

DONOR COORDINATION FORUM (DCF)
MINUTES OF MEETING, APRIL 14TH, 2016

Participants

Dr Ayman Abulaban, Representative of UNICEF for BiH, Ms Dusanka Basta, BiH MoFT/SCIA

(Meeting Chairs)

Donor/IFIs representatives:

Ms Anna Riatti, UNICEF
Ms Danijela Alijagic Dolovac, UNICEF
Mr James Herne, USAID FARMA II
Ms Meriha Manojlovic, USAID FARMA II
Mr Thomas Rojas, USAID FARMA II
Ms Amira Ramhorst, USAID FARMA II
Ms Lada Busevac, IFC
Ms Normela Hodzic Zijadic, EUD
Ms Renata Abduzaimovic, EUD
Mr Olaf Deussen, EUD
Ms Mirna Bresan, OSCE
Ms Sladana Curak, OSCE
Ms Fotini Antonopoulou, EUD
Mr Aris Seferovic, UNDP
Mr Halil Omanovic, IFAD PCU
Mr Mohamed Abdelgadir, IFAD
Mr Matthiass- Schmidt Rosen, KfW
Ms Helke Walde, KfW
Mr Mario Vignjevic, Embassy of Sweden/SIDA
Ms Marie Bergstrom, Embassy of Sweden/SIDA
Mr Steve Majors, USAID
Ms Ela Challenger, USAID
Ms Catherine Palpant, Embassy of France
Mr Dejan Buha, Embassy of UK
Mr Peter Thomas, Embassy of UK
Ms Olga Zdralkova, Embassy of the Czech Republic
Mr Marco Zecchinato, Embassy of Italy
Ms Alenka Hudek, Embassy of Croatia
Mr Wolfgang Thill, Embassy of Austria
Ms Maja Zaric, Embassy of Switzerland
Mr Ian Brown, EBRD
Ms Jasmina Hadzic, WB
Ms Dragana Varezic, WB
Ms Marina Palomo, Embassy of Spain
Mr Satoru Kusayama, Embassy of Japan
Ms Vesna Jakovljević, Embassy of Japan
Ms Leila Fetahagic, Embassy of the Kingdom of Netherlands
Mr Alen Gagula, UNODC

Government representatives:

Ms Edina Topcagic, BiH MoFT/SCIA
Mr Zoran Danilovic, BiH MoFT/SCIA
Mr Igor Blagojevic, BiH MoFT/SCIA
Ms Bruna Kjuder, BiH MoFT/SCIA
Ms Normela Dafic, MoFT
Mr Toni Santic, BiH MoJ
Ms Iva Zovko Karacic, BiH MoJ
Mr Zoran Zeljko, DEP
Mr Zdenko Milinovic, DEP
Ms Sanja Alatovic, BiH BD
Ms Suada Hadzic, MoFTER
Ms Aneta Raic, PARCO

Meeting Agenda

- Welcome and opening remarks
- Presentation prepared by UNICEF - Situation of Rights of Children and UNICEF Programme in Bosnia and Herzegovina
- Presentation prepared by the USAID - Fostering Agricultural Markets Activity Project FARMA II
- *Tour de table* – general news from all participants of recent developments and activities including Floods update
- Closing remarks

AD1: Welcome and opening remarks

Ms Basta, MoFT, on behalf of the Ministry welcomed all attendees to the DCF meeting and afterwards gave the floor to Dr Abulaban, Representative of UNICEF for Bosnia and Herzegovina.

