size and composition of budget allocations for 2019-2020 for social and child protection, in line with ongoing reforms, as well as offer insights into the efficiency, effectiveness, equity and adequacy of past and future spending.		UNICEF	Relevant sector Ministries at state, entity and cantonal levels, Municipal authorities, Centers for Social Welfare, other social protection institutions and non-governmental service providers.	Government of Switzerland & Sida	Selma Kazić (skazic@unicef.org)
Gender Responsive Governance – Gender Responsive Budgeting	Review and analysis of budgetary spending for gender equality in BiH, FBiH and RS government budgets; Developed technical capacity of institutions in national planning and budgeting;	Contributing to implementation of Outcomes 1 and 2 of the Joint SDG Proposal	UN Women	BiH Ministry of Finance and Treasury; RS Ministry of Finance; FBiH Ministry of Finance; BiH Agency for Gender Equality; FBiH Gender Center; RS Gender Center;	Government of Sweden	Irma Zulić, irma.zulic@unwomen.org
Improving statistical systems in the field of education	Statistical reporting system for the education sector improved and aligned to international requirements (EUROSTAT, OECD,	Increase capacities of sectoral ministries to conduct informed policy planning and budget	UNESCO	a) Agency for Statistics of Bosnia and Herzegovina,	UNESCO	Alma Mrgan-Slipičević a.mrgan-slipicevic@unesco.org

	UIS) by providing revised reporting forms and web-based data collection tool	allocation for achievement of the SDG's related to education		Institute for Statistics of the Federation of Bosnia and Herzegovina, Institute for Statistics of Republika Srpska b) ministries for education on all levels of government in BiH		org
Youth Employment Analysis in Bosnia and Herzegovina	Youth employment diagnostic carried out in 2015 identifying major bottlenecks for youth employment. Linked to SDG target 8.B and indicator 8.B.1	Contributing to the UNDAF Pillar 2 on Sustainable economic development and employment for the period 2015-2020	ILO	Ministries for labour and education, Statistical Offices, employers' and workers organizations	ILO	Lejla Tanović (tanovic@ilo.org)
Study on young NEETs in Bosnia and Herzegovina	The study on young NEETs (not in employment, education and training) will address an array of vulnerabilities among youth, touching on issues of unemployment, early school leaving and labour market discouragement. Linked to SDG target 8.6 and indicator 8.6.1	Contributing to the UNDAF Pillar 2 on Sustainable economic development and employment for the period 2015-2020	ILO	Ministries for labour, Statistical Offices, employers' and workers organizations	ILO	Lejla Tanović (tanovic@ilo.org)
Skills foresight and strategy in tourism sector	The skills foresight study will provide an assessment of skills shortages, gaps and needs in Tourism sector by using the STED Methodology and will be accompanied by a skills strategy in this sector to accelerate growth and create jobs, the tourism industry, needs a solid. Linked to SDG target 8.6 and indicators 8.9.1. and 8.9.2.	Contributing to the UNDAF Pillar 2 on Sustainable economic development and employment for the period 2015-2020	ILO	Ministries for labour, Education, Tourism, TVET institutions, Statistical Offices, employers' and workers organizations	ILO	Lejla Tanović (tanovic@ilo.org)
Occupational Outlook	Development and management of an evidence-based Occupational Outlook (OO) as an effective tool for Public Employment Services to provide career guidance and perspectives to young people and to improve job referral and matching of job-seekers.; and use monitoring and evaluation data for the adjustment of youth employment interventions. Linked to SDG target 8.6 and indicator 8.6.1	Contributing to the UNDAF Pillar 2 on Sustainable economic development and employment for the period 2015-2020	ILO	Ministries of Labour, Education, TVET institutions, Public Employment Services, employers' and workers' organizations	ILO	Katarina Crnjanski Vlačić (crnjanskivlajcic@ilo.org)

