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Report No:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT PAPER

ON A

PROPOSED GRANT

IN THE AMOUNT OF

US\$1.78 MILLION

TO

BOSNIA AND HERZEGOVINA

FOR A

BIH - STRENGTHENING EMERGENCY PREPAREDNESS AND RESPONSE PROJECT

{DATE}

Health, Nutrition & Population Global Practice
Europe And Central Asia Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective {June 21, 2022})

Currency Unit = EUR

1 EUR = 1.0535 USD

1 USD = 0.9492 EUR

FISCAL YEAR

January 1 - December 31

Regional Vice President: Anna M. Bjerde

Country Director: Linda Van Gelder

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ABBREVIATIONS AND ACRONYMS

ASA	Advisory Services and Analytics
BiH	Bosnia and Herzegovina
CPF	Country Partnership Framework
DA	Designated Account
DMIS	Disaster Management Information System
DPF	Development Policy Financing
EHS	Environmental Health and Safety
EP&R	Emergency Preparedness and Response
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standards
EU	European Union
EUR	Euro
FBiH	Federation of Bosnia and Herzegovina
FM	Financial Management
FMoH	Federal Ministry of Health
GDP	Gross Domestic Product
GIIP	Good International Industry Practice
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HEPR	Health Emergency Preparedness and Response
HNP	Health, Nutrition, and Population
HSIP	Health Systems Improvement Project
IBRD	International Bank for Reconstruction and Development
IHR	International Health Regulations
IMF	International Monetary Fund
IPF	Investment Project Financing
IRI	Intermediate Results Indicator
IFR	Interim (unaudited) Financial Report
JEE	Joint External Evaluation
MDTF	Multi-Donor Trust Fund
MoHSW	Ministry of Health and Social Welfare
MTEF	Medium-Term Expenditure Framework
NCD	Noncommunicable Disease
OHS	Occupational Health and Safety
PAFPID	Planning, Analysis, Financing, and Project Implementation Department
PDO	Project Development Objective
PIU	Project Implementation Unit
POM	Project Operations Manual
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
RS	Republika Srpska
SARS	Severe Acute Respiratory Syndrome

SDG	Sustainable Development Goals
SOE	Statement of Expenditure
STEP	System for Tracking Exchanges in Procurement
TA	Technical Assistance
TF	Trust Fund
WBG	World Bank Group
WHO	World Health Organization



BASIC INFORMATION

Is this a regionally tagged project? No	Country (ies)	
Financing Instrument Investment Project Financing	Classification Small Grants	
Approval Date 30-Jun-2022	Closing Date 30-Jun-2025	Environmental and Social Risk Classification Moderate
Approval Authority CDA	Bank/IFC Collaboration No	

Please Explain

Proposed Development Objective(s)

The Project Development Objective is to support the development and implementation of entity-level Action Plans for Health Emergency Preparedness in the Republika Srpska (RS) and the Federation of Bosnia and Herzegovina (FBiH).

Components

Component Name	Cost (USD Million)
Component 1: Support development of priority action plans to strengthen emergency preparedness and response	400,000.00
Component 2: Implement priority actions to build, maintain and strengthen core capacities for emergency preparedness and response	1,300,000.00
Component 3: Project Management	75,000.00

Organizations

Borrower : Bosnia and Herzegovina



Implementing Agency : Ministry of Health and Social Welfare of Republika Srpska
Ministry of Health of the Federation of Bosnia and Herzegovina

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	1.78
Total Financing	1.78
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	1.78
Health Emergency Preparedness and Response Multi-Donor Trust	1.78

Expected Disbursements (in USD Million)

Fiscal Year	2022	2023	2024	2025
Annual	0.00	0.33	0.78	0.68
Cumulative	0.00	0.33	1.10	1.78

INSTITUTIONAL DATA

Financing & Implementation Modalities

Situations of Urgent Need of Assistance or Capacity Constraints

Fragile State(s)
 Fragile within a non-fragile Country
 Small State(s)
 Conflict
 Responding to Natural or Man-made Disaster

Other Situations

Financial Intermediaries (FI)
 Series of Projects (SOP)
 Performance-Based Conditions (PBCs)
 Contingent Emergency Response Component (CERC)



Alternative Procurement Arrangements (APA)

Hands-on Expanded Implementation Support (HEIS)

Practice Area (Lead)

Health, Nutrition & Population

Contributing Practice Areas

OVERALL RISK RATING

Risk Category

Rating

Overall

● Substantial

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any waivers of Bank policies?

Yes No



Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

Legal Covenants

Sections and Description

Project Operational Manual. No later than two months after the Approval Date, the RS shall adopt, and thereafter carry out their respective part of the Project in accordance with, a manual satisfactory to the Bank.

Sections and Description

Project Operational Manual. No later than two months after the Approval Date, the Federation shall adopt, and thereafter carry out their respective part of the Project in accordance with, a manual satisfactory to the Bank.

Conditions



PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Adanna Deborah Ugochi Chukwuma	Team Leader(ADM Responsible)	Health Systems	HECHN
Sanda Jugo	Procurement Specialist(ADM Responsible)	Procurement	EECRU
Lamija Marijanovic	Financial Management Specialist(ADM Responsible)	Financial Management	EECG2
Esma Kreso Beslagic	Environmental Specialist(ADM Responsible)	Environmental Management	SCAEN
Selma Ljubijankic	Social Specialist(ADM Responsible)	Social Management	SCASO
Amer Dastgir	Team Member	Health Systems	HSAHP
Charles Birungi	Team Member		HECHN
Dijana Jurkovic	Team Member	Operations	ECCBM
Marina Mijatovic	Team Member		WFACS
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Roxanne Hakim	Team Member	Social Management	SCASO
Ruxandra Costache	Team Member	Legal	LEGLE
Sanja Tanic	Team Member	Operations	ECCBM
Vivian Nwachukwu-Irondi	Team Member		LEGDF

Extended Team

Name	Title	Organization	Location
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BOSNIA AND HERZEGOVINA
BIH - STRENGTHENING EMERGENCY PREPAREDNESS AND RESPONSE PROJECT