AD2: Presentation by UNICEF – Situation of Rights of Children and UNICEF Programme in Bosnia and Herzegovina

Dr Abulaban, UNICEF, welcomed the meeting participants expressing satisfaction with large attendance and then highlighted essential issues related to situation of children rights in BiH, with special focus on equity. According to Constitution, Convention on the rights of the child and common understanding, all children regardless of their background, ethnicity, socio-economic status, should have equal rights in terms of education, development, protection, survival and health, and all other aspects of their rights. However, the equity can be disturbed due to certain factors within the country, as shown from the examples in the presentation. Focus on equity together with UNICEF's approach can be used as guidance for addressing issues of children's rights, in defining priorities in terms of planning, which should eventually alleviate improvements in this area. In order to support the children in BiH, consideration of equity gaps and their reduction should be the objective of any development program or assistance. By presenting indicators related to equity issues such as *Right to social protection* (poverty, social inclusion and protection), he pointed out that each 6th household in BiH lives in poverty, where the children are most vulnerable to poverty.

However, social benefits given to children greatly vary in different areas in BiH, depending on their development level, which is an equity gap that needs to be addressed. Also, other indicators show the downward trend, indicating that children under 5 are mostly deprived in nutrition, child development and information, while significant number of children in age group 5-15 is mainly deprived in information, leisure and housing. *Child's right to comprehensive wellbeing* indicates huge gap in nutritional status of Roma children if compared to other children in BiH, while the number of children aged 18-29 months covered by immunization is not adequate where only 4% of Roma children are immunized. Also, child's right to early learning (early childhood education and inclusive pre-school education) and right to education (primary and secondary school), indicate huge attendance gap between Roma and other children.

Dr Abulaban further elaborated *UNICEF equity focus* and *UNICEF Program four priority areas 2015 – 2019*: Social protection; Health, nutrition, early childhood development; Education and Child protection, in which UNICEF implements specific activities in cooperation with the government counterparts and civil society. Finally, he extended thanks to all UNICEF donor partners that previously provided financial support and enable realization of activities related to child's rights in Bosnia and Herzegovina.

The main points of the UNICEF presentation:

- General information and demography
- Right to social protection: poverty, social inclusion and protection
- Geographic disparities in BiH- geographic equity gaps among children
- Child's right to comprehensive wellbeing: nutritional status of children; immunization coverage of children 18-29 months
- Child's right to early learning: Early childhood education; Inclusive Pre-school Education; net primary school completion rate; Secondary school net attendance ratio;
- Child's right to family life: Children without parental care
- Child's right to health and childhood
- Child's right to life free of violence: child discipline; attitudes towards domestic violence
- Children at risk of being in contact with the Law
- UNICEF's Equity focus
- UNICEF 2015 – 2019 Priority areas
- UNICEF Donor partners for improving child rights in BiH

For more details, please see the attached information.

• AD3: Presentation prepared by the USAID – Fostering Agricultural Markets Activity Project FARMA II

Mr Herne, USAID, presented the new Fostering Agricultural Markets Activity Project (FARMA II), co-financed by the USAID and Government of Sweden with total budget of USD 16,30 m as well as with additional Small grant fund of USD 3,50 m, to be implemented countrywide in the next 5 year period. FARMA II Project is follow up to the original FARMA project, however with special emphasis on policy reform and regulatory changes, which will focus on selected 6 sectors: Dairy, Poultry, Fruit, Vegetables, Medicinal and aromatic products and Honey. Project will provide support to more than 60% of producer organizations in the mentioned sectors, with the aim to increase their annual sales by 65%, and their export sales by 90%, over the 5 year period. Also, the project target is to create 2 100 new jobs within mentioned sectors, along with the mandate to have 40% of women as beneficiaries. The project will also assist authorities at all levels BiH to prepare new laws and regulations and to improve regulatory environment for agricultural and agribusiness. FARMA II consists of 3 components: Strengthening agricultural producers' organizations, Strengthening public sector regulations and Cross-cutting principles operation. The Small grant program is planned to be launched in May and will be focused on smaller farmers and producer organizations, with particular emphasis to enhance the

role of women in agriculture and food processing, and to assist farmers mitigate the impact of climate change and to improve their environmental performance in their activities.

