

**Annual session 2001
11-22 June 2001, New York
Item 7 of the provisional agenda
Reports on field visits**

**MISSION REPORT
UNDP/UNFPA EXECUTIVE BOARD
Field visit to Bosnia and Herzegovina
(6-12 April 2001)**

Introduction

1. The UNDP/UNFPA Executive Board team that visited Bosnia and Herzegovina was composed of 12 members representing the following countries: Belarus, Ecuador, Ethiopia, Finland, Gabon, Germany, Greece, Honduras¹, Philippines, Switzerland², Viet Nam³ and Ukraine. The mission was accompanied by Ms. Soheyla Chahkar-Farhang, Secretary, UNDP/UNFPA Executive Board. The present report contains the findings, conclusions and recommendations of the team's visit to Bosnia and Herzegovina.
2. The team combined visits to project and activity sites of UNDP and UNFPA and United Nations Volunteers (UNV), discussions with UNDP, UNFPA and UNV staff members and meetings with the Government, local government representatives and almost all relevant actors of the international development community in Bosnia and Herzegovina. Two days were spent outside Sarajevo, which allowed the team not only to visit projects outside the capital but also to meet with representatives of local government and non-governmental organizations (NGOs). The mission provided valuable insights into the role and work of UNDP, UNV and UNFPA in Bosnia and Herzegovina. The team would like to express its sincere appreciation to UNDP, UNV and UNFPA for the excellent preparation of the visits and would also like to thank the Government of Bosnia and Herzegovina for the warm welcome and hospitality.

I. Country context

A. Political and socio-economic context

3. Six years after the 1995 Dayton Peace Accords (DPA), Bosnia and Herzegovina remains a country in special circumstances, grappling with the post-war rehabilitation, national reconciliation, the transition from a state run economy to a market economy and the establishing of a new nation state. The power of the Government is still relatively limited; the country is divided into two entities – the Federation of Bosnia-Herzegovina and the Serb Republic – that have judicial and administrative autonomy and control of their own sector and development policy. The socio-economic situation in Bosnia and Herzegovina remains very difficult. Gross domestic product (GDP) per capita at purchasing power parities (PPP) was around \$1,000 in 1999. There are still about 500,000 internally displaced persons and 300,000 refugees. The

¹ Ms Noemi Espinoza-Madrid, Deputy Permanent Representative, Permanent Mission of Honduras to the United Nations, was selected Group Coordinator.

² Mr. Urs Zollinger, Programme Officer, Swiss Agency for Development and Cooperation, Federal Department of Foreign Affairs, Switzerland, was selected rapporteur.

³ Mr. Le Hoai Trung, Minister Counsellor, Deputy Permanent Representative, Permanent Mission of Viet Nam to the United Nations, was selected rapporteur.

unemployment rate is estimated at around 40 to 50 per cent. The country is littered with approximately one million mines. A major consequence of the difficult political and socio-economic situation is that 62 per cent of young people would leave the country if they could, according to the national human development report (NHDR) 2000.

B. International community

4. Since 1995 the international community has provided massive support to maintain peace and resettle refugees and internally displaced persons. The \$5.1 billion Priority Reconstruction Programme for 1996 to 1999 targeted war-damaged housing, public utilities and infrastructure. United Nations system cooperation must be set within the specific and unusual context of Bosnia and Herzegovina since 1995. The DPA created a strong quasi-governmental external organization with the Office of the High Representative (OHR), backed by Stabilization Force peace-keeping troops, to oversee its implementation and to ensure the compliance of national governments. The United Nations Mission in Bosnia and Herzegovina (UNMIBH), whose main task is peace-consolidation through its work with the United Nations International Police Task Force (IPTF), is also present. The DPA mandated the Organization for Security and Cooperation in Europe (OSCE) to oversee elections and electoral law. Among the United Nations organizations in the country, the Office of the United Nations High Commissioner for Refugees (UNHCR) plays a major role. The Secretary-General requested UNHCR to be the lead humanitarian agency in Bosnia and Herzegovina. The World Bank, International Monetary Fund (IMF), the European Union and members of the Peace Implementation Council (PIC) are other important players.

C. Challenges for UNDPA and UNFPA

5. Given the strong role of OHR and the presence of many other international actors; the limited power of the Government (traditionally the main counterpart of UNDP/UNFPA); and the limited available resources, UNDP and UNFPA play a relatively modest role in the country. They are, in fact, faced with the challenge of not being marginalized and of finding a way in which UNDP and UNFPA can have greater leverage. The time may be right. Bosnia and Herzegovina has reached a stage in which it is moving from peace-keeping, humanitarian assistance and reconstruction efforts setting out a long-term development agenda, including capacity-building at all levels of society. This opens new opportunities for UNDP and UNFPA.

II. Main questions asked during the field visit

A. Do the UNDP CCF and the UNFPA priorities meet the overall needs of the country and are the ongoing programmes and projects in line with the UNDP CCF and the UNFPA priorities?

