



EUROPEAN
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ANNEXES 1 to 2

ANNEXES

to the

Commission Implementing Decision

**amending Commission Implementing Decision C(2022) 9167 on the financing of the
annual action plan in favour of Bosnia and Herzegovina for 2022**



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ANNEX I

to the Commission Implementing Decision amending Commission Implementing Decision C(2022) 9167 on the financing of the annual action plan in favour of Bosnia and Herzegovina for 2022

Action Document for EU Support to Justice

ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and an action plan in the sense of Article 23(2) of the NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

Title	Annual Action Plan in favour of Bosnia and Herzegovina for 2022 Action Document - EU Support to Justice			
OPSYS	ACT-61466; JAD.1045709			
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)			
Team Europe Initiative	No			
Zone benefiting from the action	This action shall be carried out in Bosnia and Herzegovina			
Programming document	IPA III Programming Framework			
PRIORITY AREAS AND SECTOR INFORMATION				
Window and thematic priority	Window 1- Rule of law, fundamental rights and democracy Thematic Priority 1: Judiciary Thematic priority 5: Fundamental rights			
Sustainable Development Goals (SDGs)	Main SDG: Goal 16 Peace, Justice and Strong Institutions Other significant SDGs: Goal 5. Achieve gender equality and empower all women and girls			
DAC code(s)	Main DAC code: 15130 Legal and judicial development Sub-code 1 – 15131 Justice, law and order policy, planning and administration Sub-code 2 – 15134 Judicial affairs			
Main Delivery Channel	Bilateral			
Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective

	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade development	X	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	X	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	X	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	X	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Connectivity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Digitalisation	<input type="checkbox"/>	X	<input type="checkbox"/>
	Migration	<input type="checkbox"/> X	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	X	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR: 5 000 000			
MANAGEMENT AND IMPLEMENTATION				
Implementation modalities (type of financing and management mode)	Project Modality Direct management through: - Grants			
Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans	Priorities: “Digital Transition”, “Governance, Rule of Law, PAR”			

[only for the Western Balkans]	
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2023
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative [operational implementation] [eligibility] period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

The specific objective of the Action is fully consistent with the IPA III programming framework focus to enhance efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina. The Action “EU support to Justice” aims to contribute to aligning the justice system of Bosnia and Herzegovina with the European standards and the EU *acquis*. This will be achieved by building skills and capacities of officers concerned in the administration of justice, which in turn shall ensure better performance, improved quality of court decisions and professionalism of the justice system in coherence with the IPA III objectives.

Enhancing the professionalism, competence and integrity of the judicial office holders will contribute to improving the trust of citizens in the justice system. The Action will also provide assistance in monitoring the implementation of the Revised National War Crime Strategy, resolving the backlog in prosecution of war crime cases and enhancing forensic capacities of the state level Agency for Forensics.

The initiative aims to improve the monitoring of work of court presidents through the continuation of strategic report monitoring. The focus is on strengthening court management capacities by enhancing strategic planning processes, revising reporting templates, and providing comprehensive training workshops for various court staff. These efforts are designed to streamline operations, reduce administrative burdens, and enhance decision-making within the judiciary.

Advocating for Alternative Dispute Resolution methods through organizing stakeholder meetings and sharing best practices to align with EU standards. The initiative also enhances judges' mediation and settlement skills, fostering greater judicial efficiency and accessibility.

The proposed Action will contribute to the SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. Particular focus of the intervention is linked to the SDG target 16.3: *Promote the rule of law at the national and international levels and ensure equal access to justice for all.*

2. RATIONALE

2.1. Context

The rule of law is at the heart of the enlargement process. Assessed by the 2021 Commission report on Bosnia and Herzegovina is at an early stage / has reached some level of preparation in the area of judiciary. Shortcomings in the areas of quality, independence, efficiency and integrity of judiciary persist and represent a threat to the rule of law in Bosnia and Herzegovina. As stipulated in the **Stabilisation and Association Agreement (SAA)**, Bosnia and Herzegovina will pay importance to the consolidation of the Rule of Law and the reinforcement of the institutions at all levels, particularly in the administration of justice. Cooperation will aim to strengthen the independence of the judiciary, improving its efficiency and institutional capacity, enhancing access to justice.

In its Opinion (*Avis*) on Bosnia and Herzegovina's application for membership of the European Union,¹ the Commission highlights many remaining shortcomings in the area of rule of law and concludes, that, for the accession negotiations to be opened, Bosnia and Herzegovina will have to achieve "the necessary degree of compliance with the membership criteria and in particular the Copenhagen political criteria requiring the stability of institutions guaranteeing notably democracy and the rule of law". Bosnia and Herzegovina "will need to fundamentally improve its legislative and institutional framework to ensure it meets a set of priorities with regard to democracy, rule of law, fundamental rights and public administration reform", a considerable number of which intend to improve the overall rule of law situation in the country.

The proposed Action is designed to support the rule of law, democracy, the respect of human rights and international law in Bosnia and Herzegovina and contribute to achieving the IPA III Window 1 objectives focused on independence, accountability, quality and efficiency of the judicial system in Bosnia and Herzegovina. The specific objective of the proposed Action is to enhance efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina and is fully coherent with existing policies in this area. The preparation of the **new Justice Reform Strategy for the 2021-2027** period and accompanying Action plan has started. Until the new Strategy is developed, the objectives of the Action are coherent with the previous **Justice Sector Reform Strategy in Bosnia and Herzegovina (2014-2018) and Action plan (2014-2018, ext. 2019 and 2020)**.

The **HJPC Reform programme and its implementation plan**², adopted on 19 May 2021, sets out the strategic and reform commitments of HJPC and takes into consideration the European Commission requirements related to the judiciary in Bosnia and Herzegovina.

Furthermore, the Action will fully utilise the IPA assistance in order to contribute to focusing on further improvement of the transitional justice, including the resolution of conflict-related missing persons cases, access to justice for all citizens and improvement of the professionalization of judges and prosecutors and of the justice system as a whole, including the skills and capacities of officers concerned in the administration of justice.

Independence, effectiveness, accountability, and efficiency of judiciary

The action priorities are coherent with the overall objectives of the EU's assistance under Thematic priority 1, to support independent bodies such as the High Judicial and Prosecutorial Council (HJPC) and improving the justice system as a whole, helping them to completely assume their institutional and managerial role and

¹ COM (2019) 261 and SWD (2019) 222

² The HJPC also adopted the Implementation Plan of the Reform programme. The implementation of respective measures will be monitored through reports that will be prepared on quarterly basis, whereby the European Integration and Strategic Planning Department will be tasked with the preparing of those reports. The results of the Reform programme implementation will be expressed with the development and/or adoption of regulations (bylaws, policies, strategies etc.), by exercising organizational measures, with IT solutions (software, databases, online platforms etc.), the development and/or adoption of internal documents (plans, reports, analyses, etc.), through the preparation and/or organization and/or holding of trainings and by applying various methods (implementation of regulations, introducing new working methods, inter-institutional cooperation etc.).

strengthen the independence of the judiciary from the executive, and ensuring that judges and prosecutors can perform their work free from undue political pressure.

Even though normative and strategic preconditions are put in place, criminal justice systems in Bosnia and Herzegovina are still facing challenges in prosecution of war crime cases due to lack of professional and technical capacity. By adopting the Revised National War Crimes Strategy (NWCS) as one of the key requirements outlined in the Commission Opinion Bosnia and Herzegovina – key priority 5, Bosnia and Herzegovina expressed its strong commitment to complete ongoing transitional justice processes and deliver justice to all victims and end impunity.

Support through this Action will be provided to further implementation of the **Revised National War Crimes strategy** which stands as a specific transitional justice strategic framework, exclusively addressing the processing of war crimes, locating and identifying the remains of victims of these crimes, in the majority of cases also missing persons and the continuation of implementation of forensic activities in war crimes investigations.

Further fostering process of Transitional Justice

Bosnia and Herzegovina is the signatory of the **Western Balkans Berlin Process 2018 Joint Declaration on Missing Persons**³ signed by the heads of governments of all Berlin Process participating countries. The signatories pledged to “...ensure impartial and effective investigations into missing persons cases in accordance with international human rights standards...” and to “...commit to develop further domestic forensic institutions...”

Addressing conflict-related missing persons cases, of which there remain around 7,500 in Bosnia and Herzegovina, not only protects human rights of the families of the missing and promotes peaceful and inclusive societies, but also significantly contributes to the establishment of the rule of law by enabling judiciary to process war crimes cases. Therefore, it is important to strengthen the efficiency and raise professional standards in institutions leading the process and thus provide expert support to the judiciary in the process of accounting for persons missing from the conflict.

Bosnia and Herzegovina’s commitment to resolving the issue of conflict-related missing persons cases is most recently demonstrated by the signing of a Technical Agreement by the International Commission on Missing Persons and the Missing Persons Institute of Bosnia and Herzegovina in June 2021. The agreement strengthens cooperation with the aim to account for as many missing persons as possible in line with rule of law, in order to uphold the rights of all families of the missing to truth and justice. Under the agreement, the International Commission on Missing Persons will continue to provide technical assistance to the Prosecutor’s offices at all levels and to the Missing Persons Institute at the exhumation of clandestine gravesites and in mortuary operations, as well as to ensure the provision of DNA testing and matching for the purpose of identifying conflict-related missing persons cases. The International Commission on Missing Persons will assist Bosnia and Herzegovina to further develop its forensic capacities and bring them closer to EU standards. Bosnia and Herzegovina, assisted by the International Commission on Missing Persons, has so far accounted for 75 percent of the 30,000 persons reported missing as a consequence of the 1990s conflict which is an unprecedented result at global level.

Consequently, the Action will address the recommendations of the **Expert Report on Rule of Law issues in Bosnia and Herzegovina (2019)**⁴ which emphasizes that HJPC’s initiatives to improve the quality of justice must be consolidated and expanded.

³ <https://www.icmp.int/wp-content/uploads/2018/09/Deklaracije.pdf>

⁴ <http://europa.ba/wp-content/uploads/2019/12/ExpertReportonRuleofLawissuesinBosniaandHerzegovina.pdf>

2.2. Problem analysis

Short problem analysis

Prompt delivery of justice, including in commercial cases, it is of the utmost importance for maintaining and promoting economic growth through a better business environment, as clearly stated in the Expert Report on the Rule of Law Issues in Bosnia and Herzegovina. Given that Bosnia and Herzegovina is one of the countries with a relatively large number of judges per capita, the Bosnia and Herzegovina judicial system should base its efficiency and quality on the full utilisation of existing court capacities and the **reorganization of business processes**. The results achieved by the HJPC of BiH through the activities related to the reorganization of business processes represent ground for actions needed to be undertaken in this field. The analysis of the case processing so far has shown that the phase from the submitting of the claim to the court until the assigned judge takes the case into work is too lengthy. Quality and efficient managing of commercial courts / commercial departments enables fast and consistent dispute resolution, thus creating legal certainty that will contribute to creating an attractive environment for business and investment.

Besides this, prosecutors' offices struggle with lack of specialized expertise and insufficient capacities for effective investigating of economic crimes. In this aim, financial experts were providing support to prosecutors' offices in most complex cases of economic and organized crime cases, corruption and financial investigations, and gave results in better quality of investigations and indictments, faster processing of backlogs, and so on. Financial fraud endangers economic stability and economic development, rising unemployment, increasing social tensions, political conflicts, and instability in general. **Strengthening prosecutors' offices capacities for economic crime investigation** will ultimately help to target threats to the integrity of the financial system. Besides economic prosperity, the fight against corruption is of a high priority for Bosnia and Herzegovina in the process of alignment to the EU *acquis*.

