



Report No: PAD3856

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF EUR 33.1 MILLION (US\$36.2 MILLION EQUIVALENT)

TO

BOSNIA AND HERZEGOVINA

FOR A

BOSNIA AND HERZEGOVINA EMERGENCY COVID-19 PROJECT

UNDER THE

COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)
WITH A FINANCING ENVELOPE OF

UP TO US\$ 6 BILLION

APPROVED BY THE BOARD ON APRIL 2, 2020

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

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CURRENCY EQUIVALENTS

(Exchange Rate Effective Mar 31, 2020)

Currency Unit = Euro (EUR)

EUR1 = US\$ 1.094

US\$ 1 = EUR 0.9133

FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

BAM	Bosnia-Herzegovina Convertible Mark
BiH	Bosnia and Herzegovina
BFP	Bank-facilitated procurement
COVID-19	Coronavirus disease
DA	Designated Account
F&C	Fraud and corruption
FM	Financial management
FMoH	Federation Ministry of Health
FMoLSP	Federation Ministry of Labor and Social Protection
FTCF	Fast Track COVID-19 Facility
GRS	Grievance Redress System
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
ICR	Implementation Completion and Results Report
ICU	Intensive Care Unit
IFR	Interim Financial Report
IHR	International Health Regulations
IMF	International Monetary Fund
IPF	Investment Policy Financing
HEIS	Hands-on Expanded Implementation Support
HIF	Health Insurance Fund
MoH	Ministry of Health
MoHSW	Ministry of Health and Social Welfare
MPA	Multiphase Programmatic Approach
OIE	The World Organization for Animal Health
PAD	Project Appraisal Document
PAFPID	Planning, Analysis, Financing and Project Implementation Department
PDO	Project Development Objective
PHI	Public Health Institute
PIT	Project Implementation Team
PIU	Project Implementation Unit
POM	Project Operational Manual
PPE	Personal protection Equipment
PPSD	Project Procurement Strategy for Development
PSA	Permanent Social Assistance
PWD	People with Disabilities
SOE	Statement of Expenditures
SOTAC	Social Assistance Beneficiary Registry
SPRP	COVID-19 Strategic Preparedness and Response Plan
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical assistance
UN	United Nations



The World Bank

Bosnia and Herzegovina Emergency COVID-19 Project (P173809)

UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
WB(G)	World Bank (Group)
WHO	World Health Organization



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Bosnia and Herzegovina	Bosnia and Herzegovina Emergency COVID-19 Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P173809	Investment Project Financing	Substantial

Financing & Implementation Modalities

<input checked="" type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
15-Apr-2020	30-Jun-2022	31-Mar-2025

Bank/IFC Collaboration

No

MPA Program Development Objective

The Program Development Objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

MPA Financing Data (US\$, Millions)



MPA Program Financing Envelope	4,186.65
with an additional request to IBRD	36.20
with an additional request to IDA	2.50

Proposed Project Development Objective(s)

The project development objective is to prevent, detect, and respond to the threat posed by the COVID-19 pandemic in Bosnia and Herzegovina.

Components

Component Name	Cost (US\$, millions)
Component 1. Responding to the COVID-19 Pandemic in Republika Srpska	14.21
Component 2. Responding to the COVID-19 Pandemic in the Federation of Bosnia and Herzegovina	21.51
Component 3. Project Management	0.40

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
 Ministry of Labor and Social Policy of the Federation of Bosnia and Herzegovina

MPA FINANCING DETAILS (US\$, Millions)

Board Approved MPA Financing Envelope:	4,147.95
MPA Program Financing Envelope:	4,186.65
of which Bank Financing (IBRD):	2,631.00
of which Bank Financing (IDA):	1,555.65
of which other financing sources:	0.00

PROJECT FINANCING DATA (US\$, Millions)



SUMMARY

Total Project Cost	36.20
Total Financing	36.20
of which IBRD/IDA	36.20
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	36.20
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Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2020	2021	2022
Annual	17.50	17.50	1.20
Cumulative	17.50	35.00	36.20

INSTITUTIONAL DATA

Practice Area (Lead)

Health, Nutrition & Population

Contributing Practice Areas

Social Protection & Jobs

Climate Change and Disaster Screening

This operation has not been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	● Substantial
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate



4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Substantial
8. Stakeholders	● Moderate
9. Other	
10. Overall	● Substantial
Overall MPA Program Risk	● High

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

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

RS Project Staff. No later than one month after the Effective Date, the RS shall, through the MoHSW retain and thereafter maintain at all times during the implementation of the Project, staff in adequate numbers and responsibilities, with sufficient resources and competencies, all acceptable to the Bank and as set forth in the Project Operations Manual.

Sections and Description

Federation PIU. No later than one month after the Effective Date, the Federation, through FMOH shall establish a Project Implementation Unit (PIU), and thereafter maintain it at all times during the implementation of the Project, with sufficient resources, competent staff in adequate numbers and responsibilities, all acceptable to the Bank and as set forth in the Project Operations Manual.



Sections and Description

Federation PIT. For purposes of carrying out Part B.1.2 of the Project, no later than one month after the Effective Date, the Federation, through MOLSP shall establish a Project Implementation Team (PIT), and thereafter maintain it at all times during the implementation of the Project, with sufficient resources, competent staff in adequate numbers and responsibilities, all acceptable to the Bank and as set forth in the Project Operations Manual.

Sections and Description

Federation Project Steering Committee. No later than one month after the Effective Date, the Federation shall establish and thereafter maintain throughout the implementation of the Project, a Project Steering Committee for Project oversight with responsibilities and participants as set forth in the Project Operations Manual.

Sections and Description

Simplified Registration. No later than one month after the Effective Date, the Federation and the RS shall issue an instruction and a directive, respectively, for simplified or emergency registration procedures for Cash Transfer and Social Service programs, in a manner and with contents acceptable to the Bank.

Sections and Description

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

Sections and Description

Retroactive Financing. Withdrawals up to an aggregate amount not to exceed € 14,895,000 may be made for payments made prior to the Signature date but on or after January 16, 2020, for Eligible Expenditures.

Conditions

Type

Effectiveness

Description

The Legal Agreements shall not become effective until the Loan Party and either RS or the Federation confirm and the Bank is satisfied that the execution and delivery of each Legal Agreement on behalf of the Loan Party and said entity which is a party to such Legal Agreement have been duly authorized by all necessary actions and delivered on behalf of such party, and the relevant Legal Agreement is legally binding upon such party in accordance with its terms.

Type

Disbursement

Description

Under Category (1) unless: (i) the RS Project Agreement has been executed by its



	parties; and (ii) the RS Subsidiary Agreement has been executed by its parties.
Type Disbursement	Description Under Categories (2) and (3) unless: (i) the Federation Project Agreement has been executed by its parties; and (ii) the Federation Subsidiary Agreement has been executed by its parties.



I. PROGRAM CONTEXT

1. **This Project Appraisal Document (PAD) describes the emergency response to Bosnia and Herzegovina (BiH) under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank’s Board of Executive Directors on April 2, 2020 (PCBASIC0219761) with an overall Program financing envelope of up to US \$6 billion.**

A. MPA Program Context

2. **The coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, when the initial cases were diagnosed in Wuhan, Hubei Province, China.** Since the beginning of March 2020, the number of cases outside China has increased thirteenfold and the number of affected countries has tripled. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spreads across the world. As of April 3, 2020, the outbreak had resulted in an estimated 1,066,706 cases and 56,767 deaths in 178 countries.
3. **COVID-19 is one of several emerging infectious diseases that in recent decades have begun with animals in contact with humans, resulting in major outbreaks with significant public health and economic impacts.** The last moderately severe influenza pandemics were in 1957 and 1968; each killed more than a million people around the world. Although countries are now far more prepared than in the past, the world is also far more interconnected, and many more people today have behavior risk factors such as tobacco use¹ and pre-existing chronic health problems that make viral respiratory infections particularly dangerous.² With COVID-19, scientists are still trying to understand the full picture of the disease symptoms and severity. Reported symptoms in patients have varied from mild to severe, and can include fever, cough and shortness of breath. In general, studies of hospitalized patients have found that about 83 percent to 98 percent of patients develop a fever, 76 percent to 82 percent develop a dry cough and 11 percent to 44 percent develop fatigue or muscle aches.³ Other symptoms, including headache, sore throat, abdominal pain, and diarrhea, have been reported, but are less common. While 3.7 percent of the people worldwide confirmed as having been infected have died, WHO has been careful not to describe that as a mortality rate or death rate, because in an unfolding pandemic it can be misleading to look simply at the estimate of deaths divided by cases so far. Hence, given that the actual prevalence of COVID-19 infection remains unknown in most countries, it poses unparalleled challenges with respect to global containment and mitigation. These issues reinforce the need to strengthen the response to COVID-19 across all IDA/IBRD countries to minimize the global risk and impact of this disease.
4. **This project is prepared under the global framework of the World Bank COVID-19 Response, financed under the Fast Track COVID-19 Facility (FTCF).**

¹ Marquez, PV. 2020. “Does Tobacco Smoking Increases the Risk of Coronavirus Disease (COVID-19) Severity? The Case of China.” <http://www.pvmarquez.com/Covid-19>

² Fauci, AS, Lane, C, and Redfield, RR. 2020. “COVID-19 — Navigating the Uncharted.” *New Eng J of Medicine*, DOI: 10.1056/NEJMe2002387

³ Del Rio, C. and Malani, PN. 2020. “COVID-19—New Insights on a Rapidly Changing Epidemic.” *JAMA*, doi:10.1001/jama.2020.3072



B. Updated MPA Program Framework

5. **Table 1 provides an updated overall MPA Program framework, including the proposed project for BiH.** The Program framework will be updated as more countries join the SPRP. All projects under the SPRP are assessed for Environmental and Social Framework risk classification following the Bank’s procedures and using the flexibility provided for COVID-19 operations.

Table 1. MPA Program Framework

Phase #	Project ID	Sequential or Simultaneous	IPF, DPF or PforR	Estimated IBRD Amount (\$ million)	Estimated IDA Amount (\$ million)	Estimated Other Amount (\$ million)	Estimated Approval Date	Estimated Environmental & Social Risk Rating
1	Bosnia and Herzegovina Emergency COVID-19 Project	Simultaneous	IPF	36.2			April 30, 2020	Substantial

C. Learning Agenda

6. **The MPA Program will support adaptive learning in countries where FTCF financing is provided, working with partners from international organizations** including the International Monetary Fund (IMF), the United States Centers for Disease Control, WHO, the United Nations Children’s Fund (UNICEF), the Food and Agriculture Organization of the United Nations, the World Organization for Animal Health (OIE), and others. In BiH, the following topics will be targeted for learning:
- **Forecasting:** Modeling the progression of the pandemic, in terms of both new cases and deaths;
 - **Supply chain approaches:** Assessments of options for timely distribution of medicines and other medical supplies;
 - **Social behaviors:** Assessments on compliance with and the impact of social distancing measures in different contexts;
 - **Wider socioeconomic impact:** Including assessment of the impact of COVID-19 on rates of migration into and out of BiH; and
 - **Comparative analysis:** Rapid learning from programmatic comparisons of countries attempting similar approaches across the Western Balkans and across Europe more broadly.