Mr Herne concluded that FARMA II is focused on empowering BiH farmers, businesses, women and youth in BiH, as well as joint building of competitive agribusiness sector in BiH to be ready to meet the challenges of EU accession.

The main highlights of the USAID presentation:

- Budget of FARMA II Project: USD 16,30 m (equally funded by USAID and Sweden) & Small grant fund: USD 3,50 m
- FARMA II Project purpose, Vision for the Project, Selected sectors, Project structure, Project assistance activities, Geographic focus, Performance indicators

For more details, please see the attached presentation.

Ms Basta thanked for comprehensive presentations and opened the floor for discussion.

Mr Satoru, Japan, informed that JICA is also implementing technical assistance project in agriculture in 3 cities (Rogatica, Srebrenica and Bratunac) in order to increase the output of agriculture products, including honey, raspberry and poultry, in that way improving the local economy, noting that there is a possibility to create some synergy between this and FARMA II project.

Mr Herne confirmed some common objectives and they should meet and discuss the areas of poultry and honey production, as their areas of interest.

Mr Abdelgadir, IFAD, country programme manager for IFAD in BiH, commented Cross-cutting issues, i.e. how to ensure the inclusive targeting and financing of the value chains, noting that the situation in BiH is not favorable for the farmers. The entire environment policy is not conducive for rural financing in BiH, the banks in the country are not supporting small producers, while the microfunding institutions are not attractive for many, which presents one of the bottle necks in this sector.

Mr Herne mentioned that FARMA II is in the process of preparing the gender analysis which should eventually provide a better picture of the women position in the agriculture, and which will lay out some steps for future program activities, emphasizing that the gender issues information need to be exchanged with IFAD. FARMA II will also engage a finance specialist to deal with issues related to access to finance as a constraint to growth, and share information with IFAD, intending to collaborate on financing approach with them.

Ms Basta then invited participants to take part at the *Tour de table*.

AD4: Tour de table including Floods update

Ms Topcagic, MFIT/SCIA, thanked to all DCF members for updating their projects in the DMD database, thus enabling the preparation of the Donor Mapping Report for 2015 (DMR 2015) according to the planned time table. In addition, standardized questionnaires have been distributed to competent national institutions and DCF members in March 2016. Consequently, Ms. Topcagic expressed gratitude to the participants who have already responded and submitted information, and kindly reminded those who have not yet responded to the questionnaire to do so soon, so that DMR team could start the analysis of data (analytical and synthetic). Since the quality and the accuracy of the DMR report depends on the comprehensiveness of the responses from donors and domestic institutions, the Ministry counts on the cooperation and support of all involved stakeholders. The DMR report will include an analysis of total ODA assistance, the status of ten development sectors (defined in the IPA II document 2014-2020) as well as ongoing reform processes in BiH in 2015.

In regard to the Floods 2014 - Financial overview, the requests were distributed for updating of data on allocated and disbursed donor funds, inclusive with 31 March 2016, for preparation of the new Financial overview Floods 2014 report by the end of April 2016, and publishing it at the official DCF and Ministry websites.

Ms Hodzic Zijadic, EUD, gave a short overview of the floods recovery assistance. EUD has already provided updated figures for disbursements of contracts that were established with UNDP, whereby the amount of 42,70 m almost entirely disbursed. There are still additional funds that have been added to the flood recovery and prevention beyond the Donors conference from July 2014. Ms Hodzic Zijadic then introduced her colleague Renata Abduzaimovic, member of EUD working group in charge of implementation of these additional funds and realization of Action plan adopted by BiH in respect to efforts for the flood recovery and prevention in the future period.