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I. STRATEGIC CONTEXT

A. Country Context

1. The country of Bosnia and Herzegovina (BiH) has achieved considerable progress in its development. BiH has experienced conflict and political unrest in its recent history, including the Bosnian war which concluded in 1995. Much of the infrastructure destroyed in the war (1992–1995) has been rebuilt, and institutions have been established to govern the country at all levels of authority. BiH is governed as two independent political entities formed at the conclusion of the war: the Federation of Bosnia and Herzegovina (FBiH) and the Republika Srpska (RS) (hereinafter “the entities”), as stated in the Constitution of BiH. The Federation has 10 autonomous cantons and 79 municipalities and cities; RS has 7 geographic (non-autonomous) regions and 64 local communities. The constitutional architecture also includes the Brčko District.
2. The country faces a significant risk of natural disasters, including earthquakes, droughts, floods, and landslides. More than 20 percent of the landmass is prone to flooding with annual losses of approximately US\$600 million resulting from the negative impacts of flooding. In 2014, unprecedented rainfall affected 25 percent of the population and severely disrupted the economy. Floods inundated fields in 81 municipalities, with consequences for workers employed in agriculture, who make up 20 percent of the country’s total workforce. Flooding also triggered more than 3,000 landslides, with the economic damage estimated at nearly 15 percent of BiH’s Gross Domestic Product (GDP).
3. BiH has become a transition country for people displaced by conflict, e.g. in the Syrian Arab Republic, Afghanistan, etc., resulting in pressures on the already strained health system to address the health needs of migrants and refugees. The country also faces seismic risk as its mountainous geography, aging infrastructure, and high urbanization rate compound its vulnerability to earthquakes and consequentially to landslides. A magnitude 6.0 earthquake in 1969 resulted in 14 deaths and over US\$300 million in damages.
4. BiH’s economy was confronted by the possibility of a deep recession as the coronavirus disease (COVID-19) pandemic constrained economic activity. This has been only further compounded by the ongoing regional conflict in Ukraine. The pandemic inflicted a significant cost on BiH’s economy in terms of loss of lives, welfare, and economic opportunities. Slower growth in the Euro zone, the largest BiH export market, and regional trade disputes contributed to a decline in exports, as did a slump in industrial production, resulting in part from temporary output disruptions at large exporting firms. Data for the first half of 2020 indicated a sharp slowdown of economic activity as a result of the pandemic, with the economic outlook going forward subject to significant uncertainty. While the World Bank (WB) estimated that BiH’s economy contracted by 3.2 percent in 2020, the recovery in economic growth in 2021, estimated at 7.1 percent, was an exceptional performance, which helped real GDP exceed pre-crisis levels. Real growth was driven by a surge in exports, and robust growth in private consumption. However, exacerbated by the prevailing conflict in Ukraine, the April 2022 International Monetary Fund (IMF) Regional Economic Outlook for Europe, entitled “War Sets Back the European Recovery,” further highlights that forecasted real GDP growth rates in BiH from 2022 onwards are expected to decline, even compared to January 2022 estimates. While GDP growth in BiH was estimated at 5.8 percent in 2021, the January 2022 Economic Outlook forecasted a 2022 growth rate of 3.2 percent, which as of the April 2022 report was revised downwards to 2.4 percent. The report cites that this revision to the level of real GDP in the wider European economy is “considered to feature a substantial



‘permanent’ component for many economies, typical of a supply-side shock” (IMF, 2022)¹.

5. BiH is highly vulnerable to the impacts of climate change, and particularly to the risk of hydrometeorological hazards including seasonal heat and periods of drought. By mid-century, climate change is expected to produce temperature increases exceeding historical means by 2.4°C, with the number of hot days increasing by 6.3 days per year. Annual rainfall is expected to reduce by 4.2 millimeters per year by mid-century, with the consequence that droughts will become more frequent in some areas due to river runoff decrease or drying in lowland areas compounded by increased water demand.
6. COVID-19 poses the most serious social and economic challenge to BiH since the 2008–09 global financial crisis. The COVID-19 outbreak is straining health systems, while measures to contain its spread are resulting in an economic slowdown and threaten the economic security of many of its citizens, particularly those with low incomes. COVID-19 also risks accelerating BiH’s pace of outward migration, already the highest in the region. A third of those who renounced BiH nationality in 2018 were between 18 and 35 years old, with peaks for both the low and highly educated, indicating a high rate of loss of BiH’s current and future human capital. While the full effect of the pandemic on the country will not be clear for some time, a strong, coordinated institutional response is critical to both containing the spread of COVID-19 and working to limit its social and economic effects.
7. As part of the health portfolio (Box 1), an emergency COVID-19 loan was approved in 2020 to help BiH prevent, detect, and respond to COVID-19.² The €33.1 million (US\$36.2 million equivalent) loan, which has been fully (100 percent) disbursed, finances a range of interventions to strengthen public health services and to safeguard lives and livelihoods overall. It provides financial and technical assistance (TA) to increase isolation capacities in hospitals, obtain new intensive care beds equipped with ventilators, establish new designated laboratories, and procure other medical equipment and materials. Furthermore, some 48,000 people most affected by the pandemic crisis have received social assistance. The country did well to control the pandemic in the first half of 2020, promptly imposing restrictions on entry into and movement within the country. Loosening of the lock-down and increased travel over the summer of 2020, however, produced a second surge of the virus, with record-breaking numbers of new cases occurring. While the emergency COVID-19 loan incorporated investments in health systems strengthening and public health, these investments focused on critical short-term gaps in terms of emergency preparedness in the context of the COVID-19 pandemic. There continues to be a need for support to address broader and longer-term needs related to emergency preparedness beyond the ongoing pandemic, including natural disasters, future health risks, and civil unrest.

¹ International Monetary Fund Regional Economic Outlook Europe: War Sets Back the European Recovery. Accessible at <https://www.imf.org/en/Publications/REO/EU/Issues/2022/04/20/regional-economic-outlook-for-europe-april-2022>.

² Bosnia and Herzegovina Emergency COVID-19 Project (P173809): approved April 23, 2020; effective September 1, 2020.



Box 1. Summary of Health Portfolio in BiH

- A. Investment Project Financing (IPF): Health Systems Improvement Project (HSIP) (P171150) (US\$75 million International Bank for Reconstruction and Development (IBRD) loan)**
Project Development Objective (PDO) - *Contribute to improvement in the quality of care and in the financial sustainability of the health care systems in RS and the FBiH.*
- B. Development Policy Operation (DPO): Health Sector Development Policy Financing (P175191) (US\$75 million IBRD loan)**
PDO - *Improve the financial sustainability and quality of services of BiH's health care systems.*
- C. Advisory Services and Analytics (ASA): Functional Review of Health System Performance (P167607)**
PDO - *Provide technical assistance to: (i) inform health sector reforms that are supported by Policy-Based Guarantees; and (ii) help build consensus on key health sector challenges in FYR Macedonia, Montenegro, and BiH.*
- D. Global ASA: Access Accelerated Non-Communicable Diseases (NCD) Work: Assessing the scope of the private healthcare providers to tackle NCDs (P170638)**
PDO - *Assist countries in scaling up NCD services as part of their investment in Human Capital.*

8. Public health preparedness requires long-term development and continuous improvement of flexible, adaptable, and resilient public health systems that can respond to all hazards. The action plan to improve public health preparedness and response in the World Health Organization (WHO) European Region 2018–2023 (WHO 2019) prioritizes BiH among other countries as one particularly in need of support in this regard. Investing in health emergency preparedness and response is also key to achieving Sustainable Development Goal (SDG) 3 “Ensuring healthy lives and promoting the wellbeing at all ages”. It is particularly relevant to the targets related to strengthening health emergency capacity and reducing deaths from chemical contamination. Investment in health emergency capacity also plays an important role in achieving other SDG goals: eliminating poverty and hunger (SDG 1, SDG 2); gender equality (SDG 5); decent work and economic growth (SDG 8); reduced inequalities (SDG 10); climate change (SDG 13); and strong institutions (SDG 16).

B. Sectoral and Institutional Context

9. Health outcomes in BiH lag behind the average in the European Union (EU). The 2020 average life expectancy at birth (77 years) is on par or better than the level in other EU accession states in the region but lower than Croatia’s (78 years) and Slovenia’s (81 years) for the same year. Similar trends hold for age-standardized death rates for malignant neoplasms, diseases of the circulatory system, ischemic heart disease, and cerebrovascular disease. BiH’s infant mortality rate (5.1 per 1,000 live births) is the highest in the Western Balkans and above the EU average (3.3 per 1,000 live births). NCDs are estimated to account for 80 percent of the country’s annual deaths and dominate the overall burden of disease and disability, as do the risk factors that contribute to them, such as high blood pressure, tobacco use, and unhealthy nutrition. Total cancer incidence per 100,000 population has been growing; it increased by 69 percent in the FBiH and by 25 percent in RS, during 2013–2017.
10. Natural disaster vulnerabilities contribute to health risks, including NCDs. The elderly and those with preexisting long-term medical conditions are susceptible to the effects of extreme heat. Extreme weather events may also adversely affect population health and the health system through acute impacts, such as physical injuries and drowning. Adverse health impacts are also mediated through damage to health infrastructure as well as the mental health effects of traumatic experiences and the economic hardships that these events precipitate. Climate shifts are predicted to lead to increases in the range of vector-borne



diseases such as dengue fever, reaching southern Europe. These challenges point to the clear need to build health system capacity to prevent and respond to shocks.