To date, the High Judicial Prosecutors Council's (HJPC) activities in publishing court decisions have been conducted in co-operation with the Court of Bosnia and Herzegovina, the Supreme Court of the *Republika Srpska*, the Supreme Court of the Federation of Bosnia and Herzegovina, and the Court of Appeals of the Brčko District of Bosnia and Herzegovina. As these courts are the highest courts in Bosnia and Herzegovina, their decisions, and legal stances affect the harmonization of case-law within their jurisdictions. Decisions of lower courts are published in the central system only if they relate to cases rendered by highest courts in Bosnia and Herzegovina. In this regard it is necessary to improve **the transparency of the work of second-instance courts and harmonization of case law at this level** by publishing decisions of cantonal/district courts through the central database. Furthermore, the HJPC is aware that there is public interest to have access to the decisions of lower courts, especially in cases that are media-monitored. Also, decisions of lower courts are important for judicial practice, especially given that in certain cases supreme courts cannot decide upon appeal due to legal restrictions, for example: non-litigation cases, executive, misdemeanour cases and criminal cases for crimes for which the law stipulates a maximum penalty or a prison sentence of up to 10 years, if the special law does not set the jurisdiction of another court. Also, decision-making in administrative disputes ends at the cantonal/district level, since these disputes do not prescribe the possibility of appeal. Supreme courts in these cases can only act on extraordinary legal remedies whose reach is limited.

The 2020 Commission Report on Bosnia and Herzegovina noted that "The authorities have taken limited action to address the findings of the Expert Report on Rule of Law issues ('Priebe report'). **Integrity** amendments are due to enter in parliamentary procedure; their adoption is key to establish a credible and rigorous system of verification of financial statements of judicial office holders. Persistent and evident signs of deterioration continue to require urgent measures to strengthen the integrity of and regain citizens' trust in the judiciary. In May 2021, the HJPC adopted a 2021-2023 HJPC Reform Program, including measures to strengthen the quality, integrity, efficiency of the judiciary and fight against organised crime and corruption. The HJPC must ensure its swift implementation and urgently enable reforms in the areas under its direct competence, notably those that do not require legislative changes".

The 2022 Commission report on Bosnia and Herzegovina stresses that the **Revised National War Crimes**

Strategy, adopted on 24 September 2020, **must be implemented effectively**.⁵ As previously noted, the Revised National War Crimes Strategy puts in place a comprehensive strategic approach and a strategic framework for judiciary to deal with war crime cases in courts and prosecutor's offices and stipulates the obligation to end impunity by resolving priority and complex cases before State level judiciary, while less complex cases are to be resolved before entity and Brčko District levels of judiciary by the end of 2023.

The Revised National War Crime Strategy is being implemented, despite the failure of the Council of Ministers to appoint a new supervisory body. Within the scope of its mandate, the HJPC has proactively overseen the work of the prosecutors and courts in implementing the strategy. A supervisory body remains needed to ensure comprehensive oversight, endorse decisions required to improve the processing of war crimes, validate the implementation of the strategy and secure continuous funding. The Council of Ministers should swiftly establish the new supervisory body.

Regional judicial cooperation in processing war crime cases requires further improvements. The bilateral protocols on cooperation related to war crimes, crimes against humanity and genocide between the Prosecutor's Office of Bosnia and Herzegovina and its counterparts of Serbia, Croatia and Montenegro have helped to reduce judicial impunity but have not been used systematically. With the assistance of the Prosecutor of the Mechanism, cooperation with Serbia has led to more transfers of proceedings and indictments being issued in cases transferred from Bosnia and Herzegovina, but this has only resulted in one conviction so far. Cooperation with Croatia continues to face a number of impediments on judicial assistance, with some investigations ongoing that have not yet led to indictments. The protocol with Montenegro has led to investigations after the transfer of evidence from the Mechanism.

Out of 238 cases by the end of 2021, 94 proceedings (against 100 individuals) are pending due to the unavailability of the indicted persons. Holding multiple citizenships, these individuals are often residing in neighbouring countries. This enables them to escape justice by taking advantage of prohibitions against extradition of own nationals for the criminal offences of genocide, crimes against humanity and war crimes. They also benefit from the lack of progress of neighbouring jurisdictions in addressing the crimes in question. Serbia still fails to enforce the final sentence handed down in Bosnia and Herzegovina in 2014 against Novak Djukić, despite the availability of the basic international judicial cooperation tools. A number of international arrest warrants (Interpol Red Notice) filed by Bosnia and Herzegovina for indicted war criminals remain unimplemented. Similarly, Duško Kornjača indicted for crimes against humanity in 2015 and Tomislav Kovač indicted for genocide in 2018 are freely residing in Serbia.

The ongoing reduction of the backlog in *war crime cases* still suffers delays, casting doubts on completing the processing of war crimes by the end of 2023. From an estimated 1 210 cases in July 2013, the unresolved war crime cases have been reduced to 492 (-59.5%) by end 2021; around 311 of these are complex cases (63.5%). An estimated 174 cases against 393 individuals (35.5% of the backlog) are pending due to the unavailability of the suspects. Without reinforced regional cooperation, by end 2023 the backlog of war crimes cases will be primarily composed of suspects unavailable to the judiciary of Bosnia and Herzegovina. In 2021, the number of confirmed indictments (13) and the conviction rates (85%) remained stable in the entities and the Brčko District. While progress were noticeable at state level with 15 indictments confirmed and an 86% conviction rate, there is still room for improvement. The Prosecutor's Office should strengthen efforts to process the most complex cases (it transferred 25 less complex cases to the entities and Brčko District in 2021) and continue to improve the quality of investigations and indictments.

The 2021 Commission report on Bosnia and Herzegovina noted "The unresolved fate of missing persons is a matter of concern. 7,532 people are still missing as a result of the conflict. [...] The lack of local forensic capacity [...] hampers identification. Further efforts are needed [...] to solve the issue of persons who disappeared in relation to the conflicts of the 1990s." Since 1996, the International Commission on Missing Persons (ICMP), has directed the effort to assist Bosnia and Herzegovina to locate and identify its missing.

⁵ https://neighbourhood-enlargement.ec.europa.eu/bosnia-and-herzegovina-report-2022_en, p.18

ICMP has assisted Bosnia and Herzegovina judiciary at all levels and the MPI Bosnia and Herzegovina in the recovery of several thousands of mass and individual graves in Bosnia and Herzegovina; ICMP has collected almost 74 000 reference samples from missing persons relatives, processed over 53 000 DNA samples from skeletal remains and produced DNA reports representing over 15 000 individuals and almost 18 000 reports on re-associations of individual body parts. However, around 7,500 persons are still missing, and the continued forensic expertise and support is necessary to resolve this open issue that is still affecting a large portion of the population and is one of the most contentious political issues. Ensuring continuation in provision of forensic services and their sustainability is also vital for resolving cases of missing migrants, trafficking victims and other types of criminal cases involving victims' identification.

The unresolved fate of **missing persons** who disappeared during the conflicts of the 1990s remains a key issue to be solved in the Western Balkans. Despite steady progress in identification (70 persons in 2021 and 127 in the first half of 2022), 7 590 persons are still missing as a result of the conflict. Further efforts are needed at the regional level through the missing persons group established in 2018 under the Berlin Process to strengthen cooperation”.

Description of main stakeholders

Main stakeholders of the Action are: HJPC of Bosnia and Herzegovina, courts, prosecutors' offices, Ministry of Finance and Treasury of Bosnia and Herzegovina, Ministry of Justice of Bosnia and Herzegovina (MoJ), Ministry of Justice of Republika Srpska (MoJ RS), Federal Ministry of Justice (FMoJ), ten cantonal MoJs, Ministry of Security of Bosnia and Herzegovina, Bosnia and Herzegovina Missing Persons Institute, professional associations, academia, NGO's and other executive authorities.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The Overall Objective (Impact) of this action is to align the justice system of Bosnia and Herzegovina with European standards and the EU *acquis*.

The Specific(s) Objective(s) (Outcomes) of this action are to:

1. Enhance efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Outcome 1 (or Specific Objective 1)

- 1.1 To increase competence of courts and prosecutor offices
- 1.2 To strengthen integrity of Judicial Office Holder's
- 1.3 To further improve efficiency of war crime cases processing in Bosnia and Herzegovina judiciary system
- 1.4 To ensure provision of forensic assistance in war crimes investigations
- 1.5 To improve judicial ICT provision and security
- 1.6 Court management capacities and role of court presidents strengthened through strategic planning
- 1.7 Alternative dispute resolution system in BiH improved through advocacy and promotion

If efficiency, competence of courts and prosecutor offices is increased (**Output 1.1**), and HJPC, PO's, judicial and other relevant authorities remain committed and engaged in judicial reform processes, then the efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina will be enhanced (**Outcome 1**).

If the integrity of Judicial Office Holders is strengthened (**Output 1.2**) and beneficiary institutions remain engaged in the justice reform process then the efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina will be enhanced (**Outcome 1**).

If provision of assistance in war crimes investigations is provided (**Output 1.3**) this shall ensure that the backlog of war crimes cases in Bosnia and Herzegovina is further reduced (**Outcome 1**).

If provision of forensic assistance in war crimes investigations is ensured (**Output 1.4**) and clandestine gravesites are located, exhumed as well as biological samples are submitted to International Commission on Missing Persons for DNA testing and beneficiary institution remains committed to further development of its DNA capabilities, then efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia will be enhanced (**Outcome 1**).

If provision further improvement in the ICT area and cyber security are provided (**Output 1.5**) this shall ensure full utilization of the existing ICT tools and services in the judiciary of BiH and enhance overall digitalization of the BiH judiciary (**Outcome 1**).

If court management capacities and role of court presidents is strengthened (**Output 1.6**) through strategic planning and reporting, then the efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina will be enhanced (**Outcome 1**).

If ADR system in BiH improved (**Output 1.7**) through advocacy and promotion of mediation, and a more proactive role of judges in using court settlement, then the efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina will be enhanced (**Outcome 1**).

If efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina is enhanced (**Outcome 1**) and relevant authorities in Bosnia and Herzegovina are committed to take a harmonised and coordinated approach to implement the reforms in the justice sector, then justice system of Bosnia and Herzegovina will be aligned with European standards and the EU *acquis* (**Impact**).

3.2. Indicative Activities

Activities related to Output 1.1: Performance and competence of courts and prosecutor offices as well High Judiciary Prosecutor's Council (HJPC) increased

Activity 1.1.1: Establishment of a triage system in commercial departments / commercial courts through the organization of business processes

This activity aims at more efficient use of existing human resources and shorter time required to act on the case. These activities will enable judges to focus on making meritorious decisions, which will ultimately lead to higher productivity, improved quality of court decisions and legal certainty. The establishment of a triage system in commercial courts / commercial departments of pilot courts would be carried out in two phases. The first phase would include the development of a triage system by adopting a set of documents and tools through the work and activities of the working / expert group, while the second phase would include piloting the established form of triage system in a selected number of commercial courts / commercial departments of pilot courts. The newly established triage system will enable faster processing of commercial cases through immediate review and analysis of nature of the case received by the court, better coordination of judges and other staff, reduction of the duration of proceedings, relieving judges of procedural tasks.

Activity 1.1.2: Engagement of financial experts to support financial investigations in economic and other related crime cases

Engagement of financial experts will support more inclusive investigations and proactive evidence-gathering in cases of economic crime, organized crime and corruption, including the release of targeted search warrants and the confiscation of items in the initial phases of the investigations. The Activity will provide support to prosecutor's offices in conduction of financial investigations and will contribute to improvement of the credibility of efforts to strengthen the integrity of the judiciary.

Activity 1.1.3: Establishment of case law departments in selected cantonal/district courts

Through proposed activity the HJPC will initiate the establishment of a case law departments in selected cantonal/district courts (pilot courts), using the same or similar principles as it was done within the highest courts. Pilot courts will be selected when implementation of the proposed activity starts and should cover two courts with a greater influx of cases and two courts with a smaller influx of cases, taking care of the geographical prevalence as well. Additional staff will work to strengthen the capacity of second-level courts, and in parallel will increase the HJPC's capacity to publish second-instance court decisions through the central base. Greater transparency of the work of second-instance courts and the harmonization of case law and at this level would, in addition to the efforts currently being made with the highest courts, contribute to the legal security of citizens, and thus to the reputation of the judiciary as a whole.

Activity 1.1.4: Strengthening the capacities of HJPC to monitor the Reform Program and Strategy

In May 2021, the HJPC adopted a 2021-2023 HJPC Reform Program, including measures to strengthen the quality, integrity, efficiency of the judiciary and fight against organised crime and corruption. The HJPC must ensure its swift implementation and urgently enable reforms in the areas under its direct competence, notably those that do not require legislative changes. There is a need to develop and adopt a new 2021-2027 Justice Sector Reform Strategy and an action plan to replace the ones expired in 2018, notably by establishing a credible implementation timeline and ensuring adequate monitoring and funding. The established working group meeting could only conclude that more work is needed before completing the process, notably developing financial and evaluation implementation plans, carrying public consultations on the draft, receiving the opinions of relevant institutions and authorities.