Ms Abduzaimovic, EUD, (responsible for environment sector) gave a brief update on *Special measures in support to the flood recovery and flood risk management*, with resources provided from IPA II programme in total amount of EUR 41,00 m, with the aim of restoring normal living conditions in local communities in BiH. The Programme was implemented by the UNDP in cooperation with UNICEF and IOM. The second package, focused on flood protection and recovery issues, includes support to local development and employment, has the overall budget of EUR 19,00 m, out of which EUR 9,00 m are covered from the special measure package and EUR 10,00 m out of IPA 2014 National programme. These measures were recently launched through 3 projects, and will be implemented by the UNDP, GIZ and ILO, until December 31, 2018. In addition, Special measures also support the priority activities from the Action plan for flood protection and river management, developed by the Working group led by MoFTER together with relevant institutions responsible for the water Sector, adopted by the BiH CoM in January 2015. The priority activities from the Action plan will be implemented under *National programme* (EUR 15,00 m) and *Regional programme* (EUR 10,00 m). National programme includes support to improvement of hydrological forecasting system (phase one, Bosna river) and reconstruction of priority river infrastructure on critical locations on Sava, Bosna and Janja rivers, while the Regional programme focuses on embankments reconstruction at different sections on Sava and Drina rivers, with regional impact (BiH and Serbia).

Mr Thill, Austria, reminded that in terms of flood activities, various Austrian institutions, organizations, regional governments and private development institutions were quite active. Currently, other development activities are ongoing in BiH, particularly those focused on the Agenda. Austria also continues to implement economic partnerships, support civil society initiatives (social entrepreneurship of women) as well as implements regional development programmes in several West Balkans countries.

Ms Hudek, Croatia, briefly informed on floods assistance. Total value of assistance immediately after the floods (emergency and humanitarian assistance) amounted to EUR 1,38 m, which includes financial contribution from the government, voluntary contributions from citizens, in kind assistance, helicopter hours, rescue teams, equipment, pumps, etc. Following the Donors Conference in Brussels, Croatia disbursed around EUR 600,06 for flood affected municipalities and one school, while in addition, Croatian MoFA supported regional ongoing anti-mine action project (in Croatia, BiH and Serbia) worth EUR 300,94, with the EUR 260,00 disbursed to BiH by 2015. Croatia will continue regular development assistance to BiH. Around EUR 3,00 m will be disbursed in 2016, aimed to assisting Croats in BiH, through projects in education and science, health care, culture and infrastructure. In addition, in 2016/2017 academic year, Croatia will award individual scholarships to 350 students in BiH in the amount of EUR 900.

Mr Kusayama, Japan, informed that Government of Japan already provided EUR 5,00 m at the Donors Conference, more that twofold than initially pledged. The assistance is focused to 3 sectors: demining, healthcare and education. Post flood assistance is implemented in several schemes, for example in Non grant project aid which provided specialized vehicles and medical equipment to a number of municipalities. In cooperation with UNDP and IOM, Japan is implementing flood assistance. Japan and UNDP conduct construction works (landslides) in 9 municipalities, whereby Japan also provided data base for risk management to those municipalities. With IOM, Japan rehabilitated the facilities for children with disabilities in 5 municipalities in the northern area.

Mr Kusayama then conveyed suggestions from the Japanese ambassador, proposing to invite more donors to DCF membership, such as China and Arab countries, in order to initiate broader discussion between donors and the Ministry/BiH Government. Another suggestion is that it would be desirable to provide the feedback to the donors in which sectors the assistance is sufficient and in which ODA resources should be increased, according to the findings from the completed DMR 2015.

Ms Basta, thanked on constructive suggestions and confirmed that the same will be considered.

Mr Santic, BiH MoJ, shared information on recent activities in the Justice sector. Justice Sector Reform Strategy 2014-2018 was adopted by the BiH CoM in in September 2015. Upon the order of the BiH CoM, Ministry of Justice developed an Action Plan of the Strategy. In March 2016, the Ministry organized the Ministerial conference for monitoring and implementing of the Justice Sector Reform Strategy, which reviewed the status of the Action plan on JSRS and mechanism for monitoring and implementation of JSRS. In regard with the donor assistance in the Justice sector, two projects are in the implementation: USAID Project- Strengthening Government Institutions in BiH and EU Project- Capacity Building of Government Institutions for the Dialogue with Civil Society. Other projects programmed in IPA programming exercise in 2015 are from the areas of prison and judicial institutions facilities; improving efficiency of investigation and prosecution in organized crime and corruption cases; enhancing the integrity and human resources management and increase of accountability of the Justice sector institutions.