Annex 2. Results Framework

2.1. Targets for Joint SDG Fund Results Framework

Joint SDG Fund Outcome 2: Additional financing leveraged to accelerate SDG achievement

Indicators	Targets	
	Year I	Year II
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope ²¹	To be defined(*)	To be defined(*)
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale ²²	To be defined(*)	To be defined(*)

(*) to be defined within 6 months of JP implementation

Joint SDG Fund Output 4: Integrated financing strategies for accelerating SDG progress implemented

Indicators	Targets	
	Year I	Year II
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)	0	1
4.2: #of integrated financing strategies that have been implemented with partners in lead ²³	0	1
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	0	1

Joint SDG Fund Operational Performance Indicators

- Level of coherence of UN in implementing programme country²⁴
- Reduced transaction costs for the participating UN agencies in interaction with national/regional and local authorities and/or public entities compared to other joint programmes in the country in question
- Annual % of financial delivery
- Joint programme operationally closed within original end date
- Joint programme financially closed 18 months after their operational closure
- Joint programme facilitated engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)
- Joint programme included addressing inequalities (QCPR) and the principle of "Leaving No One Behind"
- Joint programme featured gender results at the outcome level
- Joint programme undertook or draw upon relevant human rights analysis, and have developed or implemented a strategy to address human rights issues

²¹Additional resources mobilized for other/ additional sector /s or through new sources/means

²²Additional resources mobilized for the same multi-sectoral solution.

²³ This will be disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners

²⁴ Annual survey will provide qualitative information towards this indicator.

- Joint programme planned for and can demonstrate positive results/effects for youth
- Joint programme considered the needs of persons with disabilities
- Joint programme made use of risk analysis in programme planning
- Joint programme conducted do-no-harm / due diligence and were designed to take into consideration opportunities in the areas of the environment and climate change

2.2. Joint programme Results framework

Result / Indicators	Baseline	Year I	Year II (cumulative)	Means of Verification	Responsible partner
Outcome 1: SDGs Financing Framework, resulting from a broad-based dialogue, provides long term solutions for more integrated sustainable development financing in BiH					
1.1 SDGs financing framework in place addressing long term structural policy challenges and providing directions for targeted public financing and mobilization of additional resources for implementation of country's SDGs commitments	No	No	Yes	JP reports, official governments' reports	UNDP
Output 1.1. Meaningful dialogue instigated and evidence for SDG Financing Framework generated					
SDG target 17.14.1 Mechanisms in place to enhance policy coherence of sustainable development.	0			National reports on implementation of BIH SDG Framework.	
1.1.1. # of mechanisms in place enabling dialogue and cooperation among governments, private sector and other and non-government actors on sustainable development financings (dialogue platform)	0	1	1	JP reports, official governments' reports	UNDP
1.1.2. # of DFA and other types of gender-responsive assessments and diagnostics enabling understanding of sustainable development financing gaps	0	1	2	JP reports, national reports on implementation of SDGs	UNDP
Output 1.2: SDGs Financing Framework developed, offering key financing solutions for accelerated sustainable development					
SDG target 17.14.1 Mechanisms in place to enhance policy coherence of sustainable development.	0			National reports on implementation of BIH SDG Framework.	
SDG target 5.c.1 Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment	Inexistent			National reports on implementation of BIH SDG Framework.	
SDG target 17.16.1: Reporting progress in multi stakeholder development effectiveness monitoring frameworks that support the achievement of the SDGs.	Inexistent			National reports on implementation of BIH SDG Framework.	
1.2.1. # of institutional partners and other stakeholders capacitated to conduct inclusive design of an SDGs financing framework	0	40		JP reports, training evaluation reports	UNDP