II. STRATEGIC CONTEXT

A. Country Context

7. **BiH is an upper-middle income country with a per capita gross national income of US\$5,690.** The country has been at peace for the past 25 years and, despite a complex political setup, has been able to achieve significant results. Much of the infrastructure destroyed in the war has been rebuilt, and institutions have been established to govern the country at all levels of authority. A framework for economic and fiscal management has been established that has brought lasting macroeconomic stability. Still, much more needs to be done if BiH is to achieve sustainable prosperity for its citizens and fulfill its aspiration to join the European Union.



8. **Economic growth reached 2.8 percent in 2019, down from 3.6 percent in 2018.** The softening of growth that started in 2019 is to a large extent the result of a slow-down in net exports. Because of continuing global trade wars and regional trade disputes, the trade balance figures weakened in 2019 and are expected to worsen in the short term with the ongoing pandemic. In 2019 domestic demand was the dominant driver of growth, with consumption adding 2.6 percent and investment 0.4 percent and net exports subtracting 0.2 percent. The slowdown in external demand has affected the growth of both exports and imports, resulting in a decline in exports and small increase in imports in 2019. The drivers of production remained the same: services contributed 2.1 percent, industry 0.5 percent, and agriculture 0.2 percent.
9. **Unemployment remains high, even with some improvements in the labor market in 2019.** The unemployment rate fell from 18.4 percent in 2018 to 15.7 percent in 2019, driven by a slight rise in the employment rate, with the activity rate unchanged. Despite the improvements in the labor market, overall gains in employment are, at best, assessed as modest. The latest data indicate that the poverty rate in BiH is 16 percent.⁴ Poverty is worse in rural areas (19 percent) than in urban areas (12 percent).⁵ Across entities, poverty increased slightly in the Federation of BiH from 2011 to 2015 (from 15 percent to 17 percent), while it remained stable at about 14 percent in Republika Srpska. Higher pensions and social assistance contributed to improving the welfare of the less well-off. Labor income had a small poverty-increasing effect, but this effect may have shifted from 2015 to 2019, given the recent improvements in the labor market. Looking ahead, addressing structural rigidities will be crucial as BiH responds to the pandemic and faces with the challenge of safeguarding private sector jobs have a base from which to accelerate job creation in the medium term for those who are jobless or have been laid off.
10. **COVID-19 poses the most serious social and economic challenge to the country since the 2008-09 global financial crisis.** The COVID-19 outbreak is testing health and public health systems, while measures to contain its spread are resulting in an economic slowdown and threaten the economic security of many citizens, particularly those with low-incomes. COVID-19 also risks accelerating BiH's high 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-educated and highly educated, indicating a high rate of loss of the country's current and future human capital. BiH's complex political structure and weak mechanisms for inter-government cooperation also pose a challenge for responding rapidly and effectively to emergencies such as the COVID-19 pandemic. There is limited horizontal coordination, for example, between the Federation of BiH and Republika Srpska entity governments, as well as limited vertical coordination between the state-level organizations and the entity governments. While the toll the pandemic ultimately takes 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 the social and economic effects.

B. Sectoral and Institutional Context

11. **As of April 3, 2020, there were 574 confirmed cases of COVID-19 in BiH, and 17 deaths.** Most cases are in Republika Srpska, with the greatest concentration of cases in Banja Luka, although most people affected have mild symptoms. In the Federation of BiH, there are currently fewer than 100 cases, with clusters in Bihac, Mostar and Sarajevo. Around 35,000 people are under public health surveillance in the Federation of BiH, and around 17,000 in the Republika Srpska entity.

⁴ BiH Household Budget Survey (HBS) 2015. More recent data not available.

⁵ Ibid.



12. **At the state level, the Council of Ministers declared a state of emergency for the entire BiH territory, and a COVID-19 Coordination Body has been created.** The decision defines the obligation of all BiH institutions and bodies to provide support and make their capacities available to the Coordination Body, which will use them in accordance with the planned activities. The decision also recommended that the Team for Emergency Situations of Republika Srpska, the Headquarters for Civil Protection of the Federation of BiH, and the Civil Protection Headquarters of the Brčko District, submit a specification of COVID-19-related needs to the Coordination Body to seek international assistance for their procurement, and that the Council of Ministers of BiH financially support that procurement. The Coordination Body is working with health authorities, the armed forces and United Nations (UN) agencies to set up quarantine arrangements at borders and other points of entry for returning citizens. The Ministry of Security also initiated actions to facilitate the delivery of supplies from Italy and other surrounding nations. Both entities have initiated action plans to respond to the pandemic, including modelling of the expected number of cases in each entity as well as needs for beds, test kits and personal protective equipment (PPE).
13. **Republika Srpska initiated an action plan to respond to the pandemic, starting in January 2020.** Activities are based on the provisions of the Law on Protection and Rescue in Emergency Situations (Official Gazette of Republika Srpska No. 121/12 and 46/17) and the Law on Population Protection against Communicable Diseases (“Republika Srpska Official Gazette” no. 90/17). A state of emergency for Republika Srpska was declared, a team for emergency situations was formed, and entity-level and municipality-/city-level COVID-19 action plans were elaborated. The entity-level action plan initially involved increasing awareness amongst health professionals and the public about the pandemic, establishing procedures for case detection and case management, and making all primary and secondary healthcare facilities available for the prevention and treatment of cases of COVID-19. Preparation continued through February, with the assessment of stocks of disinfection agents, PPE supplies, and the isolation capacities of health facilities. By early March, a Coordination Body for Planning, Implementation and Monitoring activities related to the outbreak had been established at the level of the Prime Minister, and the Public Health Institute (PHI) of Republika Srpska had modelled the need for test kits, PPE, and hospital beds (see Annex 3). The University Clinical Centre of Republika Srpska in Banja Luka is the designated referral center for severe cases of COVID-19, and its capacity has been expanded through the purchase of 20 new mechanical ventilators. Mobile healthcare facilities were set up at borders and points of entry. Hospitals were required to set up separate areas for treating potential cases, and routine, non-urgent procedures were cancelled until further notice. Healthcare workers’ vacations have been cancelled, and they have been asked to undertake additional shifts and/or duties as the need arises. The health insurance fund (HIF) has made healthcare services free to all Republika Srpska residents until the end of April. More recently, schools, colleges, and most shops have been closed, except for food markets and pharmacies. Student residences have been reorganized into temporary hospital centers. On March 29, a curfew for all citizens between 8:00 p.m. and 5:00 a.m. was imposed (with people aged over 65 required to stay in their homes at all times), and all individuals testing positive for COVID-19 were required to move into quarantine facilities, even if in good health. The authorities are also arranging for essential food items to be distributed to elderly and vulnerable residents through its network of social work centers.
14. **As part of an emergency response package, the Government of Republika Srpska is planning to expand coverage of the targeted permanent social assistance program and provide expanded access to social services.** The Government will provide temporary cash and services to households and vulnerable individuals that are adversely affected by the economic consequences of COVID-19. The immediate focus is on maintaining and expanding cash transfers to those who are in most need and might be at risk of falling into destitution as a result of the pandemic. The World Bank will support the efforts to meet such immediate short-term needs (under the



proposed operation); however, needs are much larger. As part of the recovery effort, the Government is also planning to support the “new jobless” under its unemployment insurance framework by providing a broad range of jobseekers and employers with employment incentives/wage subsidies. Discussions are ongoing on the Bank role in this phase. The laws on social protection describes the institutional mechanisms for delivery and the parameters of different cash benefits and social care services (see Annex 5 for details on the laws). Centers for Social Work play a key role in the administration and delivery of benefits, as do old age homes and specialized facilities for persons with disabilities and children and youth.

15. **In the Federation of BiH, the first public statement with general recommendations for the population was made on January 21, 2020.** Intensive daily communication is established between the Federation Ministry of Health (FMoH), the Federation PHI, the cantonal PHIs the WHO Office in BiH. Also, contacts were made with other competent institutions and institutions, primarily the Federation Inspectorate and the State Border Service of BiH. A Crisis Unit of the FMoH was formed, requiring all cantonal ministries responsible for health to form the same, and coordinating among them. A Crisis Preparedness and Response Plan for the Emergence of a New Coronavirus (COVID-19) was adopted, on the basis of which the cantonal crisis units drew up local plans. All cantonal health ministries set up a system for the control of infectious diseases. The Federation PHI issued a COVID-19 preparedness and response plan. This comprises active case findings (in healthcare institutions, the community and ports of entry); clinical guidelines for case isolation, treatment, and contact tracing; and procedures for regular and transparent communication with the public. The Federation’s three clinical centers (Mostar, Tuzla, and Sarajevo) and all hospitals with departments of infectious diseases (Sarajevo, Tuzla, Mostar, Zenica, Travnik, Bihac) have been designated to treat COVID-19 patients. Some adaptation/expansion of clinical facilities has taken place, including equipping the Clinical Centre in Sarajevo with 200 additional beds and one additional laboratory, and expanding treatment facilities at Mostar Clinical Centre. Routine surgical and diagnostic procedures have been cancelled, and healthcare services are restricted to emergencies, chemotherapy, and other obligatory interventions. Retired physicians have been mobilized and some clinical staff are being reassigned from their usual duties to assist in the emergency COVID-19 response. The Institute for Health and Food Safety, Zenica, and the University of Zenica modelled the expected incidence of COVID-19 and the need for hospital beds in the Federation of BiH, drawing on international experience thus far and developing different scenarios that can serve as a basis for capacity planning in the health sector, at different stages of the pandemic. The FMoH and the PHI are also collecting data on available resources in the health sector, additional resources to isolate COVID-19-positive patients, and expected needs for both protective equipment and COVID-19 tests (see Annex 4).
16. **Authorities in the Federation of BiH are planning to expand social benefits for vulnerable groups that are at most risk of being affected by the economic impact of the pandemic.** The Government plans to expand coverage of its social assistance programs, providing cash and in-kind assistance to those who are beneficiaries of permanent social assistance, people with disabilities (PWDs) and elderly people, and youth who reside in institutions and are in need of permanent care. The immediate focus is on maintaining and expanding cash transfers to those who are in most need and might be at risk of falling into destitution as a result of the pandemic. The World Bank will support the efforts to meet the immediate short-term needs (under the proposed operation); however, needs are much larger. As part of the recovery effort, the Government is also planning to support the “new jobless” under its unemployment insurance framework, providing a broad range of jobseekers and employers with employment incentives/wage subsidies. Discussions are ongoing on the Bank’s role in this phase. The Federation Ministry of Labor and Social Policy (FMoLSP), cantonal governments, and Centers for Social Work and specialized institutions will play a key role in the delivery of the emergency assistance.