Ms Alatovic, BD BiH, shortly informed on updated information on flood assistance in Brcko District. Total damage caused by floods in BD amounted to KM 53,99 m. So far, the amount of KM 30,66 m was invested and provided, while the amount of KM 23,33 m is still missing. The resources were provided from the BD budget, from IPA funds, donations from citizens, donations provided by BiH and UNDP, as well as credit funds from the WBG (IDA) and from IMF.

Ms Raic, PARCO, noted that since PAR strategy and Action plan expired by the end of 2014, PARCO is now in the preparation process of the new PAR strategic framework which will include the new strategy and Action plan, in line with the Reform agenda for BiH and its Action plan. PARCO is now in undertaking preparatory activities and coordinates the entire process together with partners from entities and BD. The draft of PAR strategy should be submitted for adoption to the CoM BiH and entities and BD governments in July and Action plan in November 2016. She noted that PARCO has good cooperation and continues with project implementation with PAR fund donors, particularly with SIGMA, with Good Governance Fund together with GIZ, as well as with EU Delegation, where in IPA II programming PAR is a leading coordinating institution.

Mr Thomas, UK, presented the UK's program which focuses on the support to EU integration and national priorities and support to the Reform agenda. Activities under the EU and national priorities are implemented in areas of defence, rule of law and judiciary, good governance, including anti-corruption, EU integration, youth empowerment and reconciliation, UK provides strategic support in implementation of the Reform agenda, through advisory and technical support. UK is also running projects in business environment and PAR and doing work on economic related EU criteria.

Mr Majors, USAID, informed that USG almost completed the disbursement of USD 15,00 m to BiH for Flood Recovery Program, except USD 2,00 m committed with UNDP for the Flood housing programme, which should enable 75 most vulnerable families to move into new homes. He highlighted that the disbursed funds from this Program were duly recorded on an innovative mapping tool at www.brana.ba and thanked to donors and organizations for using this useful tool promoting the transparency in flood recovery process, encouraging others to enter their data on this web site. USAID is currently developing the new strategy, for the next 4 year period, along with continuing consultations with other donors and government partners. USAID is also engaged in new programs such as the diaspora engagement program as well as the small education program promoting teacher training in primary education. USAID cooperates with BiH Agency for Gender Equality, together with Swedish and UNWOMEN colleagues, in order to develop new program addressing gender based violence in BiH.

Ms Palpant, France, noted that French Government together with UNESCO continues the program activities in flood affected region, which include reconstruction of cultural centres along with an ongoing program- Enhancement of capacities of cultural sectors in the region and within BiH. Also, the new programs were initiated with local actors: Strengthening capacities of tourism and local development activities and Training program for civil servants on EU integration, in cooperation with different agencies.

Ms Hadzic, WB, noted that the WB presented the new BiH Partnership Framework 2016-2020 at the last DCF meeting. The cooperation Strategy will focus on: Increasing of public sector efficiency, Accelerating private sector growth and Resilience to natural disasters (floods and draughts). A number of projects were initiated in line with this Strategy, dealing with infrastructure improvement of health and railway services, but also focusing on business environment and employment. WB is also working with governments on the budget support (USD 70,00 m) in order to increase the efficiency of public finance management and public sector in general. Also, there are 11 ongoing projects defined according the previous strategy, amounting to EUR 530,00 m and including the Floods Emergency Recovery Project (worth EUR 100,00 m).