1.2.2. A gender-responsive SDGs financing framework in place	No	No	Yes	JP reports, relevant governments' decision	UNDP
1.2.3. # of institutional and private investors engaged in defining long-term directions of SDGs financing framework	0	20	40	JP reports, minutes from meetings	UNDP
Outcome 2: Public finance management is SDG-informed and resource planning in selected priority areas is gender-responsive, more efficient and effective					
2.1 PFM is gender responsive and SDGs informed	No	Partially	Yes	JP reports, official governments' reports	UN Women
2.2. # of institutions capable to apply both gender responsive and SDG-focused PFM tools and instruments in selected priority areas (education incl. pre-school, health, labour market)	0	0	14 ²⁵	JP reports, official governments' guidelines / instructions	ILO, UNICEF, UNESCO, WHO
Output 2.1. Budgets embed SDG commitments and enable targeted planning and monitoring for SDG financing					
SDG target 5.c.1 Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment	Inexistent			National reports on implementation of BiH SDG Framework.	
2.1.1. # of institutional partners (ministries of finances/line ministries/parliamentary commissions) capacitated in linking public financing with SDGs through budget tagging	0	20	40	JP reports, training evaluation reports	UN Women
2.1.2. # of gender responsive and SDGs-linked government budget tagging instruments (BIH, FBiH, RS)	0	0	3	JP reports, relevant governments' decision	UN Women
2.1.3. # of SDG-aligned project database (focus on public investment programme)	0	0	3	JP reports, relevant governments' decision	UN Women
Output 2.2 Enhanced capabilities of sectoral ministries enable optimization and strategic re-channeling of public resources in selected sectoral priority areas for accelerated achievement of SDG commitments					
SDG domesticated target 4.2.a Gross early childhood education enrolment ratio in pre-primary education disaggregated by sex.	25%: (26% M, 24% F)			National reports SDG Framework implementation, annual statistical reports, periodic reports of line ministries as well as finalized business case for investing in children and youth in BiH.	
SDG target 4.5.1: Parity indices for all education indicators that can be disaggregated.	a) gender parity index			National reports on implementation of BiH SDG	

²⁵ 4 entity ministries (health, social protection, education), 10 cantonal ministries of education.

	Baseline (2007): 1,01;			Framework, annual statistical reports and periodic reports of line ministries.	
Domesticated SDG target 3.4.1. Premature mortality from non-communicable diseases	18,2%			National reports on implementation of SDG Framework in BiH	
SDG target 3.8.2: Proportion of population with large household expenditures on health as a share of total household expenditure or income (10%).	8,56%;				
SDG target 17.18.1 Proportion of sustainable development indicators produced at the national level with full disaggregation when relevant to the target, in accordance with the Fundamental Principles of Official Statistics	1st VNR presented in 2019			National reports on implementation of SDG Framework in BiH; Annual statistical reports and periodic reports of sectoral ministries.	
SDG target 17.14.1 Mechanisms in place to enhance policy coherence of sustainable development.	0			National reports on implementation of BIH SDG Framework.	
2.2.1. # of business cases for investing in children and youth (including the cost of inaction in priority sectors) to support evidence-based SDG financing focused on human capital	0	0	2 ²⁶	JP reports, Govt-endorsed analysis, publications, media reports	UNICEF
2.2.2. # of institutional experts capacitated to design, develop and present business case/s to support investments in prevention and control of NCDs	0	10	10	JP reports, training evaluation reports	WHO
2.2.3. # of business case/s to support and mobilize investments in prevention and control of NCDs	0	0	2	JP reports, official national business case/s reports	WHO
2.2.4. # of institutional experts capacitated to design, develop and present the results of financial protection analysis to monitor progress towards achieving UHC and inform pro-equity UHC investments/policies aimed at increasing financial protection of the citizens most vulnerable to severe financial hardship when using needed health services	0	10	10	JP reports, training evaluation reports	WHO

²⁶ Entity-specific analysis and reports may be consolidated in a country report.