Box 1: COVID-19 Mitigation Measures

In addition to strengthening surge capacity, mitigation measures including social distancing are key in the response to the pandemic. The health system needs to prepare to face an increased demand for hospitalization and critical care of COVID-19 patients, while remaining able to provide at least basic services for the non-COVID19 patients. However, in order for countries to flatten the curve and not overwhelm the health system all at once, evidence from other countries, shows that mitigation measures including social distancing are essential to reduce community transmission and therefore the number of people infected. An assessment of social distancing measures from China revealed that non pharmaceutical interventions such as, community social distancing and lockdowns reduced transmissibility of COVID-19, and the first wave of COVID-19 outside Hubei province was abated because of aggressive non pharmaceutical interventions, including social distancing measures and lockdown. As a result, the Case Fatality Rate outside of Hubei was nearly five times lower and correlated with the reduction in mobility.⁶ Modeling revealed that relaxation of the social distancing when the epidemic size was still small would have pushed COVID-19 prevalence back to baseline. Evidence from 1918 Spanish Flu pandemic in the United States also emphasizes that nonpharmaceutical interventions, when imposed early in the epidemic course, resulted in lower peaks and fewer total cases of pandemic influenza than instances in which authorities did not place or delayed placing of lockdowns.⁷ Although a large uncertainty remains on the virus and most of the prediction are based on evolving modeling, epidemiologists are warning that countries should expect to see population infection rates between 25 percent and 80 percent over the course of the epidemic⁸ unless mitigation measures are taken.

However, in enforcing social distancing measures, clear and consistent communication with the public is essential and so are mechanisms to support the most disadvantaged and the poor to ensure compliance. Measures to contain the outbreak and the resultant economic downturn, will not only affect the poor but also potentially send large numbers of people into poverty, exacerbating inequalities among the population. Marginalized communities are bearing disproportionate costs of lockdowns because their members are more likely to have lost their (formal or informal) jobs, not to have a stable home or shelter, not to have access to food, health care and other basic services; they are also less likely to be able to observe basic public health measures, including handwashing, due to the lack of proper water and sanitation facilities in the communities, which pose them more at risk of the spread of infection. Additionally, women constitute a majority of workers in the non-agricultural informal sector in many countries⁹ – leaving them more vulnerable to loss of livelihood and economic insecurity during lockdowns. While working from home is an option for white-collar professionals, lower income individuals are more likely to work in 'blue collar' jobs or other service roles that cannot be conducted remotely. As a result, these individuals are disproportionately more likely to face employment furloughs or outright termination. Therefore, strategies to ensure such communities are not further pushed into poverty and marginalized due to social distancing policies should be part of the full response. For example, India – a country of over 1.3 billion people has imposed a country-wide lockdown to slow the spread of the pandemic in the country, but this lockdown has exacerbated inequalities, and led to a migrant and informal worker crisis as many informal workers have no viable means left of income. This led to riots, rumor mongering, and noncompliance of lockdowns, prompting Indian government to announce a nearly US\$ 23 billion social protection package for the poor. However, this amounts to less than 1 percent of India's GDP and is a stark contrast to countries such as Singapore and US, which are spending 10 percent of their GDP on similar packages.¹⁰ Lessons from previous epidemics including Ebola Viral Disease in West Africa, also highlight the dangers of imposing lockdown without clear communication or social protection measures. For example, implementation of lockdown in Guinea, Sierra Leone, and Liberia led to episodes of violence. Particularly, implementation of cordon sanitaire in West Point, Liberia in absence of measures to provide food resulted in riots that derailed countries' efforts to control the epidemic.¹¹

⁶ Leung, K., Wu, J. T., Liu, D., & Leung, G. M. (2020). First-wave COVID-19 transmissibility and severity in China outside Hubei after control measures, and second-wave scenario planning: a modelling impact assessment. *The Lancet*.

⁷ Correia, S., Luck, S., & Verner, E. (1918). Pandemics Depress the Economy, Public Health Interventions Do Not: Evidence from the 1918 Flu. *Public Health Interventions Do Not: Evidence from the*.

⁸ See, for example, Ferguson N. et al. <https://www.imperial.ac.uk/media/imperial-college/medicine/sph/ide/gida-fellowships/Imperial-College-COVID19-NPI-modelling-16-03-2020.pdf>

⁹ UN Women. *Transforming Economies, Realizing Rights: Progress of the World's Women 2015-2016*: UN Women; 2015.

¹⁰ <https://www.bbc.com/news/world-asia-india-52086274>

¹¹ Liljas, P. (2014). Liberia's west point slum reels from the nightmare of Ebola. Retrieved January, 11, 2015.



17. **Donors and development partners have been active in supporting BiH in responding to the COVID-19 emergency.** WHO is supporting the assessment of needs for PPE and other medical provisions, has donated some PPE, and will assist in procuring further supplies through the UN global procurement system (collaboration with the United Nations Development Programme). Other UN agencies (such as UNICEF and the UN Population Fund, or UNFPA), the International Organization for Migration, and the International Federation of Red Cross and Red Crescent Societies have produced guidance, briefings, and statements for those working with particular population groups or on particular aspects of the response. The IMF is providing EUR 330 million through a Rapid Financing Instrument to help mitigate the wider economic impact of the pandemic.
18. **Reflecting BiH’s complex political constitution, healthcare insurance and healthcare services are highly fragmented.** Table 2 provides an overview of governance, insurance, and service delivery arrangements across the Federation of BiH and Republika Srpska. In general, most health facilities in the Federation are established and owned by the cantons. The entity-level Ministry of Health (MoH) in the Federation of BiH has a limited, mainly coordination role in setting and implementing policy; cantonal MoHs are primarily responsible for the design and delivery of healthcare insurance and healthcare services. There is a problem of duplication of functions and unclear mandates. The health sector in the Republika Srpska is overseen by a single Ministry of Health and Social Welfare (MoHSW) that owns the public hospitals (municipalities own and operate primary care facilities). The HIFs in Republika Srpska, the Federation of BiH, and the cantons are semi-autonomous institutions that act as the main purchaser of health services on behalf of the insured population.

Table 2: Overview of the Health Systems in BiH

Entity	The Federation of BiH	Republika Srpska
MoH	<ul style="list-style-type: none"> • 1 federal • 10 cantonal 	<ul style="list-style-type: none"> • 1 MOHSW
HIFs	<ul style="list-style-type: none"> • 1 Federation Solidarity Fund • 10 cantonal funds 	<ul style="list-style-type: none"> • 1 HIF
Public Health Institutes (PHIs)	<ul style="list-style-type: none"> • 1 federal PHI • 10 cantonal PHI 	<ul style="list-style-type: none"> • 1 PHI
Quality and Accreditation Agency	<ul style="list-style-type: none"> • 1 agency 	<ul style="list-style-type: none"> • 1 agency
Hospitals	<ul style="list-style-type: none"> • 18 	<ul style="list-style-type: none"> • 10
Special hospitals	<ul style="list-style-type: none"> • 2 	<ul style="list-style-type: none"> • 3
Institutes		<ul style="list-style-type: none"> • 6
Primary care facilities	<ul style="list-style-type: none"> • 79 	<ul style="list-style-type: none"> • 55

19. **The provision of public health and primary care services is a relative strength of BiH.** Countries of the former Yugoslavia inherited community-oriented healthcare systems that gave more attention to preventive healthcare and primary care than most health systems in Eastern Europe. Nevertheless, in-patient care in hospital settings consumes almost half of total health expenditures, compared to an average of 30 percent across countries in the Organisation for Economic Co-operation and Development, indicating ample scope to strengthen primary care further. Both entities have well-regarded PHIs that are tasked with the protection of public health, disease surveillance, and management of hazards to population health. Agencies for quality monitoring and improvement are also well established in both entities. These agencies have also developed systems for benchmarking family medicine teams based on key health outcomes, such as management of hypertension, although this information is not yet made public or used for payment.



20. **A critical weakness cross BiH's health systems concerns debt, including overdue unpaid liabilities ("arrears") to suppliers.** Arrears pose an immediate threat to the sustainability of the healthcare sector. An earlier analytical study¹² estimated that arrears in the Federation of BiH were approximately US\$128 million in 2015. Of this total, 60 percent was generated by hospitals, and 91 percent was owed to suppliers. In Republika Srpska, the report found that liabilities amounted to over US\$608 million, of which arrears amounted to US\$260 million, including a substantial share to suppliers. Arrears are relevant to the COVID-19 emergency for two reasons: first, some suppliers may be unwilling or unable to contract with the HIFs or healthcare providers if invoices from previous contracts remain unpaid; second, the impact of COVID-19 places an already fragile health sector under considerable additional strain and may accelerate the accumulation of arrears. For now, suppliers are being paid in full, up front, for COVID-19-related goods and supplies. Going forward, a program of World Bank Group (WBG) support is planned to help BiH's health systems improve the efficiency of the health sector and tackle the immediate issue of indebtedness (including P171150, *Bosnia and Herzegovina Health Sector Reform Project*, currently under preparation). Thus, it is important that this COVID-19 project supports both activities that strengthen BiH's health systems in the longer term and deal with the immediate impact of the pandemic.
21. **Of the BiH population, 16 percent is poor, but targeted social assistance programs have low coverage.** Only a small share of the population (16.8 percent) is covered by non-contributory social assistance programs, and the coverage of the poorest quintile remains low compared to countries of similar per capita income levels. In addition, only 1.9 percent of the total population and 6.2 percent of the poorest benefit from the means-tested permanent and/or one-off social assistance — very low coverage compared with that of other countries in the Europe and Central Asia region.
22. **The economic impacts of COVID-19 are expected to affect the poor and socially vulnerable most and may push many more into poverty.** Thousands have been reported as having lost their jobs over the last few weeks. This trend is expected to continue, with many more losing income sources, including through reduced remittances from abroad and layoffs due to firm closures, and while their health- and food-related expenditures increase. Already, food and household item shortages have led to increased prices, and health expenditures have increased. Given that an estimated 25 percent of employed people work in the informal sector and lack job security or access to social insurance or health insurance, many more people and their households are expected to need social assistance and access to social services.¹³ Similarly, the elderly and those who are not mobile and live either at home or in institutions will require financial assistance and care to access basic supplies for a period when they will need to remain indoors for their safety.

C. Relevance to Higher-Level Objectives

23. **The project is aligned with WBG strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity.** The Program is focused on preparedness which is also critical to achieving Universal Health Coverage. It is also aligned with the World Bank's support for national plans and global commitments to strengthen pandemic preparedness through three key actions: improving national preparedness plans, including through the organizational structure of the Government; promoting adherence to the International Health Regulations (IHR); and using the international framework for monitoring and evaluating compliance with the IHR. The economic rationale for investing in the MPA interventions is strong,

¹² P161510: Healthcare Arrears in Bosnia and Herzegovina, completed in FY2018.

¹³ Informal workers are those who do not have access to social insurance and do not have associated social security contributions. LFS 2017.



given that success can reduce the economic burden on both individuals and countries. The project complements both WBG and development partner investments in health systems strengthening, disease control and surveillance, attention to changing individual and institutional behavior, and citizen engagement. The project contributes to the implementation of IHR (2005), Integrated Disease Surveillance and Response, the OIE international standards, the Global Health Security Agenda, the Paris Climate Agreement, the attainment of Universal Health Coverage and of the Sustainable Development Goals, and the promotion of a One Health approach.