Through proposed activity the HJPC will be capacitated to monitor the Reform Program and Strategy and to establish a policy dialogue on reform and proposed corrective actions.

Activity 1.1.5. Supporting proactive transparency of BiH judiciary

Under this activity, a selected group of court and prosecutorial staff will be trained on implementing the new *HJPC Guidelines for Online Publishing of Prosecutorial and Judicial Decisions*. The activity will also enhance both the quality and quantity of the HJPC court decisions database and support the operationalization of interactive case mapping for matters of special public interest, including corruption cases, war crimes, and other significant cases. Additionally, the promotion of available content will be strengthened through various communication channels. This includes the monthly distribution and improvement of the electronic newsletter "*Case Law and Newly Adopted Laws*" to the entire judiciary in Bosnia and Herzegovina, as well as representatives from academia, the business and economic sectors, the media, and the general public.

Activities related to Output 1.2 Integrity of Judicial Office Holders strengthened

Activity 1.2.1: Strengthening of the capacity of the HJPC for monitoring judicial office holders' financial statements and implementation of integrity plans

This activity will entail capacity building of the HJPC for effective monitoring and controlling of Judicial Office Holders' financial statements in line with the new legal framework regulating the content and submission of reports and their monitoring. This framework is based on relevant Peer Review recommendations, based on which the HJPC will perform control of financial flows, assessment of risk criteria, accuracy of submitted data and possible existence of conflict of interest. The activity will include support to the HJPC to develop and align with the legal framework procedures for verification of judicial office holders' financial statements, perform collection, verification of data submitted in judicial office

holders' reports and publishing certain segments of judicial office holders' financial reports in line with relevant legal framework.

The implementation of this activity will be complementary and residual to other activities funded by the EU.

Activities related to Output 1.3:

Activity 1.3.1: Further strengthening rule of law by enhancing and facilitating transitional justice processes in Bosnia and Herzegovina and fully implementing the Revised National War Crime Strategy

This activity aims to enhance human and material capacities in selected courts and prosecutors' offices, capable to timely and efficiently implement the Revised National War Crimes Strategy and resolute all pending war crime cases. Furthermore, the activity focuses on improvement of professional skills of judges and prosecutors working on these cases, ensuring quality and unhindered access to justice in regard to this area. Finally, activity will ensure adequate human capacities for the HJPC BiH to conduct regular oversight on war crimes processing dynamics in courts and prosecutor's offices and to provide strategic and operational expert and administrative support to the HJPC BiH and the Supervisory Body for Overseeing the Implementation of the Revised NWCS. Expected outputs aim at establishing capacities of judiciary fully capable to tackle war crime cases backlog and complete transitional justice processes within judiciary by implementing Revised NWCS.

This particular activity should foresee allocation of direct grant to the Ministry of Finance and Treasury of Bosnia and Herzegovina (MoFT BiH). Namely, the Ministry will be assigned with funds to further allocate to relevant judiciary stakeholders for implementation of the Revised National War Crimes Strategy. Besides courts and prosecutor's offices, the HJPC BiH and Ministry of Justice of BiH will benefit of this support, as within the structure of the ongoing IPA 2019 "EU4 Transitional Justice".

Namely, leaning on current effective action structure within which IPA 2019 "EU4 Transitional Justice" is assigned in direct grant modality to the Ministry of Finance and Treasury Bosnia and Herzegovina, it is important to emphasize that IPA 2022 should be conducted in the same methodological manner. Separate grant agreement between EU and the Ministry of Finance and Treasury of Bosnia and Herzegovina and separately allocated funds have to be provided for uninterrupted continuation of the EU support. Taking into account that the ongoing IPA 2019 "Enhancing War Crime Case Processing in Bosnia and Herzegovina" ends with 2022, it is of utmost importance to start implementation of IPA 2022 no later than the 1st quarter 2023, by providing separate grant to the Ministry of Finance and Treasury Bosnia and Herzegovina in a timely manner, in order for unhindered completion of transitional justice processes.

Coordination and achievement of synergies with regional programmes in the area of transitional justice, implemented by IRMCT and UNDP will be activated.

Activities related to Output 1.4: Provision of forensic assistance in war crimes investigations ensured

Activity 1.4.1. Provision of expert assistance to the Bosnia and Herzegovina judiciary to excavate, examine and identify victims of enforced disappearances from clandestine graves as part of war crimes investigations;

ICMP will provide hands on assistance, in line with the highest international standards, for the excavation of clandestine gravesites in Bosnia and Herzegovina, where invited under the court order. For each gravesite, ICMP will take one or more of the following steps:

- Conduct preparatory desk research and analysis of available relevant documentation in advance of field operations
- Provide hands-on assistance in field exhumations, forensic anthropological analysis and examination of mortal remains recovered, review and identifications.
- Support mortuary operations, including workflow analysis, forensic anthropological examination and the

review of previously exhumed cases of human remains.

- In cooperation with the Prosecutor's offices and the MPI, work on the implementation of recommendations for resolving cases in the mortuary facilities in the country.
- Analyse ante-mortem and post-mortem data through the use of dedicated database modules that are part of the ICMP's data management system.
- Deliver detailed excavation reports and photo documentation that document the results of ICMP's technical assistance to the Prosecutor's Office of Bosnia and Herzegovina.
- Provide training to Prosecutors responsible for war crimes cases in the application of forensic archaeology, forensic anthropology and DNA in war crimes investigations

Activity 1.4.2. Continued DNA testing and matching of biological samples for the purposes of human identification

ICMP will conduct DNA testing and matching of family reference (blood) samples that it collects from family members of missing persons, and post-mortem (tooth or bone) biological samples, which are submitted under prosecutorial order. Large databases of DNA profiles from the missing and the families are compared using ICMP's specialized database software. ICMP will provide DNA match reports to domestic authorities in order to facilitate the human identification of missing persons and, when needed, alert them regarding necessary follow-up actions. The human identification of missing persons cases, the majority of which are war crimes victims, substantially supports the investigation and prosecution of war crimes cases by the Bosnia and Herzegovina Prosecutors Office.

Activity 1.4.3. Strengthening domestic technical capacities in DNA analysis so as to provide long-term support to Prosecutors' Offices

On the basis of the Technical Agreement with the Bosnia and Herzegovina Ministry of Security and the Bosnia and Herzegovina Prosecutors Office, ICMP will provide technical assistance to the Bosnia and Herzegovina Agency on Forensic Examination and Expertise, including:

- Provision of advice and guidance aimed at ISO accreditation in the steps in the DNA analysis of post mortem sample processing
- Assistance with preparation of the Agency's internal SOPs and 5-year development plan
- Assistance with procurement of equipment and consumables, necessary for DNA analysis
- Assistance with the secondment of additional expert staff
- Training and mentoring of DNA lab staff

Activities related to Output 1.5: Judicial ICT provision and security improved

Activity 1.5.1: Further improvement of JIS application services

Since its founding, the High Judicial and Prosecutorial Council of Bosnia and Herzegovina invested great efforts into the development, improvement, and maintenance of the case management system CMS/TCMS in courts and prosecutors' offices, thanks to several EU projects. The development of new, more secure and user friendly version of CMS/TCMS v3 was completed in IPA 2019 Phase I and implemented in all judicial institutions in IPA 2019 Phase II. This activity implies correcting bugs, adjusting functionalities and fine-tuning of the application in accordance with the feedback received from all judicial institutions. All activities will be implemented by the project team in charge for the development, testing and implementation of CMS/TCMS v3 system. During implementation, project team will also provide support to JOH's in the use of new CMS/TCMS v3.

This activity also implies bugs fixing, adjusting functionalities and fine-tuning of the SOKOP-Mal system for electronic filing and processing of small claims in accordance with the feedback received from courts and utility companies using SOKOP-Mal v2 which was fully implemented through IPA 2019 Phase II project.

The development and implementation of the HRMIS Module for Submission, Recording, Processing and Monitoring of Financial Statements of Judges and Prosecutors (Module for Property Cards of JOHs - MIK), as the key software tool for recording and verification of property cards of JOHs, was completed through project ICEA II. This activity implies further support to the use of mentioned module, implementation of necessary adjustments, optimization, and fine-tuning in accordance with the requirements and feedback from modules users and new legislation. Personal Data Records Module and Module for Access to Personal Data are being implemented in several judicial institutions through IPA 2019 Phase II. This activity implies completion of the implementation in all institutions for which the implementation was not completed by the end of IPA 2019 Phase II, as well as in new judicial institutions.

Activity 1.5.2: Further improvement of JIS security and provision of ICT services in line with ISO 27001 and ISO 20000 standards

In accordance with EU recommendations, aiming to provide a unified level and quality of ICT services and support, and to increase the security of JIS, through IPA 2019 Phase I and II, the HJPC conducted activity of implementation, certification and improvements in line with standards ISO 27001 and ISO 20000.

This activity implies improvements of the Integrated management system for these standards (IMS) necessary for maintaining the ISO 27001 and ISO 20000 certification. This include continual improvements to the IMS by identifying areas for enhancement, conducting regular internal audits, and ensuring compliance with ISO 27001 and ISO 20000 requirements. At least three additional measures will be identified and taken to improve judicial ICT provision and JIS security.

The activity implies regularly reviewing and enhancing the IMS to address emerging threats, vulnerabilities, and changes in the organization's context. Through periodic assessments and evaluations, the project team will identify areas for improvement and implement necessary changes to enhance the effectiveness of information security practices.

Implementing a robust change management process is crucial for maintaining the integrity of the IMS. Any changes to the HJPC's systems, processes, or information assets will undergo a thorough assessment of their impact on information security. By carefully managing changes, the HJPC should be able to prevent any unintentional vulnerabilities or noncompliance with applied ISO standard's requirements.

Activities related to Output 1.6: Court management capacities and role of court presidents strengthened through strategic planning

Activity 1.6.1: Strengthening court management capacities and role of court presidents through strategic planning

In line with the Reform Agenda of the HJPC BiH (2024-2026) and ongoing efforts to improve the efficiency and transparency of the judicial system in Bosnia and Herzegovina, a key focus needs to be placed on further enhancing the strategic management of courts. The current reporting structure has posed challenges in terms of complexity, consistency, and efficiency, though many of these challenges have been overcome, the process still needs improvement. To address these issues, a comprehensive analysis of the current strategic planning process will be developed with the objective of identifying places for improvement. During the previous activities, we identified a growing demand for more workshops on the topic of strategic planning. It has become evident that these workshops should be made available to a wider and more diverse audience, including not only court presidents and secretaries, but expanded to ICT employees, presidents of court departments, and other staff that is crucial in the planning and reporting process.

In addition to enhancing the technical aspects of court reporting, this activity will involve revising reporting and planning templates to streamline and expedite the entire process. By doing so, court management can prioritize the implementation of their plans and enhance the overall results of their courts, rather than being immersed in paperwork. This will ultimately lead to increased efficiency, reduced administrative burden, and

improved decision-making within the court system. This activity will also include review of court presidents work programs and the level of their implementation.

Activities related to Output 1.7: Alternative dispute resolution system in BiH improved through advocacy and promotion

Activity 1.7.1.: Advocacy and promotion of Alternative dispute resolution methods in BiH

Through proposed activity the HJPC will advocate for the implementation of the previously conducted Draft Strategy for development of ADR methods in BiH, highlight the importance of functional mediation practices in light of BiH's accession to the EU and promote the benefits of mediation for citizens and business entities in terms of easier access to justice and party-interest-adapted way of resolving disputes. This activity will include organization of meetings/round tables with key stakeholders, including the ministries of justice, bar association, legal professionals, association of mediators, international organization and other relevant actors. The activity will also include collaboration with national and international experts to bring best mediation practices to BiH, ensuring alignment with EU standards. Main aim of this activity is to foster a collaborative environment to promote the importance of mediation, discuss challenges, share insights, and develop actionable plans for the advancement of mediation in BiH.