- The International Health Regulations (IHR 2005) provide the standard against which countries can assess their capacity to respond to public health risks and emergencies. The Joint External Evaluation (JEE) tool was developed to provide a framework that groups these capabilities into four core areas: prevent, detect, respond, and related hazards/points of entry. Per this framework, a capable health system should prevent and detect the likelihood of public health hazards, detect threats early, ensure a rapid and effective response, and introduce the required capacities at points of entry and during emergencies. This framework is summarized in Table 1 below. A JEE has not yet been undertaken in BiH owing to the difficulty that the political context presents to undertaking a single JEE for the country (versus entity-level assessments).

Table 1: Overview of framework for public health preparedness and response capacity

Prevent	Detect	Respond	Other Hazards and Points of Entry
<ul style="list-style-type: none"> National legislation, policy, and financing IHR coordination, communication, and advocacy Antimicrobial resistance Zoonotic diseases Food safety Biosafety and biosecurity Immunization 	<ul style="list-style-type: none"> National laboratory system Real-time surveillance Reporting Workforce development 	<ul style="list-style-type: none"> Preparedness Emergency response operations Linking public health and security authorities Medical countermeasures and personnel deployment Risk communication 	<ul style="list-style-type: none"> Points of entry Chemical events Radiation emergencies

- Recognizing the global nature of health emergencies, in June 2020 the World Bank Board approved the creation of a new umbrella trust fund (TF) program, the Health Emergency Preparedness and Response (HEPR) Program. The development objective of the Program is to support eligible countries and territories to improve their capacities to prepare for, prevent, respond and mitigate the impact of epidemics on populations. It was set up as a flexible mechanism to provide catalytic, upfront and rapid financing at times that other sources of funding are not available for health emergency preparedness and to fill specific gaps in terms of health emergency responses. Activities eligible for HEPR Program financing focus on two pillars: (a) preparedness for future health emergencies; and (b) responses to emerging and current health emergencies. The HEPR Multi-Donor Trust Fund (MDTF) is the anchor trust fund of the HEPR Program. Bosnia and Herzegovina has been allocated a HEPR MDTF grant in two phases – first, to conduct assessments of public health preparedness systems using a customized tool, and phase 2 to finance the implementation of action plans – for a total value of US\$1.78 million to strengthen health emergency preparedness, on the condition that these TF resources are not used to purchase COVID-19 vaccines. The assessments in phase 1 will build on prior technical assistance on emergency preparedness and response in BiH.
- In 2021, the World Bank-supported rapid assessment of capacity for emergency preparedness and response identified measures to respond to public health hazards or threats. The rapid diagnostic considered 18 criteria, 72 indicators, and 360 attributes grouped into five components, including legal and institutional accountability (scored 1.5 out of 5), information (scored 1.1 out of 5), facilities (scored 1.1 out of 5), equipment (scored 3.4 out of 5), and personnel (scored 2.8 out of 5). Of the five components, equipment and



personnel were relatively strong. On the other hand, information, facilities, and legal and institutional accountabilities are relatively weak. These findings are consistent with gaps in capacity for prevention, detection, and response to emergencies. The bottlenecks identified in the rapid assessment call for a deeper analysis of emergency preparedness and response capacity, including at the entity level.

14. The availability of funding to respond to public health threats varies significantly between the RS and the FBiH, and between the different cantons within the Federation. A clear arrangement for budget distribution across all government levels, and especially to the municipalities, is missing, and no shared investment priorities have been defined. Legal accountability in the Emergency Preparedness and Response (EP&R) system shows important weaknesses. Since legislation is the foundation for the development of the other elements, the incompleteness of the legislative system resonates in challenges throughout the EP&R system. BiH is one of the WHO Health Emergencies Program priority countries in the European Region. However, recent attempts to undertake a JEE have been prevented by political difficulties that make inter-entity dialogue required for the JEE challenging. Nevertheless, the WHO continues to provide entity-level technical support for efforts to assess and strengthen preparedness and response to public health threats.
15. An integrated Disaster Management Information System (DMIS) is absent, with community engagement, logistics warehouses, response stations, and shelters and open spaces being weakly developed. Currently, there is no reliable warning messaging system in place to alert the public during emergencies, and sirens are nonfunctional. Although equipment received a relatively high quantitative scoring, equipment is vastly insufficient in terms of numbers and requires significantly more investments to be ready to respond to larger-scale impacts. A self-assessment by the entities in BiH reveals gaps that overlap with the areas identified above, including the need to address challenges related to zoonotic events and the human-animal interface; human resources; risk communication; chemical events; national health emergency framework; and surveillance.

C. Higher Level Objectives to which the Project Contributes

16. The 2016–2020 Country Partnership Framework (CPF)³ identifies an efficient public sector and targeted health sector reform as high priorities. One of the three focus areas identified is building resilience to natural shocks, which is directly related to emergency preparedness and response. This activity contributes to building resilience to natural shocks that could derail the country's development agenda by facilitating investments in systems and policies that shield the most vulnerable. The high priority of health sector reform is also identified in the 2020 Systematic Country Diagnostic update.⁴
17. Building the capacity to prevent, detect, and respond to emergencies aligns with the World Bank Group COVID-19 Crisis Response Approach Paper (WBG 2020) on saving lives, scaling-up impact and getting back on track. The paper recognizes that rebuilding better will include improvements in health security by strengthening core public health functions and investing in systems for pandemic preparedness. Specifically, Pillar 4 seeks to preserve global public goods like public health, which requires health emergency

³ World Bank Bosnia and Herzegovina Country Partnership Framework. Report No. 99616-BA. Accessible at <https://www.worldbank.org/en/country/bosniaandherzegovina/publication/bosniacpf>. The CPF was extended, in line with other CPFs due to expire in 2020, due to the global COVID-19 pandemic. A new CPF is under preparation.

⁴ World Bank Bosnia and Herzegovina Systematic Country Diagnostic Update. 2020, Accessible at: <https://openknowledge.worldbank.org/handle/10986/33870>.



preparedness and response for future epidemic outbreaks.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

18. The project development objective (PDO) is to support the development and implementation of entity-level Action Plans for Health Emergency Preparedness in the Republika Srpska (RS) and the Federation of Bosnia and Herzegovina (FBiH).

B. Project Beneficiaries

19. The primary beneficiaries are the government entities/units responsible for coordinating activities for disease outbreak prevention and response in the RS and FBiH – that is the Ministry of Health and Social Welfare (MoHSW) of RS and the Federal Ministry of Health (FMoH) of the FBiH, and the respective institutes of public health. The clients of the services of the government entities/units will be the secondary but direct beneficiaries. These direct beneficiaries will be the citizens of the FBiH (~2.2 million) and RS (~ 1.2 million), who will benefit from investments to reduce their vulnerability to natural and man-made emergencies, and who will be involved in monitoring the Project's impacts. In particular, the elderly, people living with chronic diseases, and households living in poverty have increased exposure and lower capacity to mitigate the negative effects of disasters and will benefit from stronger response systems.