24. **The WBG remains committed to providing a fast and flexible response to the COVID-19 pandemic**, making use of all WBG operational and policy instruments and working in close partnership with government and other agencies. Grounded in One Health, which provides for an integrated approach across sectors and disciplines, the proposed WBG response to COVID-19 will include emergency financing, policy advice, and technical assistance (TA), building on existing instruments to support IDA/IBRD-eligible countries in addressing the health sector and broader development impacts of COVID-19. The WBG COVID-19 response will be anchored in the WHO's COVID-19 global SPRP, which outlines the public health measures by which all countries can prepare for and respond to COVID-19 and sustain their efforts to prevent future outbreaks of emerging infectious diseases. With respect to social protection needs, this operation focuses on immediate social assistance to cover the needs of those who are most vulnerable to the socio-economic impacts of the pandemic, using existing social protection systems, to the extent possible.

III. PROJECT DESCRIPTION

A. Project Development Objective (PDO)

25. **The project development objective is to prevent, detect, and respond to the threat posed by the COVID-19 pandemic in Bosnia and Herzegovina.**
26. **PDO level indicators.** The PDO will be monitored through the following PDO-level outcome indicators:
- Number of acute healthcare facilities with isolation capacity;
 - Total number of beneficiaries covered by COVID-19-related social assistance benefits;
 - Number of intensive care beds fully equipped (with ventilators); and
 - Number of suspected cases of COVID-19 cases reported and investigated based on guidelines.

B. Project Components

27. **The project will have three components, outlined below.**
- Component 1 – Responding to the COVID-19 pandemic in Republika Srpska
 - Sub-component 1.1: Healthcare delivery and health system strengthening
 - Sub-component 1.2: Social protection and assistance
 - Component 2 – Responding to the COVID-19 pandemic in the Federation of BiH
 - Sub-component 2.1: Healthcare delivery and health system strengthening
 - Sub-component 2.2: Social protection and assistance



- Component 3 – Project management
 - Sub-component 3.1: Republika Srpska
 - Sub-component 3.2: The Federation of BiH

28. Activities within each component are limited to those for which each entity requested urgent assistance to complement their own pandemic response (paragraphs 12-18) and support from other development partners (Annex 2). The emphasis in each entity is therefore slightly different. The Federation of BiH, for example, does not request urgent support to implement social distancing measures, but gives priority for financing to health-related measures. Social protection measures are of an immediate nature and differ slightly across entities, with the Federation of BiH having a larger allocation primarily because of differences in the size of the beneficiary population. The activities described below, in combination with the entities' own pandemic response and support from other development partners, are expected to provide a comprehensive immediate response.

Component 1: Responding to the COVID-19 pandemic in Republika Srpska (EUR 12.987 million)

29. **This component will provide immediate support to Republika Srpska to prevent additional cases of COVID-19, limit local transmission through containment strategies, and prevent individuals and households affected by the pandemic from falling into destitution.** It will support enhancing disease detection capacities through the provision of technical expertise, laboratory equipment, and systems to ensure prompt case finding and contact tracing. It will also contribute to strengthening health system preparedness, improving the quality of medical care provided to COVID-19 patients and minimizing the risks for health personnel and patients. It will enable Republika Srpska to mobilize surge response capacity through trained and well-equipped front-line health workers by financing equipment and supplies for intensive care units (ICUs) in selected hospitals and the provision of PPE and infection control materials in hospitals and primary care facilities. ICU equipment and supplies—including mechanical ventilators, cardiac defibrillators, mobile x-rays, oxygen concentrators, and other equipment essential to the provision of critical care to patients with severe acute respiratory infection—will be procured to establish or renew ICUs in designated hospitals. Support will also be provided to strengthen medical waste management and disposal systems, and to reinforce and expand social assistance and social care systems. Activities—identified through consultation with the MoSW and the Ministries of Finance, Agriculture, Forestry, and Water Management; the PHI of Republika Srpska; and the Veterinary Institute of Republika Srpska—are outlined below, by subcomponent. They are limited to those that require immediate and urgent implementation.

Sub-component 1.1: Healthcare delivery and health system strengthening (EUR 9.017 million)

30. **Case detection, confirmation and reporting, contact tracing:**

- Strengthening disease surveillance systems, public health laboratories, and epidemiological capacity for early detection and confirmation of cases; adequately equipping public health laboratories with diagnostic kit, reagents, and so on;
- Combining detection of new cases with active contact tracing, by enhancing the surveillance and contact tracing modules of the health system's current information system and linking primary care providers to it;
- Supporting epidemiological investigation, by expanding the number of public health workers trained to undertake contact tracing and enhancing collaboration with the Inspectorate of Republika Srpska (www.inspektorat.vladars.net/); and
- Providing on-time data and information for guiding decision-making and response and mitigation



activities, by enhancing systems and protocols for data reporting, analysis and dissemination.

31. **Social distancing measures:**

- Promoting personal hygiene, for example through information campaigns on handwashing or appropriate use of masks; and
- Supporting the MoHSW in protecting the wellbeing of healthcare professionals and other personnel involved in pandemic control activities, for example thorough supplying PPE or providing psychological support.

32. **Health system strengthening:**

- Providing training and guidelines for healthcare workers on identifying COVID-19; appropriate use of PPE; surveillance and prevention of the spread of respiratory infections in healthcare facilities;
- Procuring and distributing PPE, according to WHO guidelines;
- Providing medical supplies, including diagnostic kits and reagents for coronavirus; and,
- Repurposing healthcare facilities to meet the expected surge in demand for hospital beds, and intensive care beds in particular (for example, deferring elective procedures and introducing stringent triage for admission, and earlier discharge with follow-up by home healthcare personnel); establishing specialized units in selected hospitals.

30. **Animal and environmental health:**

- Strengthening and equipping veterinary professionals, laboratories and other organizations to rapidly identify, control and eradicate possible corona viruses.

33. **Media and communications:**

- Developing and distributing basic communication materials on COVID-19 for the general public (e.g., fact sheets or “dos” and “don’ts”);
- Developing and distributing information and guidelines, training modules (web-based, printed, and video) or presentations, slide sets, etc. for healthcare professionals; and
- Conducting workshops and symposia on COVID-19 surveillance, treatment and prophylaxis for the wider community (businesses, employers, media, politicians, etc.).

Sub-component 1.2: Temporary social support and cash assistance for vulnerable households and individuals (EUR 3.970 million)

34. **This subcomponent will finance (a) targeted and time-bound cash transfers to vulnerable households that have been adversely affected by the economic impact of the COVID-19 pandemic, and (b) social services to socially vulnerable and elderly individuals who need protection and care.** The financing will ensure the maintenance and expansion of benefits for existing and new beneficiaries. The cash transfers will be delivered using the existing Permanent Social Assistance (PSA) program, people which provides cash benefits for elderly and PWDs under the relevant social protection laws. In addition to the temporary cash benefits to be delivered through the PSA program, eligible elderly people and PWDs will be provided with one-off cash benefits, which will be aligned with guidelines on the provision of one-off emergency cash benefits for vulnerable groups. Notional allocations will be made to municipalities based on the target number of beneficiaries received from Centers for Social Work. The Ministry and the Centers for Social Work will then ensure that payments are made to eligible existing or temporary beneficiaries. Social workers linked to Centers for Social Work (as possible and needed) and specialized care institutions will provide the essential social care services to members of targeted



groups who are quarantined and/or infected and are residing in private homes or specialized institutions. Support to specialized institutions will also include the purchase and delivery of protective equipment and essential goods. Annex 5 presents the legal basis and parameters of the social protection system in greater detail, including the PSA program (“cash assistance”), other type of cash benefits, and the social care service framework in Republika Srpska.

35. **Beneficiaries are the socially vulnerable and economically disadvantaged who are expected to be disproportionately affected by the COVID-19 pandemic.** Currently, cash benefits are provided on the basis of need (certification of wage or other income, work status and disability status) through a means test and eligibility criteria. Benefit levels can vary according to on household size and eligibility criteria. Eligible and affected households with a high number of dependents (including children, PWDs, and people who require permanent care) will receive slightly higher benefits (based on a formula) to enable them to tackle the economic and health challenges they face. Under this component, financing will support cash transfers to maintain benefit payments to existing beneficiaries and expand coverage and extend cash benefits to additional new beneficiaries for a period of six months.¹⁴ In addition, one-off cash benefits will be provided to eligible elderly people and PWD who live at home or in specialized institutions and do not have any other source of income.
36. **Registration and intake for new beneficiaries of the temporary cash assistance will be conducted in the 50 Centers for Social Work and 12 service centers around the country, online and by phone.** Registration will also be available through local council offices on a specified schedule. Social distancing procedures and alternative (online, or by phone or mail) registration facilities will be put in place to minimize the risk of further community transmission. Existing beneficiary lists for the permanent social assistance benefits will be drawn from the Social Assistance Beneficiary Registry (SOTAC) and Centers for Social Work databases. For one-off emergency cash assistance for elderly people and PWD, lists of eligible beneficiaries will be drawn from existing beneficiaries of cash allowances.
37. **Registration requirements for new beneficiaries of the temporary cash assistance under the PSA program will be simplified to accelerate beneficiary in-take to the program.** The number of required documents to be submitted will be minimized,¹⁵ and in online or phone registration, there will be an option of sending documentation in by mail. Home visits will be conducted by social workers at a later date. For all beneficiaries, payments will be made directly to bank accounts or through postal services.
38. **Outreach and communication on access to the social assistance program will be conducted through various media channels,** primarily radio, television and newspapers. Printed materials on the temporary assistance program will be available through the Centers for Social Work and local council offices. Communication materials will provide information on eligibility, program duration, where and how to register, and mechanisms to file complaints. The proposed cash transfers and social care services will also provide an opportunity to promote appropriate hygiene, and preventive health services, as well COVID-19 infection prevention messaging (the development of the communication materials will be financed under subcomponent 1.1).
39. **The component will also finance and facilitate social care services to elderly and vulnerable people who need permanent care at home or in specialized institutions.** One-off financial assistance for home-care recipients

¹⁴ The Government expects a financing gap in this year’s social assistance budget, in particular at the municipal level due to the increased health expenditures.

¹⁵ Only unemployment certification and household membership information will be required



and one-off assistance for persons housed in care institutions will ensure the continuation of services provided to these vulnerable populations. In addition, regular follow-up visits to homes and institutions will also be financed to ensure that individuals have received their cash benefits and that they have access to food, hygienic and medical goods, and care.