Ms Fetahagic, Netherlands, noted that Dutch Government still has a substantial program in Srebrenica. In regard to the new activities, she noted that call for proposal for MATRA program was just completed. The program aim is to transform the society and develop sustainable relationship between government and citizens, in the areas rule of law, public administration and human rights. Also, the new Netherlands Constituency program support for 2016-2019 was initiated with the MoFT, aiming to assist Ministry of Finance in achieving and promoting the EU and international standards in transparent public finance. Additional new activities within the Dutch Government Economic instrument support *government to government* cooperation with Plant protection agency, MoFTER and Ministry of agriculture in BiH.

Ms Zaric, Swiss, noted that the new cooperation strategy with BiH for the period 2016-2020 is in preparation, presented by the SDC Director Mr Guntern in a draft form at the previous DCF meeting. Meanwhile, it was officially confirmed that the new Strategy will cover the same domains as before, ie. Local governance, Municipal services and Justice, Economy and Employment and Health. The overall budget for the 4 year period is expected to be around CHF 65-70,00 m and the Strategy will be officially approved in June. Another important event this year will be marking of the 20. Anniversary of Swiss cooperation in BiH. In that regard number of events are planned with the aim to present the results and to celebrate the cooperation. The key event will take place on June 01, 2016, and all of DCF participants will soon be officially invited to this event. In addition, two new important projects will be officially launched in May, one in the domain of Local governance and other 4 year project in Municipal, Economic and Environmental governance, which will be implemented by the UNDP in 18 municipalities (CHF 12,00 m). Also, another project is being prepared in cooperation with Sida on Strengthening of association of cities and municipalities of BiH, which will be launched in the second part of 2016.

Mr Zeljko, DEP, introduced himself as the acting director of DEP, a state coordination unit for preparation of strategic planning documents on the level of the CoM, noting that that he assumed this position 3 months ago announced his assistant Mr Milinovic to inform on possible issues related to today's Agenda.

Mr Milinovic, DEP, the assistant to the director for strategic planning informed that DEP is currently preparing for the second multi-annual planning for 2017-2019 in cooperation with the MoFT, in order to develop the strategic planning process.

Mr Seferovic, UNRCO, informed on joint activities of entire UNCT in BiH, which encompasses about 13 agencies operational in the country including IOM. UNCT continues with 5 year program, called UN Development Assistance Framework 2015-2019, with 4 focus areas: Rule of law and human security, Employment and sustainable development; Social inclusion and Empowerment of women. The overall Program is worth USD 265,00 m, while 2015-2016 work plan amounts to USD 157,00 m. By the end of 2015, UNDP has already delivered 65% of the planned budget resources for these two years (approx. USD 100,00 m). Also, in February 2016, UNDP established the Joint Steering Committee with BiH, co-chaired by the MoFT Minister, in order to conduct oversight of implementation of the Program. Mr Seferovic reminded that Sustainable Development Goals were also adopted at the UN General Assembly session in October 2015, where BiH representatives committed themselves to support the implementation of SDGs.

Mr Omanovic, IFAD, PCU director of IFAD operations in FBiH. IFAD is present in the country since 1996 and funded over USD 70,00 m so far. Currently, the fifth IFAD project is under implementation, *Rural livelihoods development project*, co-funded by IFAD and OPEC (USD 32,22 m), to be completed on June 30, 2016. The next 4 years project, *Rural business development project* (USD 32,22 m) was launched earlier this year. Also, the seventh project was already designed, *Rural competitiveness development project*, which will be launched in 2017, worth over USD 250,00 m. All IFAD projects support small farmers in increasing their income and production, connecting them with producer association and market leaders as well as supporting local communities in regard to development and reconstruction of rural market infrastructure. Also a credit line is available for small loans for farmers, SMSs and producer associations.