C. PDO-Level Results Indicators

20. The PDO-level indicators aim to measure two major aspects of public health emergency preparedness and response: (i) *entity-level action planning*; and (ii) *implementation of priority actions to build, strengthen and maintain core capacities for public health emergency preparedness and response*. To this end, the Project will include the following PDO-level indicators:
 - (a) Entity-level multi-hazard national public health emergency preparedness and response action plans developed.
 - (i) Entity-level multi-hazard public health emergency preparedness and response action plan developed in Republika Srpska.
 - (ii) Entity-level multi-hazard public health emergency preparedness and response action plan developed in Federation of Bosnia and Herzegovina
 - (b) Proportion of priority actions to build, strengthen, and maintain core capacities for emergency preparedness and response that are fully implemented
 - (i) Proportion of priority actions to build, strengthen, and maintain core capacities for emergency preparedness and response that are fully implemented in Republika Srpska
 - (ii) Proportion of priority actions to build, strengthen, and maintain core capacities for emergency preparedness and response that are fully implemented in the Federation of Bosnia and Herzegovina



III. PROJECT DESCRIPTION

A. Project Components

21. The scope is fully aligned with the priorities of the HEPR Trust Fund Umbrella Program. Among others, the HEPR Program is specifically designed to: (i) build interoperable and cohesive capacity for countries and regions to work seamlessly together for resilient essential health services and health emergencies; and (ii) coalesce, connect, collaborate, and coordinate across sectors to ensure that countries invest in preparedness-specific and preparedness-supportive functions that can be deployed to prevent, detect, and respond to health emergencies. Furthermore, the HEPR Program grant supports health emergency preparedness, with no activities relating to health emergency responses (or supporting the current COVID crisis) to be included in the project activities described below. To this end, this Project will support the following three components:

Component 1: Support development of priority action plans to strengthen emergency preparedness and response (US\$0.4 million).

Subcomponent 1.1: Developing a multisectoral action plan for health security in Republika Srpska (US\$0.2 million).

Subcomponent 1.2: Developing a multisectoral action plan for health security in the Federation of Bosnia and Herzegovina (US\$0.2 million).

22. This component will comprise support to the entities in conducting assessments of public health preparedness systems using a customized framework, drawing on established tools used to assess, plan, design, and monitor and evaluate public health emergency preparedness and response in the global health security community. This detailed assessment, using the aforementioned customized framework, adapted from the JEE to allow for entity-level assessments, builds on and extends the 2021 World Bank rapid diagnostic assessment. It provides a deeper analysis of EP&R capacity, the progress at the entity level in addressing core capacity gaps, and a mapping of priority public health risks. This will, in turn, help the entities identify their most critical gaps in core capacity implementation, and prioritize actions to improve preparedness and response capacities, including granularity at sub-entity level as appropriate for precision public health. The assessment process is also an opportunity to engage and enhance national multisectoral coordination and networking, and to raise stakeholders' awareness on health security issues.
23. The entities will map priority public health risks and develop multi-hazard public health emergency preparedness and response plans. Identifying and mapping hazards that can lead to public health emergencies and establishing the level of risk they pose are critical for country preparedness, establishing resource requirements to mount a response, and updating the all-hazard preparedness plans. To this end, the Project will: (i) train representatives from the entities to identify and characterize risks using recommended tools; (ii) support consultative meetings of multisectoral experts working on human, environmental, plant, and animal health to review existing plans; (iii) develop/update multi-hazard plans; (iv) conduct One Health simulation exercises; (v) support multisectoral teams to conduct risk assessment of public health events; and (vi) support entity experts to map priority public health threats and available resources to respond to and manage public health emergencies.



- 24. To inform priority setting for the above-mentioned entity-level action plans, a comprehensive participatory assessment will be undertaken using a customized tool. This tool will apply a unifying framework, which identifies the principles and elements of effective public health emergency preparedness and response, in line with the core areas identified in Table 1. Specifically, it will adopt the major lessons of previous initiatives and lay out the planning and implementation process by which the entities can determine their priorities and develop or strengthen their operational capacities to achieve the following strategic objectives: (i) operational readiness to respond to emergencies; (ii) resilient health systems; (iii) One Health at the human-animal-environment interface; and (iv) a whole-of-government, whole-of-society approach.

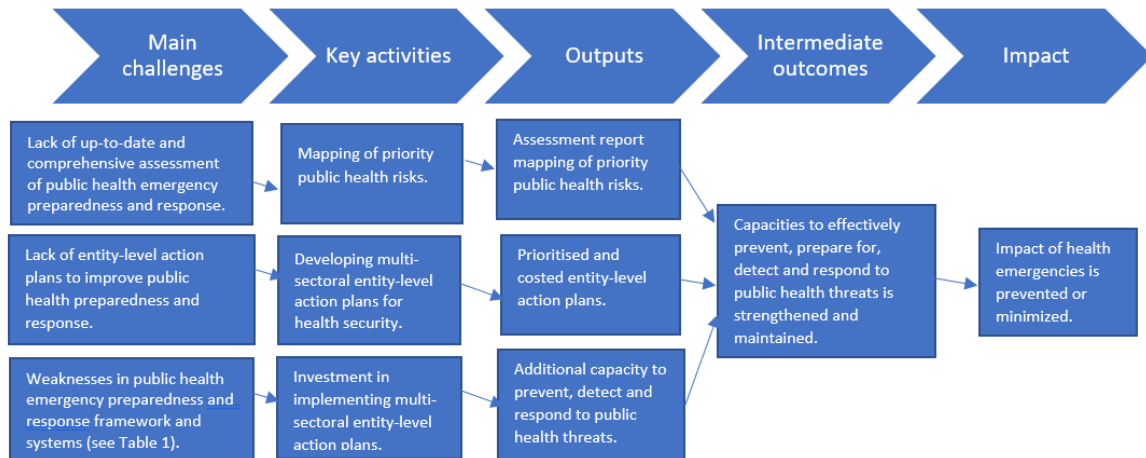
Component 2: Implement priority actions to build, maintain, and strengthen core capacities for emergency preparedness and response (US\$1.3 million).

Subcomponent 2.1: Implementing multisectoral entity-level action plans for health security in Republika Srpska (US\$0.65 million).

Subcomponent 2.2: Implementing multisectoral entity-level action plans for health security in the Federation of Bosnia and Herzegovina (US\$0.65 million).

- 25. Under this component, the Project will finance implementation of the prioritized and costed actions identified in the above-mentioned entity-level action plans. The scope of activities will potentially include goods, and consultancy and non-consultancy services within the four core areas described under Table 1 above: (i) prevention, such as development of relevant legislation and policy for emergency preparedness, and support for coordination, communication, and advocacy; (ii) detection, including investments in entity-level laboratory systems, real-time surveillance, reporting, and workforce development; (iii) response, including emergency operations, linking public health and security authorities, and risk communication; and (iv) other hazards and points of entry, such as radiation emergencies and chemical events.
- 26. It is envisaged that the proposed activities under Components 1 and 2 will address binding constraints to strengthening emergency preparedness and response in both entities, as illustrated in the project theory of change below (Figure 1).

Figure 1: A theory of change underpinning the Project





Component 3: Project Management (US\$0.075 million).

- 27. This component will support project implementation, providing overall administration of the Project – including procurement, financial, environmental, and social management – as well as regular monitoring and evaluation of project results, reporting of implementation, communication, and other activities. Existing government structures and capacities at entity-level ministries of health and project implementation units – the Project Implementation Unit (PIU) within the FMOH in FBiH, and the Planning, Analysis, Financing, and Project Implementation Department (PAFPID) within the MoHSW in RS – will be used as much as possible. If necessary, these will be strengthened by the appointment and recruitment of additional staff or consultants responsible for overall administration, implementation of the Environmental and Social Framework (ESF), communication and outreach, procurement, and financial management (FM).

B. Project Cost and Financing

- 28. The proposed Project will be financed by the World Bank’s HEPR Trust Fund grant of US\$1.78 million, as detailed in Table 2.