Component 2: Responding to the COVID-19 pandemic in the Federation of BiH (EUR 19.664 million)

40. **This component will provide immediate support to the Federation of BiH to prevent additional cases of COVID-19 and limit local transmission through containment strategies, and prevent individuals and households affected by the pandemic from falling into destitution.** It will support enhancing disease detection capacities through the provision of technical expertise, laboratory equipment, and systems to ensure prompt case finding and contact tracing. The project will also contribute to strengthening health system preparedness, enhancing the quality of medical care provided to COVID-19 patients, and minimizing the risks for health personnel and patients. It will enable the Government to mobilize surge response capacity through trained and well-equipped frontline health workers, by financing equipment and supplies for ICUs in selected hospitals and providing PPE and infection control materials in hospitals and primary care facilities. ICU equipment and supplies—including mechanical ventilators, cardiac defibrillators, mobile x-rays, oxygen concentrators, and other equipment essential to the provision of critical care to patients with severe acute respiratory infection—will be procured to establish or renew ICUs in designated hospitals. Support will also be provided to strengthen medical waste management and disposal systems and to reinforce and expand social assistance and social care systems. Activities—identified through consultation with the Ministries of Finance, of Health and of Labor and Social Protection—are outlined below, by subcomponent. They are limited to those that require immediate and urgent implementation.

Sub-component 2.1: Healthcare delivery and health system strengthening (EUR 9.957 million)

41. **Case detection, confirmation and reporting, contact tracing:**
- Strengthening disease surveillance systems and public health laboratories; adequately equipping public health laboratories with diagnostic kit, reagents, and so on;
 - Combining detection of new cases with active contact tracing by enhancing the surveillance and contact tracing modules of the health system’s current information system and linking primary care providers to it;
 - Supporting epidemiological investigation, by expanding the number of public health workers trained to undertake contact tracing and enhancing collaboration with the Federation Department for Inspection Affairs; and
 - Providing on-time data and information for guiding decision-making and response and mitigation activities, by enhancing systems and protocols for data reporting, analysis, and dissemination.
42. **Health system strengthening:**
- Training and guidelines for healthcare workers on identifying and treating COVID-19, appropriate use of PPE, surveillance and prevention of the spread of respiratory infections within healthcare facilities;
 - Procurement and distribution of PPE, according to WHO guidelines;
 - Provision of medical equipment and supplies, including diagnostic kits and reagents for coronavirus;
 - Repurposing healthcare facilities to meet the expected surge in demand for hospital beds, and ICU beds in particular (for example, deferring elective procedures, and introducing stringent triage for admission, and earlier discharge with follow-up by home healthcare personnel); establishment of specialized units



in selected hospitals; and,

- Strengthening of medical waste management and disposal systems, including ensuring safe water and basic sanitation in health facilities.

Sub-component 2.2: Temporary social support and cash assistance for vulnerable households and individuals (EUR 9.707 million)

43. **This subcomponent will finance (a) targeted and time-bound cash transfers to vulnerable households that have been adversely affected by the economic impact of the COVID-19 pandemic, and (b) social services to socially vulnerable and elderly individuals who need protection and care.** The financing will ensure the maintenance and expansion of benefits for existing and new beneficiaries. The cash transfers will be delivered using the existing PSA program, which provides cash benefit for elderly people and PWDs under the relevant social protection laws. In addition, eligible elderly people and PWDs will be provided with one-off cash benefits aligned with guidelines on the provision of one-off emergency cash benefits for vulnerable groups. In-kind assistance (such as basic care, hygiene, and PPE packages) will be provided to vulnerable people who need permanent care and reside in specialized institutions. Social workers linked to Centers for Social Work and specialized care institutions will be responsible for delivering essential care services to members of targeted groups who are quarantined and/or infected and are residing in private homes or specialized institutions. Annex 5 presents in greater detail the legal basis and parameters of the social protection system, including the permanent social assistance program (“cash assistance”), other type of cash benefits, and the social care service framework in the Federation of BiH.
44. **Beneficiaries are the socially vulnerable and economically disadvantaged, who are expected to be disproportionately affected by the COVID-19 pandemic.** Currently, cash benefits are provided on the basis of need (certification of wage or other income, work status, and disability status) through a means test and eligibility criteria. Benefit levels can vary according to the size of the household and eligibility criteria. Eligible and affected households with a high number of dependents (including children, PWDs and people who require permanent care) will receive slightly higher benefits (based on a formula) to enable them to tackle the economic and health challenges they face. Under this component, financing will support cash transfers to maintain benefit payments to existing beneficiaries and expand coverage and extend cash benefits to additional new beneficiaries for a period of six months.¹⁶ Similarly, temporary top-up cash benefits will be provided to eligible PWDs who already receive a care-giver allowance.
45. **Registration and intake for new beneficiaries of the temporary cash assistance will be conducted by the Centers for Social Work around the country, online and by phone.** Registration will also be available through local council offices on a specified schedule. Social distancing procedures and mobile/virtual registration facilities will be put in place to minimize the risk of further community transmission. For emergency cash assistance top-ups for PWDs, lists of eligible beneficiaries will be drawn from existing beneficiaries of cash allowances. Existing beneficiary lists for the PSA, care allowance, and PWD benefits will be drawn from the SOTAC. Centers for Social Work will be able to cross-check potential beneficiary information via cantonal or municipal offices.
46. **Registration requirements for new beneficiaries of the temporary cash assistance under the PSA program will be simplified to accelerate beneficiary in-take to the program.** The number of required documents to be

¹⁶ The FMoLSP expects a financing gap in this year’s social assistance budget, in particular at the cantonal level due to the increased health expenditures.



submitted will be minimized,¹⁷ and for online or phone registration, there will be an option of sending documentation in by mail. Home visits will be conducted by social workers at a later date. For all beneficiaries, payments will be made directly to bank accounts.

47. **Outreach and communication on access to the social assistance program will be conducted through various media channels**, primarily radio, television and newspapers. Printed materials and information on the temporary assistance programs will be available through the Centers for Social Work, municipal council offices, and community centers. Communication materials will provide information on eligibility, program duration and where and how to register and file complaints.
48. **The subcomponent will also finance social care services to elderly and vulnerable people who need permanent care in specialized institutions.** These services will include delivery of basic care packages (consisting of PPE and household hygiene products) to institutions and visits by Center for Social Work staff to ensure that vulnerable individuals have access to hygienic and medical goods and care.
49. **The proposed cash transfers and social care services will provide an opportunity to promote appropriate hygiene, and preventive health services, as well COVID-19 infection prevention** (the development of the communication materials will be financed under subcomponent 1.1).

Component 3: Project management (EUR 0.366 million; EUR 0.220 million for the Republika Srpska, EUR 0.146 million for the Federation of BiH)

50. **This component will support project implementation in each entity**, providing overall administration of the project (including procurement and financial management [FM]), as well as regular monitoring and evaluation (including beneficiary surveys), reporting on implementation, and communication activities. Existing Government structures and capacities will be used as much as possible and strengthened, as necessary, by the appointment or recruitment of additional staff/consultants who will be responsible for overall administration, the Environmental and Social Framework, communication and outreach, procurement, and FM. Monitoring of social assistance will include spot checks of cash assistance and social care beneficiaries (at home and in specialized institutions), and support for any necessary improvements to existing administrative and information technology systems. Local administrative structures and relevant specialized institutions at the local level will support the Project Implementation Units (PIUs) in project monitoring. Necessary adjustments to monitoring will be made to enable social workers to do follow-ups or spot-checks on social assistance and social care beneficiaries by phone.

C. Project Beneficiaries

51. **The expected project beneficiaries will be the population at large**, given the nature of the disease; infected people; at-risk populations, particularly the elderly and people with chronic conditions; medical and emergency personnel; medical and testing facilities; and public health agencies engaged in the response to the pandemic.
52. **Cash assistance beneficiaries will include existing beneficiaries of the PSA programs in each entity** and others who are negatively affected by the socio-economic impact of the pandemic. Social care services beneficiaries

¹⁷ Only unemployment certification and household membership information will be required

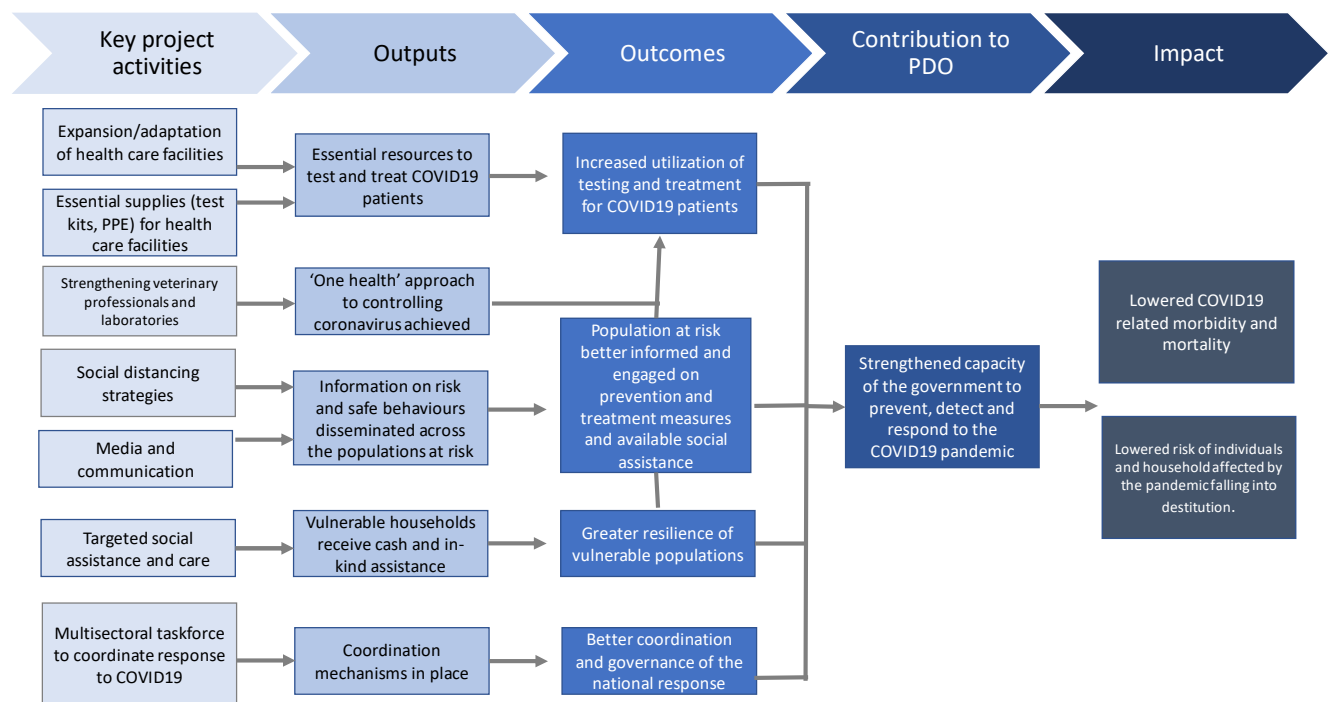


will include elderly people and PWDs who are affected by the pandemic and need to be cared for in either specialized institutions or their homes.

D. Results Chain

53. The project will achieve its PDO by coordinating the financing and response actions needed to reduce avoidable mortality and morbidity and reduce the economic, social, and security impacts of the pandemic. Failure to rapidly mobilize financing and coordinate response efforts would result in unnecessary casualties and significant socioeconomic consequences. By focusing on the containment, diagnosis and treatment of patients, this project seeks to help control the pandemic and limit socioeconomic losses. In addition, by strengthening the public health subsystem’s capacity to provide health services, the project will also contribute to enhancing citizens’ access to proper healthcare. Cash assistance and care will assist vulnerable populations to cover their basic needs and, to the extent possible, avoid additional human capital losses. The project’s theory of change is presented in Figure 1.