The Handbook for proactively guiding parties towards court settlement has been previously created and published. Through proposed activity the HJPC will initiate the distribution of the handbook and organise workshops and events in order to directly improve the judges' skills in this regard. The HJPC will work on harmonising the position held within the judicial community regarding the role of the court in reaching a court settlement, highlighting the existing procedural law provision regarding "effort for the parties to conclude a settlement". The ability of a judge to initiate court settlement and guide the parties towards reaching a settlement is crucial for increasing efficiency. The skills required in this context include communication, conflict management, building trust, conflict understanding, and turning conflict to dialog skills. On top of the mention activities, the HJPC will continue with activities regarding the promotion of court settlement, and organisation of court settlement weeks.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The action and the activities deriving from the action will not have any major and negative impact on the environment nor jeopardise environment, health and security in the future. The activities deriving from this action will be delivered in the most environmentally friendly possible way. At the same time, one of the results of the overall digitalization of public administration will be policy coherence and the promotion of green administration with the aim of reducing the use of paper, which will contribute to the preservation of the environment and contribute to the Green Agenda. The European Green Deal aims to transform the EU into a climate-neutral, fair and prosperous society with a circular economy by 2050. The EU Environmental Crime Directive, which was revised and came into force this May⁶ (is a landmark legal instrument aimed at strengthening environmental protection across the EU. Laws and their effective enforcement, together with appropriate management, are useful tools in protecting the environment and public health without impeding economic development. Given the unprecedented challenges that our planet and societies are facing, understanding and improving environmental rule of law is vital in addressing them.

Gender equality and empowerment of women and girls

⁶ Directive (EU) 2024/1203 of the European Parliament and of the Council of 11 April 2024 on the protection of the environment through criminal law and replacing Directives 2008/99/EC and 2009/123/EC, ELI: <http://data.europa.eu/eli/dir/2024/1203/oj>.

The strategic and regulatory framework for the gender equality in Bosnia and Herzegovina is set up by the Gender Action Plan of Bosnia and Herzegovina 2018-2022⁷ and the Law on Gender Equality⁸. Assessed by the OECD DAC gender policy markers the proposed Action could be assessed with the score 1, because gender equality is an important and deliberate objective, but not the principal reason for undertaking the interventions. Continued support to processing war crime cases should encompass provision of support services to war crimes victims and witnesses particularly with regard to provision of safe environment for victims of war crimes (most often women). Whenever relevant, the particular needs of women and girls will especially be taken into consideration, through gender disaggregated statistics and indicators and/or gender responsible budgets in line with the requirements of the EU Gender Equality Strategy 2020-2025⁹.

Furthermore, the impact of the proposed Action will contribute to the creating of the environment for pursuing the objectives of the EU Gender Equality Strategy 2020-2025 and the Gender Action Plan III¹⁰, particularly to the following Thematic areas: “Ensuring freedom from all forms of gender-based violence” and “Promoting equal participation and leadership”.

Human Rights

The interventions financed through this Action will aspire to promote non-discriminatory practices and procedures and to prohibit any form of gender-based violence, unlawful discrimination including race, colour, religion, national -origin, political affiliation, sex, age, marital status, or disability; economic and social rights and empowering girls and women; equal participation and leadership. Due attention will also be given to the respect of human rights and integration of human rights principles within the undertaken interventions.

Based on the fundamental principles of promoting equality and combating discrimination, participation in the action will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation as well as taking into account promotion and participation of people with disabilities.

3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
4- legality and regularity aspects	Risk 1: Delays due to late signing of IPA Financial agreement or late implementation of assistance linked to actions	M	M	Intensified communication amongst BiH institutions, in particular with the Ministry of Finance and Treasury of BiH; Close contact with line DGs and EU Office would be maintained, and all preparatory activities conducted in advance to facilitate as fast as possible actions implementation.
1- external environment	Risk 2: Delays in decision making process	M	M	Before start of the Action it is necessary to analyse current situation and develop mitigation and

⁷ https://arsbih.gov.ba/wp-content/uploads/2019/02/GAP-BIH-2018-2022_ENG.pdf

⁸ Official Gazette of BiH, No. 32/10

⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020DC0152>

¹⁰ https://international-partnerships.ec.europa.eu/system/files/2021-01/join-2020-17-final_en.pdf

				communication plan with relevant stakeholders.
4- legality and regularity aspects	Risk 3: Problems related to the timely acquisition of necessary permits and other legally regulated obligations	M	M	Capacity-building measures for all relevant institutions; improvements/modifications to permitting procedures; regular and frequent communication among key actors, with particular focus on authorities responsible for issuing permits.
3- people and the organisation	Risk 4: Limited number of staff in beneficiary institutions and heavy workload, due to additional activities caused by the pandemic.	M	M	Ensure that <u>a dedicated department (including staff)</u> is identified in all beneficiary and coordinating institutions during the process of ToR drafting, and that they are made aware of their roles in the implementation process.

Lessons Learned:

The recently conducted assessment of the Justice Sector Reform Strategy 2014-2020 recognised that further support to enhancement of the legal and institutional framework, as well as administrative and executive capacities shall be continued in order to ensure alignment of the Bosnia and Herzegovina justice system with the EU standards. In addition, further support is necessary in regard to implementation of the Revised National War Crimes Strategy.

The legislative and policy reform process in the justice sector in particular of the issue that have lack of compromise and mutual understanding, various stakeholders often do not follow at the same pace the capacity developments and ensuring compliance with recommendations from technical assistance projects. Policy and legislative development need further to be developed in order to be more evidence-based, costed and subject to appropriate internal and external stakeholder consultations at the right time of the legislative and policy-making process.

3.5 Indicative Logical Framework Matrix

Results	Results chain: Main expected results maximum 10	Indicators at least one indicator per expected result	Baselines [values and years]	Target [values and years]	Sources of data	Assumptions
Impact	To align the justice system of Bosnia and Herzegovina with European standards and the EU <i>acquis</i> .	1. Progress made towards meeting accession criteria in the area of Rule of Law, Fundamental Rights and Democracy	Some progress (2019)	Moderate progress (2027)	Commission reports on BiH	<i>Not applicable</i>
Outcome 1	1 Efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina enhanced	1.1. State of preparation of the justice sector to implement the <i>acquis</i> and European standards in the justice sector	Some level of preparation (2019)	Moderate level of preparation (2027)	Commission reports on BiH	Relevant authorities in BiH committed to take a harmonized and coordinated approach to implement the reforms in the justice sector
Output 1.1	1.1 Performance and competence of courts and prosecutor offices as well HJPC increased	1.1.1.1 At least 6 commercial courts established a triage 1.1.2.1 Financial experts' contribution to crime case processing 1.1.3.1 Recording and analysing all case law standpoints at courts	1.1.1.1 0 (2021) 1.1.2.1 N/A (2021) 1.1.3.1 System is in the process of development at highest courts (2021)	1.1.1.1 6 (2027) 1.1.2.1 500 (2027) 1.1.3.1 All standpoints recorded at the highest courts and pilot district/cantonal courts. (2027)	1.1.1.1 Report prepared by the Project team and expert group 1.1.2.1 Monthly reports submitted by financial experts to HJPC 1.1.3.1 HJPC reports Project reports Performance evaluation reports	Commitment of prosecutor's offices to secure capacity to support financial investigations in economic and other related crime cases; Sector institutions share common vision and pursue reform goals

		<p>1.1.4.1 Strengthening the capacities of HJPC to monitor the Reform Program and Strategy</p> <p>1.1.5.1 Improved Case Law Database</p> <p>1.1.6.1 Workshop on awareness of criminal justice</p>	<p>1.1.4.1 N/A</p> <p>1.1.5.1 2 Maps of cases of special public interest (corruption, war crimes) publicly available (2025)</p> <p>1.1.6.1 0</p>	<p>1.1.4.1 On the basis of HJPC monitoring, a structured dialogue on reform is supported</p> <p>1.1.5.1 4 (cumulative) Maps of cases of special public interest publicly available (2026)</p> <p>1.1.6.1 2(2027)</p>	<p>1.1.4.1 HJPC reports Project reports</p> <p>1.1.5.1 HJPC reports</p> <p>1.1.6.1 HJPC reports and media news</p>	
Output 1.2	1.2 Integrity of judicial office holders strengthened	1.2.1.1 Number of judicial office holders' financial reports processed in accordance with the established procedure	1.2.1.1 0% (2021)	1.2.1.1 30% (2027)	1.2.1.1 Reports on processing of judicial office holders' financial statements	Beneficiary institutions remain engaged in the justice reform process.

Output 1.3	1.3 The backlog of war crimes cases in Bosnia and Herzegovina further reduced	<p>1.3.1.1 Backlog of KTRZ cases in all POs in Bosnia and Herzegovina</p> <p>1.3.1.2 Number of monitoring reports on implementation of operational targets on war crimes cases by the beneficiary institutions</p>	<p>1.3.1.1 571 (2020)</p> <p>1.3.1.2 0</p>	<p>1.3.1.1 315 (2025)</p> <p>1.3.1.2 At least four (4) reports will be submitted to EUD</p>	<p>1.3.1.1 Prosecutor Offices' reports, Reports generated from Case various management systems</p> <p>1.3.2 OSCE reports and statistics; Commission reports on BiH</p>	<p>Relevant stakeholders for further implementation of NWCS remain committed;</p> <p>The Prosecutor's Office of Bosnia and Herzegovina remain committed to processing of war crime cases</p>
Output 1.4	1.4 Provision of forensic assistance in war crimes investigations ensured	<p>1.4.2.1 Number of conflict-related missing persons cases DNA-matched by ICMP</p> <p>1.4.3.1 DNA experts at the Agency for Forensic Examination and expertise capable of processing PM bio samples and conducting DNA analysis</p>	<p>1.4.2.1 15 493 (2021)</p> <p>1.4.3.1 no capability (2021)</p>	<p>1.4.2.1 15 900 (2025)</p> <p>1.4.3.1 PM testing capability (2025)</p>	<p>1.4.2.1 ICMP online Western Balkans tracking chart</p> <p>1.4.3.1 ICMP reports, MoS reports</p>	<p>Clandestine gravesites are located, exhumed and biological samples are submitted to ICMP for DNA testing</p> <p>Beneficiary institution remains committed to further development of its DNA capabilities</p>

Output 1.5	1.5 Judicial ICT provision and security improved	1.5.1.1 Number of successfully solved requests and problems related to CMS/TCMS v3, SOKOP and HRMIS	1.5.1.1 0 (2025)	1.5.1.1 1000 (2026)	1.5.1.1 ServiceDesk application	All project positions filled in time
		1.5.1.2 Availability of CMS/TCMS v3	1.5.1.2 99,83% (2023)	1.5.1.2 99,9% (for year 2025)	1.5.1.2 KPI report, Project reports	
		1.5.2.1 Number of measures identified and taken to improve judicial ICT provision and JIS security	1.5.2.1 0 (2025)	1.5.2.1 3 (2026)	1.5.2.1 HJPC reports, Project reports	
		1.5.2.2 Number of conducted internal audits	1.5.2.2 0 (2025)	1.5.2.2 2 (2025)	1.5.2.2 HJPC reports, Project reports	
Output 1.6	1.6 Court management capacities and role of court presidents strengthened through strategic planning	1.6.1 Up to two workshops on strategic planning held	1.6.1 0 workshop	1.6.1 1 workshop organised	1.6.1 1 Participation list	Commitment and interest of court presidents and other court staff to improve strategic planning in their respective courts Court presidents delivering their work programmes on time
		1.6.2 Number of court representatives participating in the workshops	1.6.2 0 participants	1.6.2 30 participants	1.6.2 Participation list	
		1.6.3 Level of implementation of strategic plans in courts increased	1.6.3 0%	1.6.3 10%	1.6.3 Analysis of strategic plans implementation	
		1.6.4 Number of work programmes reviewed	1.6.4 0	1.6.4 10	1.6.4 Templates for reviewing Work programmes of court presidents	

Output 1.7	1.7 Alternative dispute resolution system in BiH improved through advocacy and promotion	1.7.1. At least one meeting/round tables on advocacy and promotion of mediation with MOJ, bar association, association of mediators, judges and other actors organized.	1.7.1. 0 participants	1.7.1. 15 participants	1.7.1 Participation list	Relevant actors in BiH committed to take a further improvements to enhance the use of mediation in BiH. Interest of the judicial community for improvement of existing ADR system in BiH
		1.7.2. At least one meeting/round table on promotion of best mediation practises in Europe for relevant actor organized.	1.7.2. 0 participants	1.7.2 20 participants	1.7.2 Participation list	
		1.7.3 Number of judges participating in the workshops	1.7.3 0 participants	1.7.3 20 participants	1.7.3 Participation list	

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the IPA III beneficiary, Bosnia and Herzegovina.