2.2.5. # of completed financial protection analysis to monitor progress towards achieving UHC and inform pro-equity UHC investments/policies aimed at increasing financial protection of the citizens most vulnerable to severe financial hardship when using needed health services	0	0	2	JP reports, official financial protection analysis reports	WHO
2.2.6. # of statistical reporting forms and data collection tools needed to analyze data for informed policy planning and budget allocation for achievement of the education related SDG's	0	4 forms and 1 tool	n/a	JP reports, 4 statistical reporting forms/tools	UNDP lead (responsible party UNESCO)
2.2.7. PFM reflects considerations on the employment impacts of policies and strategies	No	No	Yes	JP reports, official government reports, selected reports from statistical institutes	ILO

Annex 3. Gender marker matrix

Indicator		Score	Findings and Explanation	Evidence or Means of Verification
N°	Formulation			
1.1	Context analysis integrate gender analysis	2	Gender analysis has been done across all segments of the JP, underlying causes of gender inequality and discrimination in line with SDG priorities including SDG 5; Consistent sex-disaggregated and gender sensitive data is noted in all indicators.	JP Proposal
1.2	Gender Equality mainstreamed in proposed outputs	2	Gender equality and the empowerment of women is visibly mainstreamed across all output areas in line with SDG priorities including SDG 5. Additionally, indicator 5.c.1 is noted as key in one of the outputs.	JP Proposal section: 1.2 SDGs and targets
1.3	Programme output indicators measure changes on gender equality	2	Between one-third and one-half (33-50 percent) of the output indicators measure changes in gender equality and the empowerment of women in line with SDG targets including SDG 5.	JP Proposal section: 1.2 SDGs and targets
2.1	PUNO collaborate and engage with Government on gender equality and the empowerment of women	2	PUNO have consulted with at least two government agencies that fosters gender equality within the current proposed project The National Women’s Machinery participates in program consultations: context analysis, strategic prioritization, implementation, M&E. The programme contributes to substantively strengthen Government participation and engagement in gender related SDGs localization and/or implementation	JP Proposal sections: 1.3 Stakeholder mapping and target groups; 2.3 Expected results by outcome and outputs
2.2	PUNO collaborate and engages with women’s/gender equality CSOs	2	PUNO have consulted with at least two government agencies that fosters gender equality within the current proposed project The National Women’s Machinery participates in program consultations: context analysis, strategic prioritization, implementation, M&E. The programme contributes to substantively strengthen Government participation and engagement in gender related SDGs localization and/or implementation	JP Proposal section: 1.3 Stakeholder mapping and target groups
3.1	Program proposes a gender-responsive budget	2	44% of the total budget is allocated to gender equality or women’s empowerment.	JP Proposal section: Budget and added value
Total scoring		8		

Annex 4. Budget and Work Plan

4.1 Budget per UNSDG categories

UNDG BUDGET CATEGORIES	PUNO 1: UNDP		PUNO 2: UN WOMEN		PUNO 3: UNICEF		PUNO 4: WHO		PUNO 5: ILO		TOTAL					
	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)				
1. Staff and other personnel	0	242,000	0	0	0	30,000	0		0	20,000	0	292,000				
2. Supplies, Commodities, Materials	11,500		0		0		0		0		0		0	0	0	11,500
3. Equipment, Vehicles, and Furniture (including Depreciation)	10,600		0		0		0		0		0		0	0	0	10,600
4. Contractual services	322,387		155,000		112,000		90,100		123,000		802,487					
5.Travel	29,500		3,000		15,000		6,900		12,000		66,400					
6. Transfers and Grants to Counterparts	0		0		0		0		0		0					
7. General Operating and other Direct Costs	43,463		0		0		0		0		43,463					
Total Direct Costs	417,450		158,000		127,000		97,000		135,000		934,450					
8. Indirect Support Costs (Max. 7%)	29,221	11,060	8,890	6,790	9,450	65,411										
TOTAL Costs	446,671	242,000	169,060	-	135,890	30,000	103,790	-	144,450	20,000	999,861	292,000				
<i>1st year</i>	304,354	173,500	62,060		37,450	30,000	36,701		89,238	20,000	529,803	223,500				
<i>2nd year</i>	142,317	68,500	107,000		98,440	0	67,089		55,212	0	470,058	68,500				