Table 2: Project Costs by Components (in US\$ million)

Project Components	Project cost	Trust Funds	Counterpart Funding
Component 1: Support development of priority action plans to strengthen emergency preparedness and response	0.4	0.4	0.00
Component 2: Implement priority actions to build, maintain, and strengthen core capacities for emergency preparedness and response	1.3	1.3	0.00
Component 3: Project Management	0.075	0.075	0.00
Total Costs	1.775	1.775	0.00
Total Project Costs	1.775	1.775	0.00
Total Financing Required	1.775	1.775	0.00

- 29. It should be noted that the funds for Component 2 will be conditional on the successful completion and approval of the action plans developed under Component 1 by the HEPR Program to ensure alignment with the TF-eligible activities.



IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

30. The institutional and implementation arrangements have been designed to be as practical as possible.⁵ The arrangements build upon existing structures and systems in each entity, to the extent possible. In the RS, the MoHSW PAFPID has experience with implementation of WB-financed projects, in both the health and social assistance sectors. In the FBiH, the FMoH has successfully implemented WB-financed projects in the past through the PIU. Key individuals from earlier PIUs remain employees within the government and have been recently reconvened to establish a PIU for the BiH Emergency COVID-19 Project, which is also responsible for implementation of the recently approved Health Systems Improvement Project.
31. In RS, project implementation will be carried out by the PAFPID in the MoHSW, led by the Assistant Minister for Planning, Analysis, Financing, and Project Implementation, and will rely on existing government structures. In addition to PAFPID, the MoHSW will provide all other necessary staff to assist with procurement, the ESF, monitoring and evaluation, and communications and resolution of complaints. The PAFPID will implement and coordinate project activities, including procurement, monitoring and evaluation, communication, and coordination with other departments or units in the Ministry, as necessary. In addition, the MoHSW will establish partnerships with the RS Institute of Civil Protection (the overseeing institution in RS for emergency situations, of which the MoHSW is a part), and the Institute for Public Health in RS, to support project implementation and monitoring. Some activities, such as training, may be outsourced to third parties through contractual agreements acceptable to the WB. The PAFPID will also be responsible for preparing a consolidated activity and financial report for the Project. It will gather and, together with other stakeholders, analyze all relevant monitoring data, and report these to the Minister of Health and Social Welfare, and to the WB. A Project Operations Manual (POM) clearly describing the roles, responsibilities, and processes will be developed by the MoHSW.
32. In the Federation, implementation of the Project will be carried out by the FMoH and existing government structures. The PIU will be responsible for overall coordination and implementation of this Project. The PIU will be expanded as necessary to ensure adequate capacity in the roles of Project Coordinator, FM Specialist, and Procurement Specialist. In addition to the PIU, the FMoH will provide all other necessary staff on procurement, FM, ESF, monitoring and evaluation, and communication. Some other activities, such as training, may be outsourced to third parties through contractual agreements acceptable to the WB. The FMoH will establish partnerships with the Institute for Public Health, to support project implementation and monitoring, which may also include the cantonal institutes for public health. The PIU will also be responsible for preparing a consolidated activity and financial report for the Project and will submit an implementation progress report to the WB. A POM clearly describing the roles, responsibilities, and processes will be developed by the FMoH.
33. Under the ongoing Emergency COVID-19 Project, implementation arrangements have been found to be satisfactory in both entities. The Project has acceptable organizational and staffing arrangements, and

⁵ While such an activity would normally be led by the WHO as it falls within its mandate, in the case of this Project, the WHO will consult but not lead the activity because they require inclusion of RS, FBiH, and Brčko district at a time of increased political tensions.



appropriate systems of accounting, budgeting, reporting, auditing, internal controls, and flow of funds. Beyond minor delays, procurement processes have progressed and contracts have been signed on schedule. The project implementation teams have consultants that support environmental and social management and who regularly participate in training organized by the WB.

B. Fiduciary Management

Financial Management

34. Responsibility for the Project's FM will rest with the PIU in the FMOH and PAFPID in the RS, collectively responsible for project implementation. They will maintain a project accounting system, capable of accurately tracking all project resources and expenditures and generating regular financial reports. The PAFPID and PIU have relevant experience and capacity in implementing WB-financed health projects. Both have implemented a number of Bank-funded projects in the past, including the recent Emergency COVID-19 Response Project and HSIP.
35. The Project's FM arrangements – budgeting, accounting, reporting, internal control, staffing, funds flow and audit – are deemed to meet the minimum requirements of the WB Operational Policies, subject to implementation of an agreed action plan to further strengthen said arrangements. These actions include formally assigning FM Specialists to perform fiduciary functions under the Project to the units/departments responsible for project implementation and purchasing; renewing or maintaining the project accounting software license for the Project; and updating the FM sections of the POMs. In addition, the PAFPID in RS and the PIU in the FBiH will prepare quarterly interim unaudited financial reports (IFRs). These will include Sources and Uses of Funds, Uses of Funds by project activity, Statement of Financial Position, Designated Account (DA) Reconciliation Statement, and Statement of Expenditure (SOE) Withdrawal Schedule. The units/departments shall prepare and furnish quarterly IFRs to the WB, no later than 45 days after the end of each calendar quarter, in form and substance satisfactory to the WB.
36. The units/departments will also be responsible for the timely compilation of the annual project financial statements. The project financial statements, including SOE and DA activities, will be audited by an independent external auditor acceptable to the WB, and contracted by the Ministry of Finance and Treasury of BiH. Each audit of the financial statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the grant. The terms of reference for the audit have been agreed with the WB. In addition, the auditors are expected to deliver management recommendation letters in relation to the Project. Each management recommendation letter will identify internal control deficiencies and accounting issues, if any. The audit reports, audited financial statements, and management recommendation letter will be delivered by the Recipient to the WB within six months of the end of each fiscal year. The audited project financial statements will be made publicly available in a timely fashion, and in a manner acceptable to the WB.
37. *Disbursement Arrangements.* The Project will finance TA, including assessments of public health preparedness systems and the development of entity-level action plans to improve preparedness and response capacities, and the implementation of the prioritized and costed actions identified in the entity-level action plans, medical and non-medical equipment, training, and minor rehabilitation for some facilities to implement strengthened health system preparedness. In terms of funds flow and disbursements, two separate DAs will be opened by the Ministry of Finance and Treasury of BiH: one DA for Part 1 of the Project



for FBiH and one DA for Part 2 of the Project for the RS. The DAs will be denominated in the currency of the grant, as selected by the Recipient (US\$). The disbursement methods available are direct payment, reimbursements, and advances. The funds will flow from the DA or from the grant account directly to suppliers of works, goods, and services based on approved invoices. Details with respect to disbursements will be included in the Disbursement and Financial Information Letter.

38. *Implementation Support and Supervision Plan.* During project implementation, the WB will supervise the Project's FM arrangements in two main ways: (i) review the Project's IFRs, as well as the annual audited financial statements and auditor's management recommendation letters; and (ii) perform on-site supervision at a frequency based on the assessed project risk and performance (first supervision in 9 months after the assessment), and review the Project's FM and disbursement arrangements to ensure compliance with the WB's minimum requirements. The on-site supervision will include a review of the following areas of the Project's FM: accounting and reporting, internal control procedures and external audits, planning and budgeting, funds flow, and staffing arrangements. A sample transactions review will also be conducted. Implementation support and supervision will be performed by the WB-accredited Senior FM Specialist. As a result of COVID-19 pandemic, the FM supervisions may be virtual reviews and will be further adjusted following reviews of risks.