4.2. Indicative implementation period

The indicative implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the Financing Agreement. Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Methods of implementation

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹¹.

4.3.1. Direct management (Grants)

(a) Purpose of the grants

Three grants have been envisaged as implementing modality for this Action in relation to Outputs 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7

Choosing grants as an implementing method in the areas covered by Outputs 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7 has already been done in previous actions implemented with IPA support.

(b) Type of applicants targeted

4.3.1.1 Direct grant to the High Judicial Prosecutor's Council (HJPC)

A Direct grant to the HJPC will be awarded to increase the competence of courts and prosecutor offices (Output 1.1), through the establishment of a triage system in commercial departments / commercial courts through the organization of business processes (Activity 1.1.1), engagement of financial experts to support financial investigations in economic and other related crime cases (Activity 1.1.2), establishment of case law departments in selected cantonal/district courts (Activity 1.1.3) and strengthening the capacities of HJPC to monitor the Reform Program and Strategy (Activity 1.1.4). Furthermore, direct grant to HJPC will be used to strengthen the integrity of Judicial Office Holder's (Output 1.2) through strengthening of the capacity of the HJPC for monitoring judicial office holders' financial statements and implementation of integrity plans (Activity 1.2.1). Lastly, direct grant to HJPC will be used to

- 1) Improve judicial ICT provision and security (Output 1.5) through improvement of JIS application services (Activity 1.5.1) and improvements of JIS security and provision of ICT services in line with ISO 27001 and ISO 20000 standards (Activity 1.5.2).
- 2) Strengthen court management capacities and role of court presidents through strategic planning (Output 1.6)

¹¹ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

- 3) Enhance use of Alternative dispute resolution system in BiH through advocacy and promotion (Output 1.7)

4.3.1.2 Direct grant to the Ministry of Finance and Treasury Bosnia and Herzegovina (MoFT BiH).

A direct grant to the MoFT of Bosnia and Herzegovina will be used to further strengthen the rule of law by enhancing and facilitating transitional justice processes in Bosnia and Herzegovina and fully implementing the Revised National War Crime Strategy (Activity 1.3.1) which will further improve efficiency of war crime cases processing in Bosnia and Herzegovina judiciary (Output 1.3). The grant will accelerate the processing and monitoring of war crime cases and help to build human and institutional capacities within Bosnia and Herzegovina's judiciary to handle the most sensitive cases. To meet the objectives set in the Revised National War Crimes Strategy - processing the most complex war crimes cases and to deal with war crime cases in courts and prosecutor's offices, foreseeing completion of cases by the end of 2023 - it is necessary to continue the support and to enhance the capacities of the prosecutors' offices and the courts to speed up the processing of war crime cases. The Ministry will distribute funds to final beneficiaries, namely to courts, prosecutors' offices and other beneficiaries to enhance war crime cases processing.

4.3.1.3. Direct grant to the International Commission on Missing Persons (ICMP)

A direct grant to the ICMP will be used to further strengthen the rule of law by ensuring forensic assistance in war crime investigations (Output 1.4). This result will be achieved by the means of assistance to Bosnia and Herzegovina judiciary to excavate, examine and identify victims of enforced disappearances from clandestine graves as part of war crimes investigations (Activity 1.4.1), continuation of the DNA testing and matching of biological samples for the purposes of human identification (Activity 1.4.2) and strengthening domestic technical capacities in DNA analysis, so as to provide long-term support to Prosecutors' Offices (Activity 1.4.3).

(c) Justification of a direct grant

4.3.1.1. Direct grant to High Judicial Prosecutor's Council (HJPC)

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the High Judicial Prosecutor's Council (HJPC). Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the HJPC is the key institution in administering the judiciary throughout the country and given its institutional independence and capacity, this institution remains a unique partner of the European Union when it comes to judicial reform in Bosnia and Herzegovina. The direct grant to the HJPC represents the most efficient financial instrument to support a wide range of activities aiming to improve the operations of courts and prosecutors' offices throughout the country. The direct agreement with the HJPC will be concluded in accordance with Article 198 point (c) of the Financial Regulation since the HJPC is an institution with a de jure monopoly. The use of the exemption will be further substantiated in the award decision.

4.3.1.2 Direct grant to the Ministry of Finance and Treasury of Bosnia and Herzegovina

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the Ministry of Finance and Treasury of Bosnia and Herzegovina (MoFT). MoFT Bosnia and Herzegovina was selected on the basis of the conditions related to actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals - pursuant to Article 198 point (f) of the Financial Regulation. The selection was made in view of the experience of MoFT Bosnia and Herzegovina developed within previous EU funded projects for processing and monitoring of war crimes, financed by IPA 2017 and IPA 2019. Both projects were implemented through direct grant to MoFT Bosnia and Herzegovina. Within the system, the required structure has already been established and needed skills developed to support this activity. MoFT will distribute EU financial support to the beneficiaries in fully fashion with no or minimum delay.

4.3.1.3 Direct grant to the International Commission on Missing Persons (ICMP)

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the International Commission on Missing Persons (ICMP). The direct grant agreement with the ICMP shall be concluded in accordance with Article 198 point (f) of the Financial Regulation on account of ICMP's technical competence, its high degree of specialisation or its administrative power, in the sector covered. The ICMP is the only organisation with the necessary equipment and skills to carry out DNA identification of all victims in the country. With the ICMP being the key competence and also the only international organization working exclusively on the issue of missing persons, and given its institutional independence and technical capacities, it represents a unique partner for the EU when it comes to search for missing persons and empowering domestic institutions to take over those activities.

The general rules for procurement and grant award procedures shall be defined in the Agreement between the Commission and the HJPC, MoFT Bosnia and Herzegovina and ICMP implementing the part of the programme.

4.3.2. Direct management (Prize(s))

N/A

4.3.3. Direct management (Procurement)

NA

4.3.4. Indirect management with a [Member State Organisation] [third donor country] [EU specialised (traditional/regulatory) agency] [international organisation]

N/A

4.3.5. Indirect management with an IPA III beneficiary

N/A

4.3.6. Contribution to <name of the relevant Regional Investment Platform>

N/A

4.3.7. EFSD+ operations covered by budgetary guarantees

N/A

4.3.8. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances (one alternative second option)

Implementation under Indirect management with entrusted entity may be used as an alternative modality for this action that is planned to be implemented in direct management. Entrusted entity(ies) will be selected by the Commission's services using the following criteria:

a) financial and operational capacity of the applicant.

b) technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects; experience in managing programmes or projects related to the results, extensive experience in the implementation of similar projects, in-depth expertise in the field of EU negotiations and documented capacity to mobilize relevant networks in the EU Member States, Bosnia and Herzegovina and the region, etc.

c) bodies with a similar degree of specialisation

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) of the NDICI-Global Europe Regulation).

4.5. Indicative budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution, in currency identified
Methods of implementation , cf. section 4.3		
Outcome 1: Efficiency, integrity, quality, accountability, independence and access to the justice system in Bosnia and Herzegovina enhanced , composed of:	5 000 000	N.A
Grants (direct management) – cf. section 4.3.1	5 000 000	N.A
Grants (direct management) – cf. section 4.3.1	N.A	Grants (direct management) – cf. section 4.3.1
Procurement – total envelope under section 4.3.2	0	N.A
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another Decision	N.A
Communication and visibility – cf. section 6	will be covered by another Decision	N.A
Contingencies	0	N.A
Totals	5 000 000	N.A

4.6. Organisational set-up and responsibilities

The main stakeholders of the Action are: HJPC, courts, prosecutors' offices, Ministry of Finance and Treasury of Bosnia and Herzegovina, Ministry of Justice of Bosnia and Herzegovina (MoJ), Ministry of Justice of *Republika Srpska* (MoJ RS), Federal Ministry of Justice (FMoJ), ten cantonal MoJs, International Commission for Missing Persons, Ministry of Security of Bosnia and Herzegovina, Bosnia and Herzegovina Missing Persons Institute, professional associations, academia, NGOs and other executive authorities.

Due to the fact that this action has numerous beneficiaries active in the justice sector, it is important that they take on strategic, operational and structural responsibility and accountability for implementing the Action related activities from the very beginning. The key stakeholders are expected to be actively engaged in the whole process of the action implementation.

Ministries of Justice at state, entities (2) and in the cantons (10), the HJPC and the Judicial Commission of Brčko District are key justice sector institutions from the executive point of view. The HJPC is the key institution administering the judiciary throughout the country. These institutions share a common vision and

objectives set in the Justice Sector Reform Strategy (2014-2020) for which each institution alone is responsible for implementation in accordance with its constitutional competence. In accordance with strategic framework set and current constitutional arrangement, the MoJ of Bosnia and Herzegovina is a key coordinating institution for the facilitation of the process of drafting, adopting, monitoring and evaluating of the sector strategy and its corresponding action plan. Each institution alone is responsible for development and implementation of its strategic and annual plan, midterm budgetary framework and annual budget.

In line with this, the HJPC is responsible for undertaking the actions in respect of Output 1.1, activities 1.1.1 and 1.1.2, 1.1.3 and 1.1.4, Output 1.2, Activity 1.2.1, Output 1.3, Activity 1.3.1, and Output 1.5, activities 1.5.1 and 1.5.2, 1.6 and 1.7

ICMP is responsible for undertaking the actions with regard to Output 1.4, activities 1.4.1, 1.4.2 and 1.4.3.

The Steering Committee, consisting of all relevant stakeholders involved in a specific action, will be established at the beginning of the action implementation. It will reflect equal participation of men and women in the decision-making processes related to the action implementation.

The role of the EU Delegation will be to ensure alignment of the provided assistance with the EU Agenda for BiH.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and reporting

This Action will be regularly monitored by EU Delegation to Bosnia and Herzegovina. Internal monitoring will be implemented through Steering committee's meetings, EU Delegation quarterly Implementation reviews, on-the-spot checks, meetings with beneficiaries and consultant companies/contractors.

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

A Sector Steering Committee will be established (or adhered to ongoing Steering Committee monitoring) to monitor implementation of the Action and will be composed of the main beneficiaries and relevant institutions in Bosnia and Herzegovina.

To ensure adequate monitoring of the implementation of the Action, two mid-term and one final assessment of the Action results will be carried out. Each of the mid-term analyses will be carried out following the first and the second year of Action's implementation, appraised against mid-term goals (milestones). The final assessment will be based upon the targets defined for the year 2027 presented in the log frame. Results of these appraisals will be presented to the EU Delegation and the Steering Committee upon the approval of the Programme Manager at the EU Delegation. Moreover, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

5.2. Evaluation

Having regard to the nature of the action, a mid-term and/or final evaluation will not be carried out for this action or its components.

In case an evaluation is not foreseen for some action's components, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The financing of the evaluation shall be covered by another financing Decision.

5.3. Audit and verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this Action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements. Audits will be financed under another financing decision.

6. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

7. SUSTAINABILITY

The proposed Action will result in improving the institutional capacities of relevant stakeholders in Bosnia and Herzegovina active in the justice sector. Once the infrastructural projects are implemented, relevant ministries are expected to provide funds for regular annual maintenance of the infrastructure of judicial buildings.

Development of new legislation/amendments shall be carried out respecting all domestic procedures, especially those related to (fiscal/ regulatory) impact assessments, public consultations, inter-ministerial coordination. As a rule, interventions should start by providing support to the beneficiaries with 'options analysis', regulatory impact assessments, gender impact analysis, concept papers, etc. prior to supporting them with drafting of legislation/ amendments. New legislation/amendments shall be coordinated among the

different levels of government, thus promoting harmonisation and reducing fragmentation of the legal framework.



THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX II

to the Commission Implementing Decision amending Commission Implementing Decision C(2022) 9167 on the financing of the annual action plan in favour of Bosnia and Herzegovina for 2022

Action Document for EU Integration Facility

ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and an action plan in the sense of Article 23(2) of the NDICI-Global Europe Regulation.

8. SYNOPSIS

8.1. Action Summary Table

Title	Action Document – EU Integration Facility Annual Action Plan in Favour Bosnia and Herzegovina for 2022
OPSYS	ACT-61474; JAD.1045709
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Team Europe Initiative	No
Zone benefiting from the action	Bosnia and Herzegovina
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 2: Good Governance, Acquis Alignment, Good Neighbourly Relations and Strategic Communication Thematic Priority 2: Administrative Capacity and Acquis Alignment
Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 16. Peace, justice and strong institutions Other significant SDGs (up to 9) and where appropriate, targets: SDG 8. Decent work and economic growth; SDG 3. Good health and well-being; SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
DAC code(s)	15110 – Public Sector policy and administrative management 43010- Multisector aid
Main Delivery Channel	Bilateral

Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective	
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	RIO Convention markers	Not targeted	Significant objective	Principal objective	
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
		Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BUDGET INFORMATION					
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 4 000 000 Total amount of EU budget contribution: EUR 4 000 000				
MANAGEMENT AND IMPLEMENTATION					
Implementation modalities (type of financing and management mode)	Project Modality through Direct management and Indirect management with an entrusted entity				
Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans	This Action contributes to: Priorities: "Green Agenda", "Digital Transition", "Innovation Agenda", "Private Sector Support", "Common Regional Market and Economic Integration", "Governance, Rule of Law, PAR"				

[only for the Western Balkans]	Flagships: “VIII Digital Infrastructure”, “IX Support Competitiveness”
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2023
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, except for cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

8.2. Summary of the Action

The Action is designed to provide support to institutions in Bosnia and Herzegovina (BiH) at all levels with respect to the needs stemming from the European integration process and in relation to utilisation of EU financial assistance. Further, the Action will support the improvement of economic governance, as well as the implementation of countrywide socio-economic reforms recognized by the Economic Reform Programme (ERP). Complementary to other IPA Actions, the Action will provide flexible support to address specific and unforeseeable needs of the authorities in Bosnia and Herzegovina at various levels, identified in the course of the European integration process. This flexible support to institutions in Bosnia and Herzegovina aims at enabling them to respond swiftly to challenges and requirements of the European Union integration process and to better prepare and implement IPA programmes/Actions funded by the Instrument for Pre-accession Assistance. The facility shall assist in relation to the Stabilisation and Association Agreement (SAA) implementation, *acquis* alignment, Action plans preparation and implementation, the Economic Reform Programme (ERP) and socio-economic reforms implementation, as well as for reinforcing institutional capacity for SAA implementation and absorption and management of pre-accession funds. It will also contribute to addressing sustainable development goals, especially SDG 16 (Peace, justice and strong institutions). Various types of support are envisioned, such as technical assistance to and capacity building of institutions in Bosnia and Herzegovina at various levels of governance, preparation of studies, assessments, strategic documents, manuals, trainings, action proposals, tender documentation, assistance to tender/call for proposals evaluations, communication activities, as well as for provision of potential supplies underpinning EU integration processes.

9. RATIONALE

9.1. Context

The process of European integration is a complex, dynamic and evolving process. Complementary to other IPA Actions which are programmed with a lead time, there is a need for a flexible facility addressing short term emerging developments and providing necessary assistance and capacity building support to the authorities in Bosnia and Herzegovina at various levels. This facility shall assist the authorities in Bosnia and Herzegovina at all levels in relation to the Stabilisation and Association Agreement (SAA) implementation,

acquis alignment, action programmes preparation and implementation, as well as for reinforcing their institutional capacity for SAA implementation and absorption and management of pre-accession funds.

In February 2016 Bosnia and Herzegovina applied for EU membership, and in May 2019 the Commission adopted an Opinion on its membership application, along with the accompanying Analytical Report¹, outlining 14 key priorities required for the country to become able to open EU accession negotiations. Furthermore, Bosnia and Herzegovina has started to utilise the new Pre-accession assistance instrument in the period 2021-2027 (IPA III) and needs to be able to fully benefit from it.

The Action, with its areas of support, directly contributes to the overall objective under Window 2 of the IPA III Programming Framework of promoting good governance, increasing the compliance with Union's values and alignment with the Union's rules, standards and practices in the relevant areas. It further corresponds to the Thematic Priority 2 specific objective with respect to bringing policies and legislation developed in BiH in line with the EU policies and the EU *acquis*, building the administrative capacity to fully and effectively implement sector policies and the adopted legislation, and building the ability of Bosnia and Herzegovina to take on the obligations of membership as well as to follow through The European Green Deal², which represents a roadmap for making the EU's economy sustainable by turning climate and environmental challenges into opportunities across all policy areas and making the transition just and inclusive for all.

This is also reflected in the IPA III Strategic Response for Bosnia and Herzegovina. By supporting interventions in various areas, the Action will also be making contribution to other IPA III Windows and Thematic Priorities, in line with the content of the intervention.

The Action will specifically contribute to the Strategic Framework of Public Administration Reform with respect to ensuring public administration capable of undertaking tasks and reforms required in the context of the European integration process, including alignment with the Guidelines for the Implementation of the Green Agenda for Western Balkans³. The Action will as such provide support in relation to different sector strategies corresponding to the areas of the undertaken interventions.

IPA III Programming Framework underlines the importance of Public administration reform (PAR), which is, together with rule of law and economic development, a fundamental pillar of the enlargement process and a basis for effective implementation of EU policies and legislation. The Action aims to support fulfilment of obligations from the European integration process, and is as such in close relation with the Thematic Priority 2 under Window 2 of IPA III Programming Framework, where it is stated that the specific objective of IPA III in this area is to bring beneficiaries' policies and legislation in line with the EU policies and the EU *acquis*, as well as to build administrative capacity to fully and effectively implement sector policies and the adopted legislation, building the ability of beneficiaries to take on the obligations of membership. Given that support will further pertain to different sectors, the Action is of relevance to other IPA III Windows and Thematic Priorities too, in line with the content of the intervention.

The Western Balkans Strategy (2018)⁴ confirms the paramount importance of public administration reform (PAR) to strengthening governance at all levels and commits to enhancing the Commission's technical assistance to Western Balkans to help them align with the EU legislation and ensure its effective implementation in practice. The **2021 Communication on EU enlargement policy**⁵ further stresses the need to focus on the reforms in the fundamental areas, including reforms aimed at modernizing and greening PA (such as digitalization/dematerialization, increasing public servants and decision-makers awareness and

¹ COM (2019) 261 and SWD (2019) 222

² COM(2019) 640

³ SWD(2020) 223

⁴ COM(2018) 65

⁵ COM(2021) 644

capacity, making a conducive legal/institutional framework and action, developing plans to increase energy efficiency in PA) and underlines that Bosnia and Herzegovina is at an early stage/has some level of preparation regarding its level of preparedness and ability to take on the obligations of EU membership.

The implementation of the Action will take into full account the Commission **Opinion on the EU membership application of Bosnia and Herzegovina** and contribute to the fulfilment of the key priorities therein. It will further support the implementation of the recommendations from the 2021 Commission report on **Bosnia and Herzegovina**. The Report highlights that the country is at an early stage of public administration reform, calls for adoption of the national programme for the adoption of the *acquis* (NPAA) / Programme for EU Integration (PI), and provides a number of recommendations across sectors for progressing in the context of the European integration process.

The Guidelines for the Implementation of the European Green Deal emphasise greener public administration capable to lead modernised reforms that will result in a cleaner environment, more affordable energy, smarter transport, new jobs and an overall better quality of life.

The Action will also contribute to the Economic Reform Programme (ERP) implementation and subsequently to different sector strategies in line with the specific interventions supported. The Economic Reform Programme of Bosnia and Herzegovina 2021-2023 (ERP BiH) emphasizes the need to increase the efficiency of tax collection. Furthermore, it identifies public enterprise reform as a way to improve the economic efficiency of public enterprises, among others reducing the fiscal burden, which many of those public enterprises currently represent. Digitalisation of public services and improving the business environment also features among the most important reform efforts for 2021-23.

The Western Balkan Strategy (2018) also states that implementing socio-economic reforms remains key for increasing investments and enhancing competitiveness in the Western Balkans. The Strategy mentions several areas for action, including establishing the Regional Economic Area to facilitate intra-regional trade and becoming member of the World Trade Organisation as a prerequisite for EU accession, also spurring economic growth and fostering investment in the region.

The Commission assessment of Economic Reform Programme of BiH (2021-2023), issued in April 2021⁶, identifies several structural challenges, including

- oversized, non-transparent and inefficient state-owned enterprises (SOEs) negatively affecting macroeconomic performance, fiscal sustainability, labour market outcomes and competitiveness;
- the insufficient functioning of a common, internal market within the country, which negatively affects the private sector's development.

9.2. Problem analysis

For the EU integration process in Bosnia and Herzegovina it is of critical importance to have effective European integration capacities at all relevant levels of government, in line with their respective competencies, as well as to ensure their effective cooperation and coordination. This in particular relates to the SAA implementation, the Programme of Integration (i.e. NPAA) development and implementation and alignment with the EU *acquis* in a consistent manner in Bosnia and Herzegovina that remain rather challenging tasks in the context of Bosnia and Herzegovina's multi-level administrative set up, as pointed out in the SIGMA 2017 assessment. In case of sector-specific issues, the need for consultation and coordination becomes particularly emphasised since the competences, in line with the Constitution of Bosnia and Herzegovina, are in most cases divided or shared between sectoral institutions of different administrative levels. As the authorities at all levels of government in Bosnia and Herzegovina face challenges in relation to alignment to the EU *acquis*, the institutions in Bosnia and Herzegovina and concerned personnel need assistance in this respect in terms of

⁶ SWD(2021) 91

securing necessary support, expertise and capacity building to deliver on tasks and fulfil the requirements of assuming EU membership.

The authorities at all levels of government in Bosnia and Herzegovina also face challenges in relation to IPA utilisation, including Action/programme preparation and implementation. Actions' readiness depends among other things also on the availability of quality tender documents (e.g. terms of reference, technical specifications, bill of quantities, etc.). The authorities in Bosnia and Herzegovina do not have sufficient experience in developing such documents and sometimes the level of technicalities is so specific and complex that it requires specialised expertise. Therefore, institutions in Bosnia and Herzegovina and personnel concerned need assistance in this respect from experts that would facilitate the process and also provide the authorities in Bosnia and Herzegovina at all levels with transfer of know-how and hands-on training. Furthermore, authorities in Bosnia and Herzegovina need to be able to fully benefit from the new Pre-accession assistance instrument under the multi-annual financial framework in the period 2021-2027 (IPA III).

In order to enable Bosnia and Herzegovina to fully utilise IPA III, the assistance to Bosnia and Herzegovina needs to be provided through support to activities and capacity building with respect to planning, programming, implementation and strengthening capacity for coordination of these processes. In the context of IPA III support provided under this Action is even more important given the increased emphasis on the technical maturity of the interventions.

Bosnia and Herzegovina also face challenges related to the implementation of socio-economic reforms in line with the Economic Reform Programme. Further, the action will support improvement of economic governance, as well as implementation of countrywide socio-economic reforms recognized by the Economic Reform Programme (ERP).