Ms Hadzic, MoFTER, briefly informed that MoFTER prepared the annual report on donor activities in Agriculture sector for 2015, expected to be adopted soon by the BiH CoM and published at the Ministry web site. Also, the Ministry plans to organize donor coordination meeting on activities in Agriculture sector, and DCF participants will be timely informed on the venue and date of the meeting.

Mr Gagula, UNODC, noted that the UN Office for drugs and crime has been established in BiH 2 years ago, briefly informing on the current programs. UNODC implements several global programs, one of which is Maritime container control program, focused on minimising risks of all sort of illegal activities, transnational organized crime, illicit trafficking, as well as on issues related to taxation and custom violation. The office is also trying to develop cooperation with the private sector to facilitate free trade and to avoid all unnecessary interventions by the law enforcement agencies that the UNODC is working with. Another Regional program for SEE, entered the third phase at the end of 2015. The Program was approved by all participating states for the period 2016-2019, and will cover 3 main areas or subprograms with focus on: country illicit drug trafficking and transnational organized crime; supporting

criminal justice as well as cooperation in all legal matters; enhance substance use prevention, drug use disorder, treatment and reintegration and care. Also, in January 2016 the last program was initiated, dealing with Anti- money laundering and financing of terrorist activities.

Ms Zdralkova, Czech, informed that after the floods, the Czech Republic implemented EUR 0,50 mil particularly in the areas of Maglaj, Dobož, Samac and other municipalities. Currently 33 projects are under implementation in four sectors: water and sanitation, energy, public administration and agriculture, in addition with several small projects related to ecology and human rights. Also, 10 scholarships were awarded to students for studying in Czech Republic, either in Czech language or in English. Czech Republic also cooperates with other donors, especially with USAID and UN and currently is preparing the new conception for the new Development Cooperation beginning from 2018 for 7 years period.

Mr Schmidt Rosen, KfW, noted that today he is presenting the KfW Development Bank director as well as the German Embassy, and GIZ. Regarding flood recovery, German Government provided a grant of EUR 5,00 m, through KfW to local MFIs, as interest free loans to affected households and SMSs. Those 5,00 m has been fully disbursed as of 2015. GIZ is also active in flood recovery, with the new program Local economic development, in 10 municipalities included in the program, with grants provided to SMSs affected by the floods. Other news refers to the area of renewable energy, with GIZ starting the program for providing policy advice and TA in the sector of biomass and other renewable energies. Also, KfW has finally concluded the rehabilitation of HHP Rama, inaugurated a few weeks ago, together with the implementing agency Elektroprivreda HZHB. Today, in Mostar there will be a signing ceremony for Mesihovina windfarm, which will be constructed later in 2016. The latest news regarding the wind power use are that CoM has finally approved the loan for the windfarm Hrgud, as the first windfarm in RS.

Mr Zecchinato, Italy, briefly presented the latest activities within Italian development cooperation. Italy has allocated EUR 1,20 m in BiH for the Post floods recovery projects, primarily in agriculture sector, SMEs, small infrastructure projects as well as on some activities on risk reduction, implemented by the NGO Save the children. The projects are implemented in the municipalities of Srebrenica, Derventa, Zvornik, Sanski Most, Gorazde and Maglaj. The project was officially launched in June 2015 and it will probably last until October 2016. So far, the amount of EUR 0,50 m was disbursed and until March 15, 2016, reported at www.branja.ba network. Mr Zecchinato emphasised the importance of the sustainability of donors efforts in agricultural sector, particularly those related to post flood recovery as well as the insurance sector in agriculture.

Ms Manojlovic, USAID, FARMA II Project would like to cooperate with all similar projects in BiH, some of which FARMA II representatives already met on the operational level, and will contact them in the future for potential cooperation.

Mr Rojas, USAID, Director of USAID Economic development office, noted that USAID has already worked with a number of donors from today's meeting and had successful collaboration, which will hopefully continue with new partners as well. In addition to FARMA II project, co-funded with Sida, USAID has energy investments in BiH, announcing that a major energy summit will take place next week in Neum, with over 230 participants. The summit will be sponsored by GIZ as a partner. USAID also is involved in the activities related to fiscal reform, Internet and IC technology as well as tourism (*Via Dinarica*) partnered with UNDP.