Procurement

39. Procurement for the Project will be carried out in accordance with the World Bank's Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated July 1, 2016 (revised in November 2017, August 2018, and November 2020). The Project will be subject to the World Bank's Anti-Corruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. The Project will use the Systematic Tracking of Exchanges in Procurement (STEP) to plan, record, and track procurement transactions.
40. Procurement will initially focus on consultancy services to support the development of priority action plans in both entities. Once these action plans are developed, procurement will support the implementation of priority actions to build, maintain, and strengthen core capacities for emergency preparedness and response, which can include goods, consultancy, and non-consultancy services.
41. Procurement will be carried out at the entity level. On the RS side, procurement will be carried out by the PAFPID under the RS MoHSW. The PAFPID is currently staffed with two procurement specialists, one of whom is on maternity leave. A part-time procurement specialist is also providing support. The procurement specialists have gained experience in Bank procurement regulations and STEP during the implementation of the Emergency COVID-19 Project. On the Federation side, procurement will be carried out by the FMoH. Due to the lack of capacity, the PIU will need to hire a procurement specialist (individual consultant) with terms of reference agreed beforehand with the World Bank. The World Bank procurement team will provide support regarding the use of STEP. Overall, the procurement capacity of the RS PIU is satisfactory, and the capacity of the FBiH PIU is moderately satisfactory, but this risk will be mitigated with the hiring of the additional expert. Taking the above into account, the *procurement risk is rated Moderate*.
42. Project Procurement Strategies for Development (PPSDs) are currently being prepared by each implementing agency to outline the selection methods to be followed during project implementation in the procurement



of goods, works, and non-consulting and consulting services to be financed by the Project. The entity-specific Procurement Plans will be updated, at least, annually, or as required to reflect actual project implementation needs and improvements in institutional capacity. The PPSDs will be finalized prior to negotiations. The identified risks and the mitigation measures are detailed in the PPSDs.

C. Environmental and Social Management

43. Although the financed activities have no direct implications on the environment, as there will be no physical interventions such as civil works for construction, *the environmental risks associated with this activity are Moderate*. The multisectoral entity-level Action Plans to be prepared will need to integrate a number of environmental and social risk management measures, such as management of medical wastes, occupational health and safety, life and fire safety in medical facilities. All the plans need to be prepared in line with the World Bank Group's Environment Health and Safety (EHS) guidelines (such as the General EHS Guidelines, Occupational Health and Safety Guidelines; Community Health and Safety Guidelines; and EHS Guidelines specific to the Health Care Facilities) and Good International Industry Practice (GIIP). The clients may use the relevant sections of the Environmental and Social Management Framework (ESMF) that was developed for the Emergency COVID-19 Project in 2020, as its broad coverage of health care issues and responding to emergency situations can be applied to this activity. The ESMF will be adapted as appropriate, drawing on the relevant sections of the Emergency COVID-19 project ESMF and the above-listed standards, as well as disclosed and consulted during Project implementation, but prior to the start of any of the activities financed under this Project. The Environmental and Social Standard (ESS) 2 on Labor and Working Conditions will be relevant as the Project will have: (i) direct workers hired to implement the Project (FBiH PIU and RS PAFPID); and (ii) contracted workers hired to prepare the Action Plans. To meet the objective, the emergency Action Plans will have to be comprehensive and incorporate adequate safety measures to ensure that workers and beneficiaries who will be implementing the plans are adequately protected in relation to safe and adequate working environment—for example, ensure formality of employment, adequate personal protective equipment (PPE) for medical workers, and tailored safety trainings for ambulance drivers, paramedics, and doctors. Regarding staffing, the two implementing agencies (PAFPID in RS and PIU in FBiH) both have environmental specialists currently assigned to the Emergency COVID-19 Project, the RS PAFPID has a social specialist, and the FBiH PIU is in the process of hiring a social specialist. This implementation structure shall also be retained for the duration of this activity, and additional support can be outsourced on a part-time, as needed basis.

44. Even though the Project will result in significant emergency preparedness improvements and will, therefore, benefit the broader community in both entities in BiH, the related social risks are moderate. For the plans to be effective, there must be clear and streamlined logistical links (hotlines, ambulance availability, community trained personnel, etc.) from service providers at primary and secondary levels of medical care to end beneficiaries situated in urban and rural communities. Failure to do this carries significant social risk that the Project may not deliver on its objective. The main project deliverable, the multisectoral entity-level Action Plans for health security raises a number of potential social risks which will have to be addressed. These relate to labor and working conditions (ensuring safe and adequate working conditions for workers who will be implementing the plans; for example, formality of employment) and stakeholder engagement and information disclosure (engagement and communication between new and existing stakeholders). Effective information sharing between the potential beneficiaries of the plan and agencies that will implement the plan is crucial for the Project to achieve its objective. Also, appropriate stakeholder engagement is key to



project success as it will facilitate identifying bottlenecks and opportunities for improvement in existing communication channels. Moreover, the appropriate application of principles of ESS10 in the Action Plans will enable all people, including vulnerable groups, to benefit from the Project. Key vulnerable groups include the Roma, elderly, people with limited literacy, people beneath the poverty line, people living in rural areas with limited access to health care facilities, and people without health insurance. The appropriate principles of ESS10 will be enshrined in the Environmental and Social Commitment Plan (ESCP) and operationalized in the project-level Action Plans on the ground. Adequate provisions and principles that will guide the preparation and implementation of the Project's Action Plans and ensure compliance with ESS10 will be part of the POM and the ESCP. The proposed Project will not finance any kind of civil works for construction and it will cause neither land acquisition nor physical displacement to formal or informal occupants.

45. Since it has been proven to be effective, this project will use the Grievance Redress Mechanism (GRM) developed for the Emergency COVID-19 Project in 2020. The GRM relies on the client's current grievance mechanisms for healthcare and social assistance services, and was adapted further to the COVID-19 emergency situation, which requires minimal physical contact and mobility and people gathering. It is therefore also applicable to this project. The collection and response is realized through electronic media, hotlines, etc. Local centers for social work have received training on management of requests and grievances in a consistent manner, and the FBiH FMOH PIU and RS MoHSW PAFPID have a grievance focal point responsible for collecting grievances from different entry points, analyzing the data and monitoring any outstanding issues. The GRM shall be adopted accordingly for the project. This shall include separate tracking of grievances and further sensitization to Sexual Exploitation and Abuse and Sexual Harassment-related grievances. The GRM, as it applies to this project, will be presented and explained in detail in the POM.

D. Results Monitoring and Evaluation

46. A common results framework will be used for monitoring project performance. The FMOH and the MoHSW will be responsible for data collection and annual project reporting for all activities that will be implemented. They will track and facilitate timely reporting of information quarterly and annually and consolidate results for submission to the WB. Data for the results framework will largely be generated from routine monitoring systems. Where needed, baseline and follow-up surveys may be conducted. Contracted and qualified firms will conduct mid-term and end-term evaluations. The WB will regularly review the results framework during implementation to assess the pace of progress toward key targets. The results framework will be reviewed during the mid-term review for continued relevance and to confirm the overall logic of the project design. The Project will support activities to improve availability and quality of data to enable BiH to produce data that it cannot generate at the present.
47. **Intermediate Indicators:** In addition to the PDO-level indicators noted above, the following intermediate indicators will be tracked:
 - (i) Number of entities that have mapped priority health risks.
 - (ii) Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in RS, disaggregated by gender.
 - (iii) Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in the FBiH, disaggregated by gender.



- (iv) Percentage of community members reporting that community engagement processes were effective (i.e., transparent, inclusive, responsive) in RS, disaggregated by gender.
- (v) Percentage of community members reporting that community engagement processes were effective (i.e., transparent, inclusive, responsive) in the FBiH, disaggregated by gender.

48. **Supervision and implementation support:** Experienced in-country World Bank health specialists, environmental and social standards specialists, and operational and fiduciary specialists will provide regular implementation support from the WB Country Office. The involvement of World Bank specialists will ensure synergies between activities funded under this Project and those funded under other existing WB projects, and related projects supported by other development partners. Implementation support missions will be carried out on a semi-annual basis to monitor and track implementation progress of Project activities implemented by the FMOH of the FBiH and MoHSW of RS.