In view of the sector approach under IPA, Bosnia and Herzegovina still lacks country-wide strategies in important sectors that represent a precondition for the utilisation of the IPA II funds, and support in relation to analysing and preparing country-wide sector and multi-sector strategies in line with the sector approach remains critical. In addition, sector budget support/sector reform contract as a new modality for assistance utilisation under IPA is a novelty to Bosnia and Herzegovina and its institutions. Assistance is also required in relation to utilisation of multi-country IPA programmes, in particular Western Balkans Investment Framework and other regional instruments, as well as in relation to relevant EU macro regional strategies.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action

Institutions from all sectors and all levels of governance in Bosnia and Herzegovina may benefit from the assistance foreseen under this Action. Furthermore, the following are the main stakeholders as far as European integration process and IPA utilisation in Bosnia and Herzegovina. The Directorate for European Integration (DEI) is the expert body of the Council of Ministers of Bosnia and Herzegovina responsible for coordination of activities concerning the requirements for the European integration process and coordination of EU assistance. The Director of the Directorate performs function of National IPA Coordinator (NIPAC) and provides all the necessary expert and administrative support for this function. In the Federation of Bosnia and Herzegovina, Republika Srpska and the Brčko District of Bosnia and Herzegovina there are institutions that coordinate European integration process at these levels of government. These include the EU Integration Office of the Government of the Federation of Bosnia and Herzegovina, the Republika Srpska Ministry of European Integration and International Cooperation and the Brčko District Department for European Integration and International Cooperation. In addition, the ten cantonal governments in the Federation of Bosnia and Herzegovina have EU integration coordinators nominated and some also have established specific units in charge of European integration.

Regarding economic governance in Bosnia and Herzegovina and ERP preparation process, the stakeholders are represented by the ERP coordinators, namely the BiH Directorate for Economic Planning (DEP), and the entity coordinators from the Federal Institute for Development Planning (FIDP) and the Ministry of Finance of Republika Srpska (MoF RS). Furthermore, other stakeholders and various competent institutions from administration in Bosnia and Herzegovina will benefit from this Action, under activities that support socio-economic reforms.

The Action is to provide flexible and yet to be determined support, in various sectors/areas of interventions to support the authorities in Bosnia and Herzegovina at various levels to adequately respond to their respective duties and tasks in the EU integration process. Further to addressing the issues under the Strategic Framework for Public Administration Reform in relation to public administration capacity to implement the reforms under the European integration process, including alignment with the Green Agenda for Western Balkans, the Action will as such provide support in relation to different sector strategies corresponding to the areas of the undertaken interventions. The Action will also provide flexible support in relation to Economic Reform Programme implementation and through targeted supported interventions to corresponding sector strategies.

10. DESCRIPTION OF THE ACTION

10.1. Intervention Logic

The Overall objective (Impact) is to contribute to Bosnia and Herzegovina's overall progress in complying with requirements for European Union accession.

The Specific objective (Outcome) is to identify and address specific and/or unforeseeable needs in the course of European integration process of BiH, including those for the implementation of Economic Reform Programme.

The underlying intervention logic for this action is that if the government authorities at all levels in Bosnia and Herzegovina are able to provide more effective and timely responses related to the EU integration processes (output 1) and are able to undertake countrywide socio-economic measures, supported through Socio-economic Reform Facility (output 2) and good cooperation between relevant stakeholders is established and maintained (assumption), adequate technical, financial and human resources is allocated by the beneficiaries (assumption), as well as if smooth inter-ministerial communication and coordination in the area of socio-economic reforms hold true (assumption), then the specific and/or unforeseeable needs identified in the course of European integration process of Bosnia and Herzegovina will be adequately addressed, including those for the implementation of Economic Reform Programme (outcome).

This will be possible knowing the nature of this instrument/facility that provides flexible support to address specific and unforeseeable needs of the authorities in Bosnia and Herzegovina at various levels, identified in the course of the European integration process. This flexible support to institutions in Bosnia and Herzegovina aims at enabling them to respond swiftly to challenges and requirements of the European Union integration process and to better prepare and implement IPA programmes/actions funded by the Instrument for Pre-accession Assistance.

This flexible support will also provide assistance to various countrywide measures and segments of the socio-economic reforms deriving from/in line with the ERP, through technical assistance and other interventions (including provision of software and other supplies) to the administrations in BiH.

If specific and/or unforeseeable needs are identified and addressed in the course of European integration process of BiH, including those for the implementation of Economic Reform Programme (outcome), as well as the assumptions regarding political support to institutions in Bosnia and Herzegovina to participate in the EU integration processes and global insignificant recession hold true, then it will contribute to Bosnia and Herzegovina's overall progress in complying with requirements for European Union accession (*impact*).

10.2. Indicative activities

The following list is indicative but not exhaustive of the types of activities that may be implemented at all levels of government in Bosnia and Herzegovina under the **output 1**: The governmental authorities at all levels in BiH were enabled to provide more effective and timely responses to emerging EU integration priorities:

- Provision of technical assistance to the administrations at all levels of government in BiH and preparation of required documents and analyses, respecting gender mainstreaming aspect as well, to support SAA implementation, EU *acquis* alignment and implementation, including Programme of Integration of Bosnia and Herzegovina into the EU (PI / NPAA), and compliance with requirements for the EU accession .
- Supporting urgent and/or unforeseen emerging priority tasks related to EU integration and SAA implementation priorities, through technical assistance and other interventions (including software and Information Communication Technology equipment, and, for example, provision of required translation of documents within the process of alignment of EU *acquis* to the administrations at all levels of government in BiH.
- Provision of technical assistance to the administrations at all levels of government in Bosnia and Herzegovina in acquiring knowledge and hands-on training on Sector wide approach, its implementation, and in preparation of sector programmes for IPA multi-annual programming purposes.
- Provision of technical assistance to the administrations at all levels of government in BiH in acquiring knowledge, introducing and utilising sector budget support/sector reform contract, including preparation of respective programming documents for sector budget support/sector reform contract utilisation.
- Supporting urgent and unforeseen priority tasks to the administrations at all levels of government in BiH (e.g. studies, damages and recovery needs assessments, action preparation, prevention measures against flooding and landslides and other disasters, as well as implementation of interventions to mitigate the consequences and prevent disasters in the future) in case of natural disasters, paying attention to specific needs of women and men.
- Provision of technical assistance for relevant institutions in BiH in drafting manuals, working procedures, job descriptions, rulebooks and other procedural documentation for the implementation of SAA priorities, utilisation of pre-accession instruments, meeting requirements for indirect management of EU assistance.
- Provision of technical assistance for relevant institutions at all levels of government in BiH in analysis, assessment and evidence-based preparation of country-wide sector strategies, multi-sector strategies, strategic programming documents, for the alignment of legislation in BiH with the EU *acquis*, SAA implementation, implementation of Joint Policy Guidance of the Economic and Financial Dialogue based on the ERP as well as support to implementation of envisaged socio-economic reforms and the current and future use of EU pre-accession funds, ensuring paying attention to specific needs of women and men.
- Provision of technical assistance to relevant institutions at all levels of government in BiH for capacity building on the new 2021-2027 pre-accession instrument and acquisition of knowledge for raising absorption capacities.
- Provision of technical assistance to relevant institutions at all levels of government in BiH in drafting of (pre-)feasibility and impact studies in relation to Bosnia and Herzegovina's compliance with the SAA and carrying out (pre-)investment studies, regulatory impact assessment studies, environmental impact assessment studies, business plans, market studies, economic and cost-benefit analyses, investment appraisals, project pipelines, etc., for the upcoming investments, ensuring that these include a gender component.
- Provision of technical assistance in setting up and developing methodology and single (sector) project pipelines for investment projects and utilisation of respective instruments of support for investment projects for relevant institutions at all levels of government in BiH.
- Support to relevant institutions in BiH at all levels of government in preparing Actions for upcoming IPA funding, in particular those requiring specialised expertise, including support to the Action

preparation process and all necessary Action documentation and annexes to programming documents, ensuring a gender component as well.

- Preparing of tender and procurement documentation to relevant institutions in BiH (terms of reference, technical specifications, market research, bills of quantities, guidelines for grant schemes and other supporting documents for tender dossiers) as well as support to tender/call for proposals evaluations, with due consideration of a gender component.
- Supporting awareness raising of EU programmes (current and future) and building capacity of end beneficiaries to access the funds available under EU Programmes and of relevant institutions at all levels of government in BiH.
- Provision of technical assistance to relevant institutions in BiH to enhance monitoring, reporting and evaluation processes and capacities.
- Provision of institution building activities and training of institutions at all levels of government in BiH relevant to any of the above-mentioned activities and the European integration process, taking into consideration specific needs of both men and women.
- Participation in European integration related meetings, workshops, study visits.
- Provision of information, communication and training activities and material regarding EU integration to administrations at all levels of government in BiH.
- Carrying out evaluations of IPA actions/programmes.
- Additional COVID-19 related specific response activities and/or other unforeseeable pandemic-related response activities.
- Investments (works and supplies) might also be supported through this Action.

The indicative type of activities that may be implemented under the **output 2** “Countrywide socio-economic measures supported through Socio-economic Reform Facility” as integral part of this Action are: Provision of support to various country wide measures and segments of the socio-economic reforms deriving from/in line with the Economic Reform Programme, through technical assistance (including e.g. analyses, studies, policy related documents, etc.) and other interventions (including provision of software and other supplies) to the administrations at all levels in BiH. Potential areas of intervention include areas such as taxation, banking and monetary stability, business environment, public enterprises, trade, etc. contributing to improving economic governance and competitiveness of BiH.

10.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The Action will contribute to the protection of the environment in line with the needs identified by authorities in Bosnia and Herzegovina and the respective Action activities. The Action and the activities deriving from the Action will not have any negative impact on the environment nor jeopardise environment, health and security in the future. The activities deriving from this Action will be delivered in the most environmentally friendly possible way.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that significant attention will be given to gender aspect within Action activities, including ensuring participation of both women and men, recognising different needs of women and men, ensuring benefits for both men and women, ensuring gender sensitive data and gender analyses. In general, a gender perspective will be maintained ensuring that the results of the Action impact positively on gender equality as well. By this, the Action will make contribution in line with the EU Gender Equality Strategy 2020-2025⁷ which aims at enhancing gender mainstreaming by systematically including a gender perspective in all stages of policy

⁷ COM(2020) 152

design in all EU policy areas, ensuring that women and men, girls and boys, in all their diversity, are equal. The Action will also contribute to Gender Action Plan of BiH 2018-2022, as a framework strategic document for inclusion of the gender equality standards in key areas of reform.

Human rights

Due attention will also be given to the respect of human rights and integration of human rights principles within the undertaken interventions. Participation in the Action will be guaranteed on the bases of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

Democracy

The involvement and participation of civil society and non-state stakeholders in the European integration process is very important and cooperation between governmental and non-governmental sectors crucial. As an integral part of the European Union accession process, opportunities for dialogue and cooperation among civil society and non-state actors and public sector actors will be further developed through various initiatives under the proposed Action.

Disaster Risk Reduction

Due attention will be given to respond, if need be, to natural disaster and other disasters, should they occur during the implementation period of the Action.

Other considerations

Improvement in the public service and strengthened good governance to be gained from the Action will be beneficial for minorities and vulnerable groups. Publicity and dissemination of information will help to empower minorities and vulnerable groups to participate in the proposed activities and calls for proposals. Based on the fundamental principles of promoting equality and combating discrimination, participation in the Action will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, age or sexual orientation.

10.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium / Low)	Mitigating measures
Planning, processes and systems	The lack of cooperation among institutions at different levels of government in BiH.	M	H	Different mitigating measures, including the Commission's political support and enhanced policy dialogue, will be undertaken to eliminate risks to successful implementation of interventions undertaken under the Action.
People and the organisation	Full commitment and support of the decision-makers of the involved institutions	M	M	Commission's political support and enhanced inter-ministerial policy dialogue

Lessons Learned:

As it has been demonstrated during the work of SAA Committee and Sub-Committees, EU *acquis* alignment, and other European integration processes, there is a need to strengthen capacities of all institutions required to undertake European integration related work at various levels of the government in their respective sectors. In addition, it is required to maintain effective coordination among different levels of the government for European integration purposes.

The need for strengthening capacities has been in particular recognised as far as EU policies, legal approximation, EU affairs coordination as well as EU funds are concerned. Previous technical assistance (TA) showed that development of capacity, models and mechanisms requires work with a wider range of recipient institutions and public servants from different level of government given that, in comparison to other pre-accession beneficiaries, Bosnia and Herzegovina has specific administrative set-up. Due to the higher number of players, more time for development of models and capacities is needed. Given the administrative structure in Bosnia and Herzegovina and the corresponding division of competencies, support is required to institutions at all levels of the government, also in light of ensuring overall and harmonised progress in aligning BiH's legislation to the EU *acquis*.