The consolidated budget for the joint Programme is based on UNDG approved harmonized budget categories. Allocations per PUNO are as following: 45% UNDP, 17% UN WOMEN, 14 % UNICEF, 10 % WHO and 14 % ILO, totalling in the amount of **USD 999,861**. Each Participating UN Organization will recover indirect costs at the established rate of 7%.

The participating UN Agencies have planned their budgets for the following costs.

PUNO 1: UNDP - Allocated funds are foreseen for supporting the governments in establishing basic financing eco system for SDG and fostering partnerships for sustainable development financing. This includes support to conducting a basic DFA, along with an expenditure review, costing and assessment of gaps for reaching the country's propriety SDG commitments. In addition, institutional partners (ministries of finance/line ministries), will be supported in reviewing the existing and potential SDG financing instruments and will be capacitated to lead the design of the SDG Financing Framework. Moreover, funds are foreseen to support awareness raising for the private sector/investors, financing institutions and other stakeholders and promotion and mobilising partnerships for SDG financing. Additionally, it will cover portion of the costs for gender-responsive design of the SDG Financing Framework in cooperation with UN WOMEN. These activities will be executed through the following budgetary costs: Kick-off event logistics; orientation training, workshops, working meetings; technical assistance, capacity building, logistics costs for events and experts' costs. The breakdown of cost by budget category is the

following: *Supplies, commodities, materials*- will be used for general office work and in the purpose of organising events; *Equipment, Vehicles, and Furniture (including Depreciation)*- include costs of using and maintenance of UNDP vehicles only in a full amount; *Contractual services*- includes costs of engaging international/ national consultants, organisation of trainings and events of other types, engagement of Public Finance expert and JP Coordinator under SC and costs of project final evaluation. In addition, UNESCO will provide co-financing of UNDP activities in amount of USD 50,000; *General Operating and other Direct Costs*- includes costs of monitoring, reporting and communications and represent 5% of total JP budget.

PUNO 2 UNWOMEN - Allocated funds are foreseen to capacitate the institutional partners (ministries of finances/line ministries/parliamentary commissions); support linking of public financing with SDGs through budget tagging as part of the emerging programme-based budgeting; Support the development of SDG-aligned project database focused on public investment programme. These activities will be executed through the following budgetary costs: capacity building workshops; working group workshops/meetings; logistic costs; promotional events/campaign; experts' costs; technical assistance/training/expertise; development of web-platform and organization and implementation of consultative meetings. The breakdown of cost by budget category is the following: *Contractual services*- include costs of national/international gender and gender mainstreaming expertise, organising trainings and events, development of specialised software and engagement of Gender expert under SC; *Travel costs*- represent mostly the costs of DSAs and tickets.

PUNO 3 UNICEF - Allocated funds are foreseen to capacitate institutional partners, develop a business case for investing in children and youth (including the cost of inaction in priority sectors) and support informed policy planning and budget allocation. These activities will be executed through the following budgetary costs: Trainings/workshops/working meetings; technical assistance/expertise costs/reports, publications, PR and logistical costs. The breakdown of cost by budget category is the following: *Contractual services*- includes costs of organising trainings and events as well as engagement of national and international consultants; *Travel costs*- represent mostly the costs of DSAs and tickets.

PUNO 4 WHO - Allocated funds are foreseen to strengthen institutional capacities and develop a business case for investing in noncommunicable diseases; determine the levels of financial protection provided by the health systems in BiH and distribution of financial protection among population (equity analysis), development of tailored (leaving no one unprotected) UHC policies in BiH. These activities will be executed through the following budgetary costs: Capacity building workshops; logistic costs; working group workshops/meetings; report launching events and technical assistance/training/expertise. The breakdown of cost by budget category is the following: *Contractual services*- includes costs of organising trainings and events as well as engagement of national and international consultants; *Travel costs*- represent mostly the costs of DSAs and tickets.