E. Sustainability

Institutional sustainability

49. As demonstrated with other regional activities coordinated by the FMOH of the FBiH and the MoHSW of RS, country-led initiatives foster accountability, strengthen results, and facilitate sustainability. The Project will, therefore, build on existing systems and structures to further enhance national capacities within BiH to prepare for and prevent the impact of epidemics on their populations. The project implementation entities – the FMOH of the FBiH and the MoHSW of RS – are drawn from the existing government structures for project-related coordination and technical oversight. This will ensure continuity of the expected results beyond the project period. As part of implementing priority actions, the Project includes a wide range of capacity building activities that will further enhance institutional capacities in critical areas for preparedness to epidemics and pandemics. This augurs well for institutional sustainability as BiH progressively builds, maintains, and strengthens the capacity to prevent and respond to public health threats.

Financial Sustainability

50. Financial sustainability of project-supported activities hinges on ensuring adequate financing from both domestic resource mobilization and donor support. The project activities have a major focus on capacity building for pandemic preparedness and response to minimize future operational costs. The FMOH of the FBiH and the MoHSW of RS will use their convening power and governance structures to bolster commitment and support for ensuring continuity in the project-supported activities. They will also contribute to identifying opportunities for brokering new partnerships and additional sources of financing to sustain the activities supported under the Project.

51. The sustainability of the Project will largely arise from the improvement in BiH's core capacities required under the IHR (2005). The ensuing effective event management is both efficiency-enhancing and cost-saving. These, in turn, enhance financial sustainability. The WB will continue to work with the FMOH, the MoHSW, and development partners to assess the need for additional interventions that may arise from the evolving situation in the country. The costing of action plans will allow for budget inclusion in the medium-term expenditure framework (MTEF), a strategic entry point for financial sustainability.



V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

52. **The overall project risk is rated Substantial.** The macroeconomic, sector strategies and policies, technical design, institutional capacity, fiduciary, and environmental and social risk categories are each rated moderate. The political and governance risk category is rated substantial, and its associated mitigation measures and residual risks are described below.

53. *Political and Governance risk is rated Substantial.* BiH has a complex political setup. This and the weak mechanisms of BiH for inter-government cooperation pose a challenge to effective policy reform and implementation. Political uncertainty persists. The state-level and entity parliaments meet sporadically. Delays in forming the BiH Council of Ministers following the 2018 elections, and uncertainty over the formation of a new government, alongside challenges around agreeing on electoral legislation for the Federation's House of Peoples, presented barriers to the smooth implementation of reforms. Collaboration among cantonal, entity-, and state-level institutions remains problematic. The persisting absence of an agreed coalition government in the Federation following the 2018 elections further complicates the picture. While there are stated commitments from both entities to invest in emergency preparedness and response, bolstered by the experience of responding to the COVID-19 pandemic, the challenges in coordination across entities make the implementation of some actions, such as cross-border monitoring to reduce vulnerability to emergencies, difficult. Additionally, BiH has become a transition country for people displaced by conflict in the Syrian Arab Republic resulting in pressures on the strained health system to address the health needs of migrants and refugees. To mitigate against these risks, firstly, by design, entity-level action plans (rather than national action plans) alleviate the difficulty with coordination across entities. The Project will invest in broad consultations (on the action plans to be developed under Component 1) in both entities and through the Council of Ministers to facilitate inter-entity coordination. The recognition by policymakers of the importance of these investments for mitigating some risks associated with higher density of migrants and refugees, including of the spread of communicable disease should also be noted. Furthermore, as the activities are logically interrelated, implementation of Component 2 activities in any entity will be made conditional on the development of costed action plans under Component 1 in both entities, and their corresponding gazettelement through a signed statutory instrument authorizing their implementation as respective official entity-level plan in both entities. This will optimize synergies during implementation, such as those related to entity cross-border emergency preparedness capacity development.

VI. APPRAISAL SUMMARY

A. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No



B. Technical, economic, and financial analysis

54. The economic and public health rationale for strengthening preparedness is well established. Epidemics and pandemics are increasing in frequency and severity, and can have staggering economic, health, and social costs, as seen during the Severe Acute Respiratory Syndrome (SARS), Ebola, and Zika epidemics. The ongoing COVID-19 pandemic is a stark reminder of the importance of collective, coordinated action to enhance preparedness capacity at the regional level, given the elevated risk of cross-border and global transmission. Interventions to promote pandemic preparedness are a public good, with benefits accruing across national borders, and with a strong rationale for public funding. The activities proposed under the Project are considered essential interventions for prevention and response to epidemics and pandemics. The Project would enhance the capacity of BiH to actively manage the risk of outbreaks. It is also expected that risks, which are associated with travel and trade, would be reduced as entities increase their cooperation in managing outbreaks and preventing adverse public health outcomes that could result in dire economic consequences.
55. While no formal economic analysis has been conducted in the context of this Project, investing in preparedness will be less costly than responding to epidemics and pandemics once they have occurred. Financing the global commons for pandemic preparedness and response provides immense social returns, with some estimates of returns on investments as high as 700 times as large as the additional investments needed per year.^{6,7} The project activities are expected to contribute to the prevention and reduction of mortality and morbidity, and to greater global health security. By implementing the entity-level action plans, the acquisition of new skills and knowledge (building human capital) and improved communications through investments in digital technology will enhance the effectiveness of interventions and generate greater efficiency in resource use. Intangible benefits include enhanced “peace of mind” for the general population and business community because of the enhanced ability of entities to control the spread of disease outbreaks, thus protecting the growth of trade and economic development.

C. Environmental and Social

56. The financed activities have no direct implications on the environment, and will not result in negative social impacts per se. However, the plans to be prepared will need to integrate a number of environmental and social issues, as highlighted in Section IV C above. The clients will adapt to the specific purposes of this project, the ESMF that was developed for the Emergency COVID-19 Project in 2020. The revised and adapted ESMF will be disclosed during implementation and prior to the start of any project-supported activities. The project will result in significant emergency preparedness improvements and will, therefore, benefit the broader community in both entities in BiH. The proposed Project will not finance any kind of civil works for construction, and it will involve neither land acquisition nor physical displacement to formal or informal occupants. The two implementing agencies (PAFPID in RS and PIU in FBiH) both have environmental specialists assigned to the COVID-19 Emergency Project. The PAFPID in RS has an assigned social specialist, and the PIU in FBiH would need to appoint one to have adequate capacity for implementing this activity

⁶ Report of the G20 High Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response. Accessible at <https://pandemic-financing.org/wp-content/uploads/2021/07/G20-HLIP-Report.pdf>.

⁷ GHRF Commission (Commission on a Global Health Risk Framework for the Future). 2016. The neglected dimension of global security: A framework to counter infectious disease crises. <http://nam.edu/GHRFreport>. doi: 10.17226/21891.



under the same arrangements. The Recipient should continue engagement and appointments of relevant staff for the purposes of this activity as well.

VII. World Bank Grievance Redress

57. **Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS).** The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project-affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY : Bosnia and Herzegovina

Strengthening Emergency Preparedness and Response Project

Project Development Objectives

The Project Development Objective is to support the development and implementation of entity-level Action Plans for Health Emergency Preparedness in the Republika Srpska (RS) and the Federation of Bosnia and Herzegovina (FBiH).