Ms Ramhorst, USAID, thanked to Ms Basta and her team for continuously inviting USAID to present their new projects, to Sweden for excellent partnership in economic growth programs and to Czech partners as well. She is encouraged with the interest for FARMA II project and invited all meeting participants to leverage this effort in the next 5 years period. USAID will also be engaged in other areas of economic growth, very much aligned to the Reform Agenda, seeking out to the British partners as well as other partners including the EU, to join efforts in areas where they can work in synergy.

Ms Bergstrom, Sweden/Sida, noted that regarding the floods program, Sweden already contributed close to EUR 8,00 m. Swedish cooperation is guided by the Strategy that will last until 2020, with 3 main result areas: private sector development with economic projects such as democracy and human right project; support to reforms and environment and activities against climate change. Swedish Government has two main priorities, both very important in development cooperation: gender equality and environmental care. All Swedish activities in BiH involve gender mainstreaming, environmental management sustainability, as well as the Agenda 2020 and UN Global Goals stand strong in Swedish projects.

Ms Hodzic Zijadic, EUD, gave a short overview of the current EUD activities and annual IPA assistance programing cycle. Under IPA II action document, financing agreement for IPA 2015 has been prepared in November and sent to the CoM in January for adoption. Regarding the remaining two years of the EU Indicative Strategy Paper for BiH 2014-2017, the funds for 2015 and 2016 still needs to be programmed, totalling around EUR 50,00 m for 2016 and EUR 43,00 m for 2017. Since this is mid of 2016, the two year assistance will be programmed in parallel, as decided and recommended by Brussels administration. This was conveyed to NIPAC coordinator Dilberovic, all ministries and other stakeholders at entities and BD levels engaged in programming of the assistance. Recommendation for 2016 is to focus on two remaining sectors: Competitiveness, innovation and local development strategies; Employment, education and social policy. This week, the communication was initiated between the EUD, NIPAC and all ministries in order to produce action documents and formulate the actions and projects until June 10, in order to prepare the project package and National program for 2016 for adoption by the IPA Committee in late November this year. It is recommended that 2017 IPA programing should focus on 3 sectors: Rule of law; Fundamental human rights, Good governance and Home affairs, whereat BiH should be engaged in sector budget support, since IPA II is very much focused on such strategic thinking. IPA II is focused on sector wide strategies and the EU has very strict approach regarding this issue (no strategy-no investment), however sector wide strategies are still not in place in the sectors like agriculture, energy and transport and the environment in BiH.

Ms Basta reminded that MoFT has introduced the strategic planning in BiH institutions, whereat MoFT and DEP are jointly developing the strategic planning process in BiH institutions. The first Medium-term work plan 2016-2018 of the CoM has been adopted and all institutions at BiH level have adopted their Medium-term plans. Considering that the strategic planning constitutes a very important part of Public Finance Management, from the MoFT point of view this presents a revolutionary thing. Ms Basta also noted that it is also stated in the Reform Agenda that full support should be given to the Medium-term planning of the CoM and institutions. The next step will be linking the strategic planning, budgeting process and public investment into one system, in order to enhance its efficiency. The Ministry has initiated the new round of updating of the medium-term plans and programs in 2015, whereat the participants are still learning and improving their knowledge. One of the successes is also that MoFT is working jointly with two other finance ministries of RS and FBiH and it plans to extend its activities to the entire BiH, in some kind of modular system. All past activities were implemented and accomplished thanks to the support of Sida, and MoFT hopes that this cooperation will continue in the future.

Ms Basta then thanked to all participants for their attendance and participation and closed the meeting.

The meeting was closed at 13:22 hrs.