PUNO 5 ILO - Allocated funds are foreseen to capacitate institutional partners and conduct employment impact assessment of current policies and strategies with recommendations for resource optimization to maximize job creation and formalization. These activities will be executed through the following budgetary costs: Capacity building workshops; logistic costs; working group workshops/meetings; launching of events and technical assistance/training/expertise. The breakdown of cost by budget category is the following: *Contractual services*- includes costs of organising trainings and events as well as engagement of national and international consultants; *Travel costs*- represent mostly the costs of DSAs and tickets.

4.2 Budget per SDG targets

SDG TARGETS		%	USD
SDG 3	3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	5%	65,312
	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	5%	65,312
SDG 4	4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education	14%	178,822
	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	7%	92,932
SDG 5	5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	11%	142,402
SDG 17	17.14 Enhance policy coherence for sustainable development, also contributing to 16.6 Develop effective, accountable and transparent institutions at all levels	16%	206,461
	17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs	21%	270,309
	17.18 Enhance capacity building support to developing countries, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts	21%	270,309
TOTAL		100%	1,291,861

The four SDGs and corresponding targets, which are among key priorities for BIH, strongly interlink with each other, providing a platform for SDGs-informed public financing and creation of fiscal space for strategic re-channeling of public funds and accelerated development in priority areas, along with efforts to foster partnerships for sustainable financing. The selected targets stem from the SDG Framework in BIH and correspond to EU accession country's priorities, as described in Section 1.2. of the JP.

Considering the system-building and partnership-building nature of the JP, 58% of the total budget is planned as contribution to achievement of relevant targets under SDG 17. The creation of a gender-responsive SDGs financing eco system is further reinforced by allocation of 11% of the total budget as contribution of relevant target within SDG 5. Moreover, the JP aims at supporting a number of analyses to result in optimisation of funds in the areas of education and health to be used for strategic re-channeling, ultimately to result in improved well-being of both women and men. Therefore, 10% of the budget is allocated to two priority targets within SDG 3, while 21% is allocated to targets under SDG 4, with particular focus on actions to eliminate gender disparities in education (sex-disaggregated and gender sensitive data and targeted gender analysis of those furthest behind, whenever feasible).