Figure 1: Results Chain



54. Project development indicators and intermediate results indicators reflect prevention, detection, and response to the COVID-19 pandemic. The project’s Results Framework is shown in Annex 1. Indicators were selected from the menu proposed by the SPRP and in consultation with counterparts; they are thus harmonized across the two entities, as well as across other projects in the MPA. Results Frameworks in emergency situations often tend toward conservative indicators and indicator values. In contrast, for this project, ambitious indicators were selected, including output and outcome indicators (such as the percentage of cases that are healthcare workers). Target values for quantitative indicators were determined using the pandemic modelling undertaken



by each entity (described in Annexes 3 and 4). Some policy/institutional indicators have the same baseline and target value and these are intended to be measures of system stability and resilience.

E. Rationale for Bank Involvement and Role of Partners

55. **The World Bank’s dedicated umbrella COVID-19 Response Program and IFC’s Trade Solutions and Working Capital Liquidity Facilities build on the experience and credibility of both institutions** in responding to global crises. They allow the institutions to move nimbly to support countries as they respond to the health, social and economic impacts of the spread of COVID-19, and they build in the experience and high standards that are needed so that the approaches work well in fast-moving environments.
56. **The WBG, in concert with the international community, can play a key role in the response to COVID-19 following the technical lead of WHO.** The global activities and framework should address both animal and public health aspects as well as economic impact. Many of the investments needed to address this disease are core public health and animal health functions that are considered “global public goods”, thus, necessitating a global and regional response with support from the international community. (Annex 2 provides a summary of the role of other development partners). As has been noted, there have been considerable efforts to coordinate with other partners to ensure that World Bank financing fills a financing gap and constitutes the most effective investment possible.

F. Lessons Learned and Progress on Learning Agenda

57. **The WBG is well positioned to respond to this pandemic given its global expertise, its understanding of country conditions and needs, and its prior experience in responding to crises** (pandemics, natural disasters, economic shocks, etc.); while building resilience, improving future preparedness and response capability, gaining the respect and trust of client countries, and fostering global partnerships (with UN agencies/WHO, other multilateral development banks, IMF, etc.). The proposed project will address elements of the emergency COVID-19 response that are not being financed by other partners, allowing a rapid response to immediate needs. Depending on how the outbreak progresses and its impact on economic activity unfolds, there may be a need for a second phase with a greater focus on support to ameliorate economic and social disruption resulting from the spread of the virus.
58. **The FTCF and the proposed operation draw on lessons learned from World Bank responses to recent global crises and outbreaks**, including the various Ebola outbreaks, the Global Food and Avian Influenza Crises in 2007-2008, and the 2017 Food Crisis. Swift detection of an outbreak, assessment of its pandemic potential and rapid emergency response can reduce both avoidable mortality and morbidity and economic, social, and security impacts. Failure to rapidly mobilize financing and coordinate responses results in unnecessary casualties and significant socioeconomic consequences. As the international community learned in the SARS and the West African Ebola Virus Disease outbreaks, the cost of outbreak control and of socioeconomic losses rises exponentially with delayed detection, reporting, and action, and close technical coordination is needed across countries to prevent and control the transboundary spread of a disease. The global response to Ebola was eventually effective in stopping the outbreak, although the delay of several months from the onset of cases resulted in unnecessary casualties of over 11,000 persons and significant socioeconomic consequences (estimated at US\$53 billion) across the sub-region.



59. **The proposed operation also draws on lessons learned from previous emergency projects and health sector projects in BiH.** The Implementation Completion and Results Report (ICR) for BiH's *Health Sector Enhancement*¹⁸ project emphasized the need for the WB and the Government to give careful consideration to project implementation arrangements to ensure the smooth implementation of project activities. Fully staffed project coordination units, responsible for overall project implementation, were found to be crucial for the successful completion of project activities. Complementing this lesson with an insight from an emergency situation, the ICR for the *BiH Floods Emergency Recovery*¹⁹ project noted that "Rapid project preparation with the use of streamlined procedures does not compromise the project's implementation if a strong task team with experience in the country and in similar projects is mobilized and implementation issues are anticipated and addressed." The Floods project also noted that a good monitoring and evaluation framework and, in particular, strong accountability at the local level were important contributors to the project's success. Hence, in emergency operations lack of capacity at the local level needs to be quickly identified and addressed. Likewise, close coordination with development partners was stressed for a successful project implementation in BiH.
60. **The proposed project also draws on experiences from around the world with emergency social protection response and best practice on adaptive safety nets.** Good practice suggests that emergency responses are most successful when designed simply and built on existing administrative systems (social registries, beneficiary databases, targeting, and field office networks) and expansion of existing cash transfer programs.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

61. **Given the emergency nature of this project, institutional and implementation arrangements have been designed to be as practical, reliable, and quick to establish as possible.** Accordingly, these arrangements build on existing structures and systems in each entity as far as possible. In Republika Srpska, the MoHSW has a Planning, Analysis, Financing and Project Implementation Department (PAFPID) that has experience with the implementation of WB-financed projects, in both the health and social assistance sectors. In the Federation, the MoLSP has a Special Projects Unit that is experienced in the implementation of WB-financed projects. Moreover, the FMOH has successfully implemented WBG projects in the past, and key individuals from earlier PIUs remain employees of the FMOH (and other ministries). It is the MoLSP's intention to reconvene these individuals to establish a PIU for this project. The roles of these units, and accompanying institutional arrangements, are described below.
62. **In Republika Srpska, two Coordination Bodies for Planning, Implementation and Monitoring activities related to the outbreak were established in early March,** at the level of the Prime Minister. The Republika Srpska MoHSW will be the implementing agency for Component 1 of the project. The Assistant Minister for Health (leading the Department for Planning, Analysis, Financing and Project Implementation) will coordinate the project activities and ensure coordination across the various health and social assistance institutions.
63. **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

¹⁸ P088663; closed December 31, 2014.

¹⁹ P151157; closed June 30, 2019.



addition to PAFPID, MoHSW (and other Government departments, as needed) will provide all other necessary staff on procurement, the Environmental and Social Framework, monitoring and evaluation, and communication. PAFPID will support relevant technical units in the Ministry, and will directly implement and coordinate certain technical activities, including the procurement of medical supplies and equipment, communication and monitoring, facility expansion/adaptation for activities under Component 1.1 and selected activities under subcomponent 1.2. For subcomponent 1.2, PAFPID will work closely with the Department for Social Protection and with Centers for Social Work and relevant specialized care institutions for the implementation of cash transfers, in-kind assistance and monitoring visits. Some other activities, such as trainings may be outsourced to third parties through contractual agreements acceptable to the WB. PAFPID will also be responsible for preparing a consolidated annual workplan and a consolidated activity and financial report for the project components. PAFPID will gather and, with other stakeholders, will analyze all relevant monitoring data (for both subcomponents on health and social protection) and report findings to the Minister for Health and Social Welfare, and to the WB. Before the project effectiveness date, the MoHSW will develop a Project Operational Manual (POM) clearly describing the roles, responsibilities, and processes for the project. The supervision arrangements outlined in the Global MPA will be followed in this project.

64. **In the Federation of BiH, implementation of Component 2 of the project will be carried out by the FMoH and the FMoLSP and existing Government structures.** A PIU will be created in FMoH for overall project coordination and implementation of sub-component 2.1 on health sector activities. The PIU will comprise a project coordinator, FM specialist, procurement specialist. In addition to the PIU, FMoH (and other Government departments, as needed) will provide all other necessary staff on procurement, FM, the Environmental and Social Framework, monitoring and evaluation, and communication. The PIU will establish partnerships with the Institute for Public Health, Federation Civil Protection Headquarters, Federation Ministry of Environment and Tourism and Federation Inspection Administration to support project implementation and monitoring. The PIU will also establish project support groups at the canton level (including cantonal MoHs and PHIs). The FMoLSP Special Projects Unit will act as the Project Implementation Team (PIT) responsible for implementing subcomponent 2.2, on social assistance and social care. This unit is currently responsible for implementing a World Bank financed project; it is headed by a senior civil servant and includes procurement, FM, and monitoring and evaluation staff. It will also include communication and environmental and social staff, who will need to be appointed or hired within 30 days after loan effectiveness. The PIT will support relevant technical units in the Ministry and will directly implement certain technical activities, procurement of goods identified for basic care packages, communication and monitoring under Component 2.2. The PIT will work with Centers for Social Work and relevant care institutions for the implementation of cash transfers and the delivery of social care services and in-kind assistance packages. Some other activities, such as trainings, may be outsourced to third parties through contractual agreements acceptable to the World Bank. The PIT will be responsible for preparing an annual workplan, and a consolidated annual work plan will be prepared by PIU in FMoH. A Steering Committee, comprising the Assistant Ministers from the FMoH, FMoLSP and the Federation Ministry of Finance, will be created to ensure coordination between the PIU and the PIT. The PIU will submit regular implementation status reports to the Steering Committee and the WBG.

B. Results Monitoring and Evaluation Arrangements

65. **In Republika Srpska, through PAFPID, the Ministry will be responsible for monitoring and evaluation activities,** including: (a) collecting and consolidating all data related to indicators from the relevant public authorities; (b) evaluating results; (c) providing the relevant performance information to the Minister for Health and Social



Welfare and to the Coordination Body; and (d) reporting results to the World Bank each quarter. PAFPID and each MoHSW division engaged in project activities will perform their project-related functions as prescribed in the POM. Each such MoHSW division will also appoint a focal point to ensure timely provision of project monitoring data. For social assistance, results monitoring and evaluation activities will also include monthly or bi-monthly spot-checks of beneficiaries (once social distancing arrangements permit) conducted by PAFPID and Centers for Social Work staff. A beneficiary survey will be conducted approximately 6-9 months after the start of the cash assistance component.

66. **In the Federation of BiH, the PIU in the FMoH will be responsible for collecting, analyzing and reporting project monitoring data, liaising closely with the PIT in the FMLSP.** The PIU will submit to the Project Steering Committee and to the World Bank quarterly reports describing physical and financial progress and reporting on agreed results indicators. For social assistance, results monitoring and evaluation activities will include monthly or bi-monthly spot-checks of beneficiaries (once social distancing arrangements permit) conducted by the MoLSP PIT and Centers for Social Work staff. A beneficiary survey will be conducted approximately 6-9 months after the start of the cash assistance component.