6. Owing to the particular situation in Bosnia and Herzegovina, the needs of the country are manifold. The Executive Board approved the second country cooperation framework (CCF) at its first regular session 2001. It was prepared based on an assessment of the implementation of the first CCF for 1997 to 2000, through consultations with other international partners, especially within the framework of the common country study (CCS), and with national counterparts. Neither a United Nations Development Assistance Framework (UNDAF) nor a common country assessment (CAA) has been prepared. The country office is managing its activities based on the strategic results framework (SRF), which is well done. Intended outcomes, including indicators and the respective baseline data, are well defined. The contribution of each partner is also given great attention. At the time of the team's visit, the CCS was not yet available. UNFPA does not have a regular programme for Bosnia and Herzegovina, but only two projects to target some specific needs of the country. The CCF and UNFPA selected priorities are tuned to the country's needs. UNDP ongoing projects, in line with the CCF, have exerted a visible impact, both immediate and potentially long term, on the country's development and have helped to promote a positive image of the United Nations.

B. Is the mode of execution suitable to the situation in the country?

7. Direct execution of UNDP projects is quite appropriate for Bosnia and Herzegovina as a post-conflict country, since adequate full-fledged national counterparts are difficult to find. Direct execution also gives the Resident Representative and the country team the needed flexibility to initiate actions more readily. It provides them with a greater opportunity to get first-hand information and understanding to make timely adjustments in their operations given the volatile, ever-changing situation. Also noted was the clearly stated wish by the country office to move to the national execution modality as the situation allows it.

C. How is the situation related to United Nations coordination and the partnership with other actors?

8. The major United Nations organizations in Bosnia and Herzegovina are the World Bank, IMF and UNHCR. The team found that these organizations have no particular need for UNDP coordinations in their fields of activity. The Special Representative of the Secretary-General and Coordinator of United Nations Operations in Bosnia and Herzegovina, has the overall coordinating role of the United Nations in Bosnia and Herzegovina. The Resident Coordinator, therefore, seems to have only a limited role. UNDP, however, is trying to strengthen the United Nations Country Team and to improve its coordination. To do so, a meeting was organized with representatives from the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the International Organization for Migration (IOM), UNDP, UNFPA, UNHCR, the United Nations Children's Fund (UNICEF), UNV, the World Health Organization (WHO) and the World Bank. The United Nations Country Team recently finished the CCS (in the absence of prerequisites for a CCA), which was praised by many for providing common baseline data for programming in a wide variety of sectors.

9. United Nations interventions aside, aid coordination is a major challenge for the Government and international actors because of: (a) the large number of international agencies and NGOs; (b) weak aid coordination capacities of the Government; and (c) the focus on political and humanitarian issues. Attention, however, is gradually turning to the country's long-term development needs. The team, seeing in this shift a movement in favour of the comparative advantage of UNDP, strongly supports the proposed programme to help the Government in the management and coordination of development resources. The team had the impression that the focus of UNMIBH on security issues leaves room for UNDP to play a stronger coordinating role than maybe perceived by the country office. It, therefore, encourages the Resident Coordinator to continue promoting the coordination experience of UNDP and to offer again its coordination services on development issues to OHR and UNMIBH.

D. What is the situation with regard to the financial resources of UNDP and UNFPA?

10. The second CCF has been designed based on the mobilization of significant non-core resources to sustain UNDP involvement in two main priority areas: human security strategies and sustainable development interventions. The CCF sets a resource framework objective of \$2,245,000 of core resources and \$23,924,000 of non-core resources, totaling \$26,169,000. Available UNDP core resources are small not only in absolute terms but even more so in relative terms, compared to the flow of external aid to Bosnia and Herzegovina over that last few years. The team agreed that the need to mobilize non-core resources is a prerequisite for running the UNDP programme in Bosnia and Herzegovina (which was quite successful for the first CCF). It also realized that fund-raising is time consuming and that UNDP, especially the Resident Representative, needs to find a balance between fund-raising and other UNDP core activities.

11. UNFPA has been providing support to Bosnia and Herzegovina on a project by project basis in the area of reproductive health. Total project expenditures from 1995 to 2000 amounted to \$1.3 million only, leaving UNFPA with a very small annual amount.

E. The contribution of UNDP in selected areas

Poverty reduction

12. In the area of poverty reduction, UNDP utilizes its comparative advantages, namely, sustainability, flexibility and universality, and attempts to work from a broader vision of human development as defined by the United Nations. For example, by participating in integrated resettlement projects, UNDP not only provides people with homes, but also takes a crucial first step towards: (a) poverty reduction through increased income security for rural families (e.g., increased levels of production); and (b) strengthening multi-ethnic communities and local governments. In some cases, micro-grants are disbursed to displaced and refugee returnees or other socially vulnerable people. Another relevant project aims to reform the municipal social welfare policy and structures. The role and added value of UNDP involvement – financed mainly by a bilateral donor and executed by a national NGO – was somewhat unclear to the team, which was told that the project has provided experience that UNDP is now feeding into upstream policy and strategy considerations for the social sector.