4.3 Work plan

Outcome 1			1. Financing for SDGs in Bosnia and Herzegovina increased through the design of an SDG Financing Framework resulting from a broad-based dialogue																	
Output	Annual target/s		List of activities	Time frame						PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved					
	2020	2021		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)			PUNO Contributions (USD)	Total Cost (USD)			
Output 1.1 Meaningful dialogue initiated and evidence for SDG Financing Framework generated	Existence of mechanisms enabling dialogue and cooperation among governments, private sector and other and non-government actors on sustainable development financing (dialogue platform: 1)	Existence of mechanisms enabling dialogue and cooperation among governments, private sector and other and non-government actors on sustainable development financing (dialogue platform: 2)	1.1.1. Organize an SDG financing event to set a country-wide platform for gender-responsive SDG financing (UNDP lead + own contribution of other agencies)	X																
	Existence of DFA and other types of gender-responsive assessments and diagnostics enabling understanding of sustainable development financing gaps: 1	Existence of DFA and other types of gender-responsive assessments and diagnostics enabling understanding of sustainable development financing gaps: 2	1.1.2. Provide orientation training on SDG financing for institutional partners (ministries of finance/line ministries) (UNDP)	X	X															
Output 1.2 SDG Financing Framework developed, offering key financing solutions for accelerated sustainable development	40 institutional partners and other stakeholders engaged to conduct inclusive design of an SDG financing framework		1.1.3. Conduct public expenditure reviews against the SDGs Framework in BiH, with a focus on 1-3 priority sectors identified in need for more catalytic support (UNDP)	X	X															
	Existence of a gender-responsive SDG financing framework: 2		1.1.4. Estimate financing needs for achieving domesticated 2030 SDG targets (and review of progress) of 1-3 identified priority sectors (UNDP + methodological inputs by other agencies)	X	X															
Output 2.1. Budgets embed SDG commitments and enable targeted allocation and monitoring for SDG financing	20 institutional partners (ministries of finance/line ministries/parliamentary committees) engaged in linking public financing with SDGs through budget tagging	40 institutional partners (ministries of finance/line ministries/parliamentary committees) engaged in linking public financing with SDGs through budget tagging	1.1.5. Review existing and potential SDG financing instruments (UNDP)	X	X															
	Extent to which PFM reflects considerations on the employment impacts of policies and strategies: Partial	Extent to which PFM reflects considerations on the employment impacts of policies and strategies: Moderate	1.1.6. Identify SDG financing gaps with focus on 1-3 priority sectors (UNDP)	X	X															
Output 2.2 Enhanced capabilities of sectoral ministries enable optimization and strategic re-channelling of public resources in selected sectoral priority areas for accelerated achievement of SDG commitments	10 institutional experts capacitated to design, develop and present business cases/A to support investments in prevention and control of NCDs	10 institutional experts capacitated to design, develop and present business cases/A to support investments in prevention and control of NCDs	1.2.1. Capacitate the institutional working body responsible for designing the SDG Financing Framework (linked to the Council of Ministers for Economic Development)	X																
	Statistical reporting forms and procedures developed to analyse data for informed policy planning and budget allocation for achievement of the education related SDGs: 4 forms and 1 tool		1.2.2. Support the development of SDG-aligned project database (focus on public investment programme) (UN WOMEN)	X	X															
Joint programme management	List of activities		Time frame						PLANNED BUDGET				PUNO/s involved	Implementing partner/s involved						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)								
Output 3.1 Monitoring, reporting, evaluations and strategic communications (includes advocacy).	3.1.1. Conducting regular monitoring of project activities		X	X	X	X	X	X	X											
	3.1.2. Commission an independent evaluation of the programme		X	X	X	X	X	X	X											
Output 3.2 Joint programme management coordination	3.1.3. Commission reports through press releases/statements, TV media clips to promote good models of intervention, produce one "best practices" project profile" Use social media (writer/facebook/ or youtube/ and others)		X	X	X	X	X	X	X											
	3.2.1. Prepare Annual Reports		X	X	X	X	X	X	X											
		3.2.2. Sharing experiences and peer to peer collaboration reports on practical actions and best practices		X	X	X	X	X	X											

*44 % of total JP budget is allocated to gender equality through engaging gender expertise, conducting gender analysis and addressing different needs of women and men

Annex 5. Risk Management Plan

The main risks affiliated with the JP implementation are identified below, along with risk level, likelihood and impact, as well as adequate mitigation measures. Overall, the risk level for the JP is assessed as medium, attributed mainly to political factors.

Political deadlocks that may hamper policy reforms and this risk will be mitigated by building on the existing momentum and liaising closely with relevant government counterparts to mobilise their interest and motivation from the outset. PUNOs have significant experience in supporting system-building and policy-making processes in the country and have established good working relations, partnership and trust with numerous stakeholders.

Complex, multi-tier governance structure of BIH may pose difficulties in aligning SDGs with policies and budgets as this requires a number of institutions to work together. This process will be carefully managed and continuous proactive leadership of ministries of finance at national and sub-national level will need to be ensured.

Weak institutional capacities to implement the SDGs commitments could hamper successful implementation of the JP. To address this risk a number of awareness raising and capacity development actions will be undertaken to ensure that the institutional stakeholders have sufficient understanding and capacities to successfully move the processes envisaged under the JP forward.