C. Sustainability

67. **Project impact in both entities will be sustained through deepening and extension of existing WB engagements in the health and social protection sectors.** The *Bosnia and Herzegovina Health Sector Reform Project* (P171150, currently under preparation) focusses on improving performance and efficiency, to improve the quality of care and reduce health sector indebtedness. This emergency project reinforces the foundations for the longer-term sector reform project, by renewing the emphasis on prevention and primary care while also strengthening secondary care; optimizing service networks to concentrate expertise in fewer centers of specialization; and promoting flexibility of governance, workforce and other resources to adapt to changing needs. Investments to strengthen public health functions and emergency preparedness may be added to the longer-term health sector project.
68. **In terms of social assistance, COVID-19-related cash and in-kind assistance will be time bound.** One-off allowances and benefits will be terminated at the end of the stipulated periods. New registrants for the PSA program will need to go through the regular certification and re-certification procedures to assess their eligibility. Continued assistance will depend on continued eligibility based on a means-test, and it is expected that as the transmission of the disease falls and the economy recovers, a portion of the new beneficiaries would be able to exit the program.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic, and Financial Analysis

69. **Although there are very significant gaps in knowledge about the scope and features of the COVID-19 pandemic, it is apparent that one main set of economic effects will derive from increased sickness and death among humans and the impact this will have on the potential output of the global economy.** The most direct effect will be through the impact of increased illness and mortality on the size and productivity of the world labor force. The loss of productivity as a result of illness, which even in normal influenza episodes is estimated



to be 10 times as large as all other costs combined, will be quite significant. The SARS outbreak of 2003 provides a good example. The number of deaths due to SARS was estimated at “only” 800, and it resulted in economic losses of about 0.5 percent of the annual gross domestic product for the entire East Asia region, concentrated in the second quarter.

70. **In addition to its heavy health and human toll, the COVID-19 outbreak further clouds an already fragile global economic outlook and can set back the fight against poverty.** Potential tightening of credit conditions, weaker growth, and the diversion of funds to fight the outbreak are likely to cut into government revenues and governments’ ability to invest to meet education, health, and gender goals. The poor will be hit particularly hard. The outbreak weighs on economic activity through both demand and supply channels; on the demand side, activities involving face-to-face interaction are heavily affected; on the supply side, prevention measures, such as factory closures, have significantly disrupted the production of tradable and non-tradable goods across the globe.

B. Fiduciary

(i) Financial Management

71. **Responsibility for the project’s FM will rest with the units/departments that are responsible for project implementation in the relevant entity ministries, which will maintain a satisfactory project accounting system, capable of tracking all project resources and expenditures and generating regular financial reports.** The units/departments responsible for project implementation (PAFPID in the Republika Srpska MoHSW, PIU in the FMOH and PIT in the FMO LSP) have been assessed to determine whether their existing FM arrangements (budgeting, accounting, reporting, internal control, staffing, funds flow and audit) are satisfactory to the Bank. Subject to implementation of the agreed action plan laid out below, the FM arrangements are considered to meet the minimum requirements of the WB’s operational policies.
72. **Implementation of an action plan has been agreed to strengthen the FM arrangements.** The actions include: (a) formally assigning to the units/departments responsible for project implementation FM Specialists to perform fiduciary functions under the project; (b) updating FM sections of the POM; (c) including special section on cash transfers to those in need, describing eligibility criteria and internal controls to be applied in the process; and (d) purchasing, renewing or maintaining the project accounting software license for the new project.
73. **PAFPID, PIU, and PIT, which are responsible for project implementation, have relevant experience in implementing World Bank health and social assistance projects.** The units implemented the initial Health Sector Enhancement Project, for which the initial financing became effective in April 2008 and the additional financing closed in December 2014, as well as other health sector projects. In addition, the units implemented a WBG-funded grant known as ‘Reducing Health Risk Factors’ between February 2018 and June 2019, when the project successfully closed. The units/departments responsible for project implementation also implemented the WB-financed Social Assistance and Employment Support Project, which closed in 2016, and, the PIT in FMO LSP is currently implementing the Employment Support Program funded by the IBRD.
74. **The PAFPID in Republika Srpska and the PIU in the Federation of BiH will prepare quarterly interim financial reports (IFRs)** that, in form and substance, are satisfactory to the WB. The IFRs 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. In the Federation of BiH, the PIU will receive all necessary inputs for the preparation of the quarterly IFRs from the PIT. The units/departments will furnish the IFRs to the Bank not later than 45 days after the end of each calendar quarter.

75. **The units/departments will be responsible for the timely compilation of the annual project financial statements for the independent external audit.** Project financial statements (including SOE and DA, activities) will be audited by an independent auditor acceptable to the Bank and contracted by the Ministry of Finance and Treasury of BiH. Each audit of the financial statements will cover one fiscal year of the borrower, commencing with the fiscal year in which the first withdrawal was made under the loan. In addition, the auditors are expected to deliver management recommendation letters in relation to the project, identifying any internal control deficiencies and accounting issues. The audit reports, audited financial statements, and management recommendation letter will be delivered to the Bank within six months after 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 Bank.
76. **Two separate DAs will be opened by the Ministry of Finance and Treasury of BiH: one DA for the Republika Srpska, and one DA for the Federation of BiH, with two sub-accounts for the FMoH PIU and FMoLSP PiT.** The DAs will be denominated in the currency of the loan as selected by the borrower (EUR). The disbursement methods made available are direct payment, reimbursements, and advances. The ceiling and minimum amount for direct payments will be flexible enough to allow for quick emergency payments. The expenses will be documented using SOE only, or invoices in case of direct payments. Details on disbursements will be included in the Disbursement and Financial Information Letter.
77. **The funds of the loan will flow from the DAs directly to suppliers of works, goods, and services on the basis of approved invoices.** The funds intended for cash benefits will flow from the DAs directly to the beneficiary's transaction accounts based on information provided by the relevant social service centers. Evidence will need to be provided that the beneficiaries are eligible to receive the benefits and that they received them. The detailed list of documents will be further elaborated in the POM.
78. **The project will have the flexibility of using retroactive financing.** No withdrawals shall be made for payments made before the date of the Loan Agreement, except that withdrawals up to an aggregate amount not to exceed 45 percent of the total amount of the loan may be made for payments made for eligible expenditures of the project as per the Loan Agreement. The eligible time period for retroactive financing will be defined in the Loan Agreement.
79. **The overall FM risk rating was assessed as Substantial.** After the application of the FM risk mitigation measures, the risk remains Substantial. Some of the mitigation measures -- confirmation of the FM staffing, preparation of the FM sections for the POM, documenting of the cash benefit transfers procedures in the POM, and regular project reporting and auditing -- will be met after the project negotiations.
80. **Implementation Support and Supervision Plan.** During project implementation, the Bank will supervise the project's FM arrangements in two main ways: (a) review of the project's IFRs and the annual audited financial statements and auditor's management recommendation letters; and (b) on-site supervision, at a frequency based on the assessed project's risk and performance (first supervision within nine months after the assessment), and review of the project's FM and disbursement arrangements to ensure compliance with the



World Bank's minimum requirements. The on-site supervision will include a review of the following areas of 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. Other specific activities to be included in the FM supervision plan will include complementing the task team leader's review of claims for social benefit cash transfers. Because of the need for distancing during the COVID-19 pandemic, the FM supervisions will be carried out virtually and will be further adjusted as result of risk reviews.

(ii) Procurement

81. **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 and August 2018). The project will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006 and revised in January 2011, and as of July 1, 2016. The project will use the WB's Systematic Tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions.
82. **The major planned procurement includes the following:** (a) medical/laboratory equipment and consumables; (b) PPE in facilities and triage; (c) clinical management equipment; (d) refurbishment and equipment of medical facilities; (e) human resources for response; (f) capacity building and training (including for mass-media), development of communication strategies, community outreach, and support to the project implementation and monitoring; and (g) expertise for developing and training front-line responders.
83. **The Republika Srpska and FMOH are preparing a streamlined Project Procurement Strategy for Development (PPSD)**, which will be finalized before project implementation begins. An initial procurement plan for the first six months has been agreed with Republika Srpska and FMOH and will be updated during implementation. All the selection methods defined in the Procurement Regulations can be used; however, priority will be given to streamlined and simple procedures and to those that ensure expedited delivery, such as: direct selection, request for quotations with no threshold limit as appropriate, framework agreements (including tapping into existing ones), Procurement from UN agencies following direct selection using existing standard agreements, engagement of UN agencies to provide TA or outputs (combination of TA and inputs) and consultant's qualifications based selection. Procurement will follow either the international or national approach. Streamlined procedure are applicable to emergency procurement. Procurement activities other than those for emergency goods, works, and services will follow regular procurement arrangements.
84. **The proposed procurement approach prioritizes fast track emergency procurement for the required goods, works and services.** Key measures to fast-track procurement include the following: bid securing declaration may be used instead of a bid security; performance security may not be required for contracts for works and supply of goods (however, retention money may be retained during the defects liability period for works contracts, and manufacturer warranties will be requested for goods contracts); advance payment may be increased to up to 40 percent of the contract price when secured with an advance payment guarantee; bidding/proposal preparation time may be reduced to 15 business days for international competition, 7 business days for national competition, and 3 business days for the Request for Quotations depending on the value and complexity of the requested bid and the capacity of firms (local and international) to prepare responsive bids in the proposed periods; and the standstill period will not apply in any procurement under the project.
85. **Hands-on expanded implementation support (HEIS) may be considered in the procurement of the medical**



equipment and supplies to meet initial needs, if requested by either entity. As part of HEIS, at the request of the MoH of the Republika Srpska or the Federation of BiH, the Bank will provide Bank-facilitated procurement (BFP) to proactively assist them in accessing existing supply chains. Once the suppliers are identified, the Bank could proactively support with negotiating prices and other contract conditions. The borrower will remain fully responsible for signing and entering into contracts and implementation, including assuring relevant logistics with suppliers such as arranging the necessary freight/shipment of the goods to their destination, receiving and inspecting the goods, and paying the suppliers, with the option of using the World Bank's system of making direct payment to the contractors or suppliers or consultants on behalf of the MoHs from the proceeds of the financing, in accordance with the terms of the Loan Agreement. The BFP would constitute additional support to the borrower over and above the usual HEIS, which will remain available. If needed, the Bank could also provide hands-on support to the MoHs in contracting to outsource logistics. However, procurement execution remains the responsibility of the MoHs, and HEIS does not result in the Bank's carrying out procurement on their behalf. BFP constitutes one of the procurement options, and all other procurement options remain available to the borrower. BFP will be limited to the agreed list of equipment and supplies. While the Bank will make every effort to assist the Republika Srpska and the Federation of BiH in accessing markets for medical equipment and supplies, it cannot guarantee a successful outcome.