Democratic governance

13. In the area of governance, UNDP has been working more at the grass-root level of the society, facilitating efforts towards post-war reconciliation. If implemented successfully, the Local Action Programme for Brcko, which aims to ensure the participation of all three ethnic groups living in the area and their interaction with the local government at all levels, can become a model for UNDP support for democratic participation and governance. Given the extremely complex political situation in Bosnia and Herzegovina, UNDP is subject to tremendous constraints in its capacity-building contribution to the Government and the governance institutions of the two entities: the Federation of Bosnia and Herzegovina and the Serb Republic. The draft economic development strategy framework that is going to be adopted soon by the national parliament, however, will provide new opportunities for UNDP to work in the fields of human development and governance.

Advocacy role with regard to sustainable human development

14. The team discerned that the two NHDRs produced by UNDP in 1998 and 2000 were significant achievements that have influenced the national policy debate. While the first report provided an overall overview of the human development situation in the country, the second report focused specifically on youth. The team heard from a variety of sources that both NHDRs were relevant and timely. It seems that the NHDR on youth also provides the common ground for joint activities with other United Nations organizations and bilateral donors.

15. Another initiative is the early warning system (EWS), which is highly appreciated by many other United Nations organizations. The pragmatic approach and innovative methodology used impressed the team. UNDP appears to have a comparative advantage in this field. The team fully supports the intention of the country office to make this type of intervention – the NHDR and the EWS – the “roof” of the new CCF in order to contribute to the national development agenda.

Post-conflict issues

16. In its post-conflict activities, UNDP has been engaged in efforts to set up the EWS in order to strengthen the capacity to understand the actual situation. Proceeding from its perception of the situation, UNDP contributes to the process of peace-building by trying to construct an enabling environment through, inter alia, projects on ethnic reconciliation, reintegration of internally displaced persons, community building, de-mining, establishment of the rule of law and economic and social development benefiting the

population as a whole. In the area of de-mining, UNDP is mainly building national capacities and awareness. Mines being one of the major challenges, UNDP efforts in this area seem appropriate.

17. The experience in Bosnia and Herzegovina suggest that, for UNDP to be effective in crisis/post-conflict situations the following elements need to be ensured: (a) development as the overall framework/goal; (b) flexibility; (c) adequate resources; (d) an overall strategy to ensure that programmes among all players work to complement each other.

F. What is the contribution of UNFPA?

18. Based on its visits to UNFPA projects, the team found them to benefit from the active involvement of the targeted beneficiaries. UNFPA youth outreach projects seem very relevant, with a high potential of interested youths and issues related to the young in the area of reproductive health. Successes in the field are somewhat limited in scope, but not in substance, by a lack of funds and resources. Besides direct intervention, UNFPA has also taken an active part in the formulation of the national plan on reproductive health. Ongoing or planned UNFPA projects do serve the focus of reproductive health, which also has advocacy elements. UNFPA is conscious of the need to coordinate its activities with other partners in Bosnia and Herzegovina and has been successful in its efforts to do so. A cost-sharing project with the International Organization for Migration (IOM), for example, has helped to deal with problems facing migrants and refugees.

III. Overall conclusions and recommendations

19. SHD is not only hampered by material/physical shortfalls, but also by widespread psychological setbacks in the population as a consequence of war and displacement, which translates into pessimism, disillusionment and passiveness. There seems to be a prevailing perception that the DPA has led to complicated and heavy-handed political/administrative structures, which impede rather than facilitate a common approach to development questions and/or the implementation of possible solutions.

20. Despite the existing constraints – the late arrival of UNDP and UNFPA in Bosnia and Herzegovina, the large international community, the weak national Government, and the limited resources available to UNDP and UNFPA – the team's overall impression of the performance of UNDP, UNV and UNFPA in the country is very positive. The Resident Representative and his team have successfully identified a number of areas in which UNDP is building up its profile: (a) area-based development; (b) capacity-building in de-mining; (c) capacity-building in aid coordination; and, (d) advocacy for sustainable human development. The team felt that there might be a need to focus further on these areas. The perception of UNDP by other international actors in the country indicates that the organization's profile in the country is not yet sharp enough. Focusing on a limited number of areas may increase the visibility of UNDP and may ultimately strengthen its role in the country. The mission takes note of the country office plan to strengthen upstream activities within a strategy described as the "two-story house" approach: the first floor being for activities on the ground and the second floor being for activities in policy dialogue, capacity-building and aid coordination.

21. UNDP and UNFPA cannot operate outside the overall political context, as development issues cannot be effectively tackled in an indifferent or even adverse political environment. UNDP is only one among a large number of development organisations in Bosnia and Herzegovina. The political situation hopefully will allow UNDP to work more with upstream activities. The current transition from humanitarian assistance to development is a movement in favour of UNDP and UNFPA comparative advantages, which will be very much in demand. It is fortunate that both organizations have been working in Bosnia and Herzegovina for some years, during which they have gained good understanding of the country's special development situation.