The experience with previous Project Preparation Facility (PPF) / General Technical Assistance Facility (GTAF) / EU integration Facility (EUIF) has shown that the demand for this type of assistance has always been very high and diverse and that this type of assistance has been particularly useful to respond quickly to urgent and evolving needs. The challenges detected in the usage of this type of Facility have been delays or even cancellation of the contracting and implementation of a few small-size project interventions (e.g. preparation of terms of reference for a larger scale assistance project) due to a lack of agreement among all the stakeholders involved in the design of the interventions. Also, the shortage of the funds in the end of the implementation of a few big-sized projects has been overcome by using this Facility for these projects' finalisation. Based on the lessons learned, an endorsement of the intended intervention by all stakeholders concerned by that action should be a precondition fulfilled before the funds from this EUIF Action are earmarked.

These conclusions are reiterated in the Second Country Interim Programme evaluation of IPA assistance in Bosnia and Herzegovina. With regard to the performance, IPA projects have been effective and efficient, although there have been challenges in implementation due to contractor performance, slow procurement procedures, meeting conditionality or delay in reaching consensus between all stakeholders. Therefore, ownership and commitment of all relevant stakeholders of any intervention and its formalisation is an imperative before support under the Action starts. Moreover, a general lesson learned which applies to all sectors is that policy and legislative development needs to be evidence-based, costed and subject to appropriate internal and external stakeholder consultations at the right time of the legislative and policy-making process. This is a key in ensuring implementation and enforcement of adopted policies and legislation. Therefore, the action shall ensure consistency with the horizontal public administration reform efforts.

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results maximum 10	Indicators at least one indicator per expected result	Baselines 2021	Target values and years	Sources of data	Assumptions
Impact	To contribute to Bosnia and Herzegovina's overall progress complying with the requirements for European Union accession.	Progress made towards meeting accession criteria	<ul style="list-style-type: none"> - 3 chapters/ areas at Early stage/Some level of preparation - 10 chapters/ areas at Some level of preparation - 1 chapters/ areas at Some level of preparation / Moderately prepared - 2 chapters/ areas Moderately prepared 	<ul style="list-style-type: none"> - at least 8 chapters/areas at Early stage/Some level of preparation - at least 14 chapters/areas at Some level of preparation - at least 3 chapters/areas at Some level of preparation / Moderately prepared - at least 4 chapters/areas Moderately prepared 	Commission Reports on Bosnia and Herzegovina	<i>Not applicable</i>
Outcome	Specific and/or unforeseeable needs identified and addressed in the course of European integration process of BiH, including those for the implementation of Economic Reform Programme.	<ul style="list-style-type: none"> - Frequency of requests received by the EUD for EUIF assistance from BiH authorities to address specific EU integration requirements -Level of descriptive grade in ERP Assessment by EC 	<ul style="list-style-type: none"> -Up to 5 requests received by the EUD for EUIF assistance from authorities in BiH annually; -Limited implementation of policy guidance jointly adopted by BiH and EC in the 	<ul style="list-style-type: none"> -At least 15 requests received by the EUD for EUIF assistance from authorities in BiH annually; -Increased implementation of policy guidance jointly adopted by BiH and EC in the 	<ul style="list-style-type: none"> -Commission Reports on Bosnia and Herzegovina - IPA Monitoring Committee meetings' conclusions -The European Commission's Overview & ERP Country Assessments 	<ul style="list-style-type: none"> Political support to institutions in Bosnia and Herzegovina to participate in the EU integration processes No significant global recession

			Economic and Financial Dialogue	Economic and Financial Dialogue		
Output 1 related to Outcome	The governmental authorities at all levels in BiH were enabled to provide more effective and timely responses to emerged EU integration priorities	- Number of outputs, such as Terms of Reference, technical specifications, studies and other documents	0	8	Project monitoring /implementation reports; IPA Monitoring Committee meetings' conclusions; Monitoring reports within the DEI; Submitted and approved programming documents/Action documents; Tender documentation; Action reports; EC Annual Country Reports; The EC's Overview & ERP Country Assessments	Identification of priority areas for assistance in a timely manner; Good cooperation with all relevant stakeholders established and maintained during Action implementation; Adequate technical, financial and human resources allocated by the beneficiaries to the implementation of the activities. Smooth inter-ministerial communication and coordination in the area of socio-economic reforms
		- % of tender procedures launched and finalised	70% of the tender procedures launched and finalised against the anticipated tendering plan	85% of the tender procedures launched and finalised against the anticipated tendering plan		
		- % of IPA funds contracted	70% of IPA funds contracted against the anticipated contracting plan	85% of IPA funds contracted against the anticipated contracting plan		
		- % of IPA funds disbursed	60% of IPA funds disbursed against the anticipated	70% of IPA funds disbursed against the anticipated disbursement plan		
Output 2 Related to Outcome	Countrywide socio-economic measures supported through Socio-economic Reform Facility	Number of outputs/interventions relevant for socio economic measures ensured through Socio-economic Reform Facility	0	At least 6		

11. IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is foreseen to conclude a financing agreement with Bosnia and Herzegovina.

4.2 Indicative Implementation Period

The indicative implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the Financing Agreement. Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Methods of implementation applicable for Project modality

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁹.

4.3.1 Direct management (Procurement)

The activities related to **the Output 1**: The governmental authorities at all levels in BiH are enabled to provide more effective and timely responses to emerged EU integration priorities, will be delivered by procurement through the implementation of several services, supplies and work contracts **under direct management** of the Delegation of EU in BiH, taking into account the specificity of EU Integration Facility to provide multisector aid and specific response (unforeseeable activities).

4.3.2 Indirect management with a Member State Organisation and/ or international organisation

The activities related to the **Output 1** may be **partially** implemented in indirect management with an entity entrusted that has been pillar-assessed or is currently undergoing an ex-ante assessment including the complementary pillar assessment.

An entrusted entity will be selected by the Commission's services using the following criteria:

- financial and operational capacity of the applicant; and
- technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects;
- extensive experience in managing large and complex programmes or projects related to the results,
- extensive experience in the implementation of similar projects,
- expertise in the field of EU negotiations and documented capacity to mobilise relevant networks in the EU Member States, BiH and the region, etc.

¹⁹ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same selection criteria given above. If the entity is replaced the decision to replace it needs to be justified.

The activities related to **the Output 2: Countrywide socio-economic measures supported through Socio-economic Reform Facility**, will be implemented under **indirect management** with an entrusted entity.

An entrusted entity will be selected by the Commission's services using the following criteria:

- financial and operational capacity of the applicant; and
- technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects;
- extensive experience in managing large and complex programmes or projects related to the results,
- extensive experience in the implementation of similar projects,
- expertise in the field of EU negotiations and documented capacity to mobilise relevant networks in the EU Member States, BiH and the region, etc.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same selection criteria given above. If the entity is replaced the decision to replace it needs to be justified.

4.3.3 Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances (one alternative second option)

Implementation under indirect management may partially be used as an alternative modality for the Action's **Output 1** in case that emergency circumstances outside of the Commission's control arise and the preferred procurement modality cannot be implemented.

Part of the Output 1 implemented in Indirect management, if negotiations with the entity entrusted fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.3.3.

As well if the preferred implementation modality under indirect management (**Output 2**) cannot be implemented due to circumstances outside of the Commission's control, then direct management may be used as alternative modality: technical assistance/service contract.

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) of the NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution, in currency identified
Methods of implementation – cf. section 4.3		
Outcome: Specific and/or unforeseeable needs identified and addressed in the course of European integration process of BiH, including those for the implementation of Economic Reform Programme* composed of	4 000 000	N.A.
Procurement (direct management) – cf. section 4.3.1	N.A.	
Output 1 Direct management (procurement) – cf section 4.3.1 – total envelope	2 000 000	N.A
Output 2 Indirect management with an entrusted entity, cf section 4.3.2	2 000 000	N.A.
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another decision	N.A.
Communication and visibility	will be covered by another decision	N.A.
Contingencies	0	N.A.
Total	4 000 000	

- Due to the nature of the EU Integration Facility it is not possible to specify/make an estimation of the number of each type of procurement (works, supplies, services) and other implementation modalities, nor of their nature.

4.6 Organisational Set-up and Responsibilities

The main institutional stakeholders that will be involved in the implementation of the Action, Outcome 1 are:

- Directorate for European Integration - DEI
- Line ministries of the Council of Ministers of Bosnia and Herzegovina
- Republika Srpska Ministry for European Integration and International Cooperation
- Line ministries of Republika Srpska Government
- Brčko District Department for European Integration and International Cooperation
- Brčko District government line departments
- EU Integration Office of the Government of the Federation of Bosnia and Herzegovina and cantonal Coordinators and bodies for European Integration
- Federation of Bosnia and Herzegovina's and cantonal line ministries,

as well as direct beneficiary institutions that benefit from the activities financed from the Outcome 1 of the Action.

NIPAC will communicate the requests for EUIF assistance to the EU Delegation to Bosnia and Herzegovina in order to be considered and finally approved, as the management of EU funds operates in a direct management mode in Bosnia and Herzegovina.

In the majority of the contracts a steering committee is expected to be established whose members will be the Beneficiary/ies representatives from all concerned levels of government and EU Delegation staff members.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission will participate in the above governance structures set up for governing the implementation of the action.

The main institutional stakeholders that will be involved in the implementation of Output 2 related to the socio-economic governance are: DEP, the entity ERP coordinators from the Federal Institute for Development Planning (FIDP), the Ministry of Finance of Republika Srpska (RS) as well as all other direct beneficiary institutions that benefit from the activities financed under the Output 2 of the Action.

11.7. Pre-conditions

N/A

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

The performance and result monitoring arrangements will be finalised as per the IPA III Implementing Regulation and once the Framework Agreement between Bosnia and Herzegovina and the European Commission on the arrangements for implementation of Union financial assistance to Bosnia and Herzegovina under the Instrument for Pre-Accession Assistance (IPA III) is signed. This action will be regularly monitored by EU Delegation in Bosnia and Herzegovina. Internal monitoring will be implemented through the Steering Committee's meetings, regular EU Delegation Implementation reviews, on-the-spot checks, meetings with beneficiaries and consultant companies/contractors. Additionally, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement. External monitoring will be implemented through Result-oriented Monitoring (ROM). This will provide, as necessary and required, an independent assessment of the on-going or ex-post performance of the Action.

5.2 Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or areas of support via independent consultants contracted by the Commission or via an implementing partner.

A final evaluation will be carried out for accountability and learning purposes, including for policy revision.

The Commission shall inform the implementing partner at least 3 months in advance of the dates envisaged for the evaluation missions. The European Commission shall form a Reference Group composed by representatives from the main stakeholders at both EU and national levels (representatives from the government, from civil society organisations, etc.). If deemed necessary, other donors will be invited to join. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. Evaluation services will be contracted under another decision.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination²⁰. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements. It is foreseen that audit services may be financed under another decision.

6 COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Action are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by entrusted entities and contractors. Appropriate contractual obligations shall be included, respectively, in financing agreements, and procurement contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU

²⁰ See best [practice of evaluation dissemination](#)

Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

7 SUSTAINABILITY

The sustainability of results of this Action will be achieved through the increased effectiveness of authorities at all levels of administration to better cope with the EU integration process, by pursuing the necessary reforms, transposing and implementing EU acquis as well as to effectively programme and implement the IPA funds that would prepare the country to join the EU.

In addition, the high level of continuous commitment of authorities in Bosnia and Herzegovina to pursue EU integration processes is of the paramount importance to sustain the results of IPA assistance in view of Bosnia and Herzegovina joining the EU.

Elaboration of strategic documents or new legislation/amendments shall be carried out respecting the legislation in BiH, especially that which regulates fiscal/regulatory impact assessments, public consultations, inter-ministerial coordination. As a rule, projects should start by providing support to the beneficiaries with options analysis, regulatory impact assessment, concept papers etc. prior to supporting them with drafting legislation/amendments.

Any written procedural manuals or guidelines developed with the support of this Action shall be simple enough to be regularly updated and changed by the staff of the respective organisations without additional external support. Any guidelines or procedures developed shall not contradict with any legal provision of the country.

ICT development shall respect the standards for interoperability in BiH. In cases when such standards are missing, relevant consultations with the competent institutions for ICT at all levels of authority should be a prerequisite to launch any tender.