86. **The procurement of secondhand goods may be considered under the project where justified and needed to respond to the emergency.** A procurement process for goods should not mix second-hand goods with new goods; the technical requirements/specifications should describe the minimum characteristics of the items that could be offered secondhand – that is, age and condition (e.g., refurbished, like new, or acceptable if showing normal wear and tear); and the warranty and defect liability provisions in the contract should be written or adapted to apply to second-hand goods. Any risk mitigation measures that may be necessary in relation to the procurement and use of second-hand goods will be reflected in the PPSD.
87. **Retroactive financing and advance procurement will be considered under the project**, subject to the conditions defined in 5.1 and 5.2 of the Procurement Regulations for Borrowers. In accordance with the Procurement Regulations, the Bank requires the application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights. To ensure the compliance with these provisions of bidding processes that have already been conducted and for which the awarded/signed contracts did not include the relevant fraud and corruption (F&C) provisions, the supplier(s) of the existing contract(s) must confirm acceptance of the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, through an amendment to the existing contract via a Letter of Acceptance of the World Bank's Anticorruption Guidelines and Sanctions Framework, to be signed by both the parties. The Bank will not finance any contracts that do not include the Bank's F&C-related clauses. The Republika Srpska and Federation of BiH Ministries of Health will also present to the Bank the list of contractors and subcontractors under these contracts for the Bank to ensure that the firms chosen are not and were not at the time of award or contract signing, on the Bank's List of Debarred firms. Contracts awarded to firms debarred or suspended by the Bank (or those that include debarred or suspended subcontractors) will not be eligible for the Bank's financing.
88. **Procurement will be carried out at the entity level.** Procurement arrangements for each entity are described below. Both entities will benefit from hands-on-support from the World Bank procurement team during the emergency phase of the project, and both will be supported to participate in regional and global COVID-19 procurement efforts led by the United Nations. Several UN agencies may offer a variety of goods and services –



for example, WHO for medical equipment, protective equipment, and diagnostic supplies; UNICEF for water, sanitation and hygiene' activities and awareness-raising and communications; UN Office for Project Services for ambulances, mobile clinics, prefab buildings, biosafety labs, and medical incinerators; UNFPA for medical supplies, PPE, and medical equipment for front-line health workers to alleviate healthcare system strain and provide safe treatment, especially among pregnant women, mothers, and babies; UN World Food Program for logistics and for effective transport of cargo and personnel including activation or reinforcement of in-country and cross-country aviation services to sustain access to final delivery points. Such goods, equipment, and TA essential to the COVID-19 response may be sourced through UN partners via borrower contracting, using expedited procedures and existing Bank Standard Agreements between the UN Agency and the borrower. If between now and the date of loan signing, advance contracting with UN agencies is identified, PIUs in both entities should use Bank Standard Agreements between the UN agency and the borrower to be eligible for retroactive financing. Agreements with UN agencies include requirements that make them consistent with the Bank's Anti-Corruption Guidelines.

89. **On the Republika Srpska side, procurement will be carried out by PAFPID under the Republika Srpska MoH.** The implementation will be in close collaboration with the PHI of Republika Srpska and with the Republika Srpska Ministry of Agriculture and Ministry of Labor. PAFPID is currently staffed with two procurement specialists. Given the urgency of the project, PAFPID's capacity will need to be strengthened with an additional part-time procurement specialist who is well acquainted with STEP, and who can also provide hands-on support since the project requires the use of STEP. The World Bank procurement team will also be available to provide accelerated support as needed. The MoHSW can also collaborate with employees from other sectors in the Government to strengthen procurement capacity.
90. **On the Federation of BiH side, procurement for the health and social protection components will be carried out by the FMOH PIU and FMOlSP PIT, as appropriate.** The FMOH PIU will include a part-time procurement specialist who has more than 15 years' experience in Bank procurement processes related to health, but no experience on STEP. The World Bank procurement team will provide accelerated support in the use of STEP. Additional consultants (procurement support, technical specialists) may also be hired to provide further support. Overall, the procurement capacity of the Federation of BiH's PIU for the health component is satisfactory. Relatively minor procurement is currently envisaged under the social protection component. The FMOlSP PIT is staffed with an experienced procurement specialist who can assist with procurement activities.
91. **The Bank's oversight of procurement will be done through increased implementation support,** HEIS, if requested, and increased procurement post review based on a 20 percent sample. The Bank will not conduct prior review. Nevertheless, the Bank team will provide day-to-day implementation support to the PIUs in processing procurement packages.
92. **The procurement risk is Substantial.** The major risks to procurement are lack of sufficient global supply of essential medical consumables and equipment needed to address the health emergency as there is significant disruption in the supply chain because of the global nature of the COVID-19 pandemic. There is also a risk of slow procurement processing and decision-making, with potential implementation delays, as the levels of approval at the MoH may slow contract signature and the delivery of goods. There is also an increased risk of F&C as emergency procedures are being used and due diligence may be lowered; this may result in increased prices and cost. Another risk concerns the use of HEIS and BFP, as the close involvement of the Bank may pose a reputational risk.



- 93. **To help mitigate these risks, the Bank will support the Republika Srpska MoHSW and the FMoH in applying any procedural flexibilities** (e.g., direct contracting, extension of bid submission deadlines, advising on the applicability of force majeure, electronic bid submission). The Bank team will also monitor and support implementation to agree with the MoHs on the reasonableness of the procurement approaches and obtained outcomes, leverage its comparative advantage as convener, and facilitate access to available supplies at competitive prices. However, if BFP is to be used for these purposes, it will mainly be used for the emergency components of the project and will ensure that the MoHs take full ownership of the project over time. Accountability will be maintained for following the expedited approval processes for emergencies, and the Bank will ensure close oversight of the procurement processes.

C. Legal Operational Policies

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

D. Environmental and Social Standards

- 94. **Environmental and social risks are substantial.** The major areas of risks for the project are: (i) risks related to the adaptation/expansion of existing healthcare facilities; (ii) environmental and community health related risks from inadequate storage, transportation and disposal of infected medical waste; (iii) occupational health and safety issues related to the availability and supply of PPE for healthcare workers; (iv) difficulties in delivering temporary social assistance to vulnerable groups during COVID-19 constrains on mobility and reduced capacity of public offices; (v) social conflicts and unrest resulting from the crisis challenges, including competing pressures on medical services; (vi) exacerbated community and health risk due to inappropriate behavior resulting from false rumors and misinformation. The small-scale works related to adapting/expanding medical facilities are expected to take place on the property of existing facilities; therefore, they will be mostly community-based activities and environmental issues (and impacts thereof) are expected to be temporary, predictable, and easily mitigable. There will be no land acquisition. Mobile hospital and any mobile and temporary facilities will be located in public land or land with written consent from the owner; taking into consideration that the area is not protected or otherwise sensitive. The more substantial risks are around ensuring contagion vectors are controlled through strict adherence to standard procedures for medical waste management and disposal; the use of appropriate PPE for all healthcare workers; and working with local governments and communities to ensure that social distancing measures and quarantine regimes are strictly adhered is also vital for lowering the speed and incidence of infection.

VI. GRIEVANCE REDRESS SERVICES

- 95. 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 in order 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 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.

VII. KEY RISKS

96. **The overall project risk rating is Substantial.** Risks in six of the eight categories are rated Substantial: political and governance, macroeconomic, technical design, institutional capacity for implementation, fiduciary, and environmental and social risks. The sector strategies and policies and stakeholder risks are rated Moderate. While a considerable degree of risk is inherent in a project of this urgency, important mitigation measures have been integrated into its design.
97. **Political and governance risk is rated Substantial.** There is a high level of political commitment to addressing the COVID-19 emergency in both entities, as evidenced by declarations of a state of emergency and establishment of cross-government COVID-19 coordination units early on in the crisis. Nevertheless, BiH's complex political structure and weak mechanisms for inter-government cooperation pose a challenge to responding rapidly and effectively to such emergencies. A lack of transparency and accountability is also an enduring concern in BiH's political and governance structures. WB will insist on requirements to disclose and document funding to support the COVID-19 response, including publication of audit results and achievements, and to ensure transparency in decision-making and resource allocation. WB will also support the implementation of anti-corruption strategies and activities in procurement. In line with other development partners, WB will also encourage the two entities to work together in addressing the COVID-19 pandemic (sharing forecasting models or procurement activities, for example).
98. **Macroeconomic risk is rated Substantial.** BiH faces an unprecedented risk to its macroeconomic stability if the economic slowdown triggered by COVID-19 is severe and prolonged. This situation will be worsened if large numbers of people, fearing joblessness, decide to emigrate. Governments in both entities are in a relatively good fiscal position (compared to previous years), however, and have acted quickly to redirect resources to maintain liquidity and economic activity. Governments in both entities are committed to provide fiscal resources to address COVID-19 and maintain essential health service delivery activities. For example, Republika Srpska has issued of 50 million BAM Treasury bills and is considering issuing long-term bonds. The project will reduce the macroeconomic risk by helping to finance the COVID-19 response effort. Nevertheless, if the crisis is prolonged, the budget for social assistance and unemployment benefits will fall short, and resources may not be enough to satisfy the critical needs; thus further budget reallocation and external resources may be required to satisfy the emergency needs.
99. **Technical design risk is rated Substantial.** Across all projects in the COVID-19 SPRP, there is a risk that project activities will not be effective in reducing the impact of the pandemic, because of a lack of equipment and other medical inputs needed to address healthcare needs, or because social assistance programs and social care services face excessive demand and shortfalls in coverage. BiH also has fewer doctors and nurses than neighboring countries, which increases the risks inherent in the way the project has been designed. To mitigate these risks, project activities focus on strengthening response capacity in selected priority areas in the short- and medium terms, while laying the foundations for a longer-term strategy and approach, including linkage to the broader Health Sector Reform Program (P171150, pipeline). Furthermore, the government in each entity is committed to, and has already started coordination of, efforts by other international organizations (such as WHO), to facilitate



access to laboratory and medical care supplies. For social assistance activities, there is a possibility of additional support and expansion of coverage with the second phase of the COVID-19 facility. The WB will track unmet demand to identify individuals who may be eligible for support in the next phase of funding.

100. **Institutional capacity risk is rated Substantial.** Institutional and implementation arrangements are inevitably complex, for this project as well as all other projects in BiH. Institutional arrangements in the Federation of BiH are of particular concern because: (a) the project is split between two ministries; (b) the FMOH does not currently have a PIU for a WBG project; and, (c) there is a need for Federation authorities to liaise effectively with cantonal counterparts. However, the Federation has successfully implemented WBG projects in the past, and key individuals from earlier PIUs remain employees of the Federation MoH (and other ministries). They could be reconvened to establish a PIU for this project, and discussions are already underway to facilitate this. Limitations in human resource capacity and finances are also present in Republika Srpska. In each entity, these risks will be mitigated by using existing PIUs/departments with experienced staff, where possible (such as PAFPID in Republika Srpska). Where a PIU does not currently exist (as in the FMOH), the WB will seek the participation of team members with whom it already has a strong working relationship from previous projects. The risks that project investments will not translate into sustainable improvements in health systems capacity and health outcomes will be mitigated through the capacity-building focus of this project and activities related to pandemic preparedness.
101. **Both FM and procurement risks are rated Substantial.** These risks and mitigation measures are discussed earlier in the PAD. To support emergency response, country-specific projects will use rapid disbursement procedures and simplified procurement processes in accordance with emergency operations norms. The key risk is procurement that fails because of lack of sufficient global supplies of the essential medical consumables and equipment needed to address the health emergency, especially PPE. To help mitigate this risk, the Bank will leverage its comparative advantage as convener and facilitate the Republika Srpska and Federation MoH access to available supplies at competitive prices with the BFP described in the procurement section of this document.
102. **The environmental and social risk is rated Substantial.** These risks and mitigation measures are discussed earlier in the