Project Development Objective Indicators

Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
Name: Entity-level multi-hazard national public health emergency preparedness and response action plans developed		Text	None	Yes, in both entities	Annual	Review of project documentation. Annual reports. (MoHSW PAFPID records in the case of RS, and FMOH PIU records in the case of FBiH.)	MoHSW in the case of RS, and FMOH in the case of the FBiH.
Entity-level multi-hazard public health emergency preparedness and		Text	Not developed	Developed	Annual	Review of project documentation. Annual reports.	MoHSW in the case of RS



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
response action plan developed in Republika Srpska						MoHSW PAFPID records in the case of RS	
Entity-level multi-hazard public health emergency preparedness and response action plan developed in Federation of Bosnia and Herzegovina		Text	Not developed	Developed	Annual	Review of project documentation. Annual reports. FMoH PIU records in the case of FBiH.	FMoH in the case of the FBiH
<p>Description: This indicator will track progress under Component 1 of the project. Defined as whether or not entity-level multi-hazard public health emergency preparedness and response action plans have been developed, with the end target of such action plans being developed in both entities.</p> <p>Implementation will be defined as objective verification by the MoHSW of RS and the FMoH of the FBiH of: (i) existence of costed entity-level action plan; and (ii) signed statutory instrument authorizing their implementation as respective official entity plan.</p>							
Name: Proportion of priority actions to build, strengthen and maintain BiH's core capacities for emergency preparedness and response that are fully implemented		Percentage	0.00	60.00	Annual	Annual Reports	MoHSW in RS, and the FMoH in FBiH
Proportion of priority actions to build,		Percentage	0.00	60.00	Annual	Annual Reports	MoHSW of RS.



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
strengthen and maintain core capacities for emergency preparedness and response that are fully implemented in Republika Srpska							
Proportion of priority actions to build, strengthen and maintain core capacities for emergency preparedness and response that are fully implemented in the Federation of Bosnia and Herzegovina		Percentage	0.00	60.00	Annual.	Annual Reports.	FMoH of FBiH.
<p>Description: This indicator tracks progress under Component 2 of the project related to the progress of implementing the entity-level actions outlined in the developed Action Plans for both entities under Component 1.</p> <p>For each entity-level action plan, this indicator will be measured against the the full implementation of the top 5 priority actions. The selection of prioritized actions will be determined through consultation and engagement with key stakeholders.</p>							



Intermediate Results Indicators

Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
Name: Number of entities that have mapped priority health risks		Number	0.00	2.00	Annual	Review of Project Documentation and Annual Reports. MoHSW PAFPID project records in the case of RS, and FMOH PIU records in the case of FBiH.	MoHSW PAFPID (in the case of RS), and FMOH PIU (in the case of FBiH)
Description: Implementation will be defined as objective verification by the MoHSW of RS and the FMOH of the FBiH of existence of a comprehensive mapping of priority health risks to inform entity-level action planning.							
Name: Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska		Number	0.00	1,000.00	Annual	Annual Reports. Data will be disaggregated by sex and age.	MoHSW of RS
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska, of		Number	0.00	500.00	Annual	Annual Reports. Data will be disaggregated by sex (female) and age.	MoHSW of the RS



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
which female							
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska, of which male		Number	0.00	500.00	Annual	Annual Reports. Data will be disaggregated by sex (male) and age.	MoHSW of the RS
<p>Description: This indicator tracks the number of stakeholders external to the RS MoHSW consulted on priority setting and implementation of entity level action plan in RS, disaggregated by gender.</p>							
Name: Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in the Federation of Bosnia and Herzegovina		Number	0.00	1,000.00	Annual	Annual Reports. Data will be disaggregated by sex and age.	FMoH of the FBiH
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in in the Federation of Bosnia and Herzegovina, of which		Number	0.00	500.00	Annual	Annual Reports. Data will be disaggregated by sex (female) and age.	FMoH of the FBiH



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
female							
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in the Federation of Bosnia and Herzegovina, of which male		Number	0.00	500.00	Annual	Annual Reports. Data will be disaggregated by sex (male) and age.	FMoH of the FBiH.
<p>Description: This indicator is defined as the number of stakeholders external to the FBiH FMoH consulted on priority setting and implementation of entity level action plan in the FBiH, disaggregated by gender.</p>							
Name: Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in Republika Srpska		Percentage	0.00	75.00	Annual	End-term feedback survey. Data will be disaggregated by sex and age.	MoHSW of the RS.
Percentage of community members reporting that community engagement processes were effective (i.e.		Percentage	0.00	50.00	Annual	End-term feedback survey. Data will be disaggregated by sex (female) and age.	MoHSW of the RS



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
transparent, inclusive, responsive) in Republika Srpska, of which female							
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in Republika Srpska, of which male		Percentage	0.00	50.00	Annual	End-term feedback survey. Data will be disaggregated by sex (male) and age.	MoHSW of the RS
<p>Description: This indicator is defined as the percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in RS, disaggregated by gender.</p> <p>Community consultations will ensure that the implementation reflects the specific issues facing entities and ensure that priority actions are appropriately designed and implemented in a way that will equally reach women and men in their diversity. Feedback Surveys including service users' satisfaction following implementation of project activity will be undertaken.</p>							
Name: Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in		Percentage	0.00	75.00	Annual.	End-term feedback survey. Data will be disaggregated by sex and age.	FMoH of the FBiH.



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
the Federation of Bosnia and Herzegovina							
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the Federation of Bosnia and Herzegovina, of which female		Percentage	0.00	50.00	Annual	End-term feedback survey. Data will be disaggregated by sex (female) and age.	FMoH of the FBiH
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the Federation of Bosnia and Herzegovina, of which male		Percentage	0.00	50.00	Annual	End-term feedback survey. Data will be disaggregated by sex (male) and age.	FMoH of the FBiH.
<p>Description: This indicator is defined as the percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the FBiH, disaggregated by gender.</p>							



Indicator Name	Corporate	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
Community consultations will ensure that the implementation reflects the specific issues facing entities and ensure that priority actions are appropriately designed and implemented in a way that will equally reach women and men in their diversity. Feedback Surveys including service users' satisfaction following implementation of project activity will be undertaken.							



Target Values

Project Development Objective Indicators

Indicator Name	Baseline	End Target
Entity-level multi-hazard national public health emergency preparedness and response action plans developed	None	Yes, in both entities
Entity-level multi-hazard public health emergency preparedness and response action plan developed in Republika Srpska	Not developed	Developed
Entity-level multi-hazard public health emergency preparedness and response action plan developed in Federation of Bosnia and Herzegovina	Not developed	Developed
Proportion of priority actions to build, strengthen and maintain BiH's core capacities for emergency preparedness and response that are fully implemented	0.00	60.00
Proportion of priority actions to build, strengthen and maintain core capacities for emergency preparedness and response that are fully implemented in Republika Srpska	0.00	60.00
Proportion of priority actions to build, strengthen and maintain core capacities for emergency preparedness and response that are fully implemented in the Federation of Bosnia and Herzegovina	0.00	60.00

Intermediate Results Indicators

Indicator Name	End Target
Number of entities that have mapped priority health risks	2.00
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska	1,000.00
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska, of which female	500.00
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in Republika Srpska, of which male	500.00



Indicator Name	End Target
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in the Federation of Bosnia and Herzegovina	1,000.00
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in in the Federation of Bosnia and Herzegovina, of which female	500.00
Number of external stakeholders consulted on priority setting and implementation of entity-level action plan in in the Federation of Bosnia and Herzegovina, of which male	500.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in Republika Srpska	75.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in Republika Srpska, of which female	50.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in Republika Srpska, of which male	50.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the Federation of Bosnia and Herzegovina	75.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the Federation of Bosnia and Herzegovina, of which female	50.00
Percentage of community members reporting that community engagement processes were effective (i.e. transparent, inclusive, responsive) in the Federation of Bosnia and Herzegovina, of which male	50.00