Lack of interest of private sector and other non-governmental stakeholders to engage in JP is considered as another risk, which can not only be mitigated but also turned into an opportunity. Engaging the private sector, CSOs, and other stakeholders in the SDGs financing eco system is likely to reduce political influence.

Reoccurring natural and man-made disasters and continuous crisis related to the on-going COVID-19 disease outbreak, could affect future SDG financing in the country and, within the scope of the JP – could delay its implementation and affect the development of the SDG Financing Framework and shift away priorities and resources to urgent needs. The JP will have a flexible approach, including reprogramming of activities to respond to emerging needs as per decisions of the Steering Committee and approval of the donor. Based on the initial screening and risk assessment, the JP is of low risk with respect to social and environmental risks and impacts.

Risks will be carefully managed, documented, evaluated and revised throughout the JP implementation. The JP coordinator together with PUNOs will be responsible for regular risk monitoring and documenting as well as for informing the Steering Committee on any changes related to risks that may affect successful JP implementation. The Steering Committee will be responsible for reviewing and evaluating the risks on a regular basis and for approving any substantial changes and deviations in the JP activities or budgets that may arise from the risks. The Steering Committee will also be ready to proactively get engaged to avoid bottleneck that may arise.

Risks	Risk Level: (Likelihood x Impact)	Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible Org./Person
Contextual risks					
Political deadlocks hampering policy reforms	High (12)	3	4	The JP will liaise closely with relevant government counterparts to ensure support to the implementation.	RC, PUNOs
Reoccurring natural or man-made disasters, including COVID-19 disease outbreak	Medium (6)	2	3	The JP will have a flexible approach, including reprogramming of activities to respond to emerging needs.	RC, PUNOs
Programmatic risks					
Complex, multi-tier governance structure BIH may pose difficulties in aligning SDGs with policies and budgets.	Medium (6)	2	3	JP will seek to mobilise interest and motivation among all government stakeholders and political leaders from the outset. Engaging private sector, CSO, academia and other stakeholders in the SDGs financing eco system will reduce political influence.	PUNOs for their respective activities
Institutional risks					
Weak technical capacities of institutional partners to implement SDG Framework	Medium (6)	2	3	JP intends to address capacity gaps among institutional partners and will remain flexible to respond to emerging needs.	PUNOs for their respective activities
Lack of awareness and interest of private sector and other non-governmental stakeholders to engage in JP	Medium (8)	2	4	JP will launch an awareness raising campaign noting the important of private sector and other stakeholders' engagement emphasizing the benefits of their involvement in sustainable development financing.	PUNOs for their respective activities
Fiduciary risks					
Depreciation of the US dollar exchange rate	Low (4)	2	2	In consultations with institutional partners the JP will re-programme activities so as to reduce the consequences.	PUNOs for their respective activities

SIGNATURE PAGE

<p>Resident Coordinator Ms. Ingrid Macdonald 30 March 2020</p>  	<p>National Coordinating Authority Bijl. Ministry of Finance and Treasury</p>
<p>Participating UN Organization (lead/convening) UNDP Ms. Steliana Nedera 30 March 2020</p> 	<p>Signature and seal cannot be obtained at this point, due to the COVID-19 outbreak and will be secured at a later stage.</p>
<p>Participating UN Organization UN WOMEN Mr. David Saunders 30 March 2020</p>   <p>United Nations Entity for Gender Equality and the Empowerment of Women Country Office Bosnia and Herzegovina</p>	<p>Relevant endorsement letter is enclosed.</p>
<p>Participating UN Organization UNICEF Ms. Rownak Khan 30 March 2020</p> 	
<p>Participating UN Organization ILO Markus Pilgrim 30 March 2020</p>  	
<p>Participating UN Organization WHO Victor Olsavszky 30 March 2020</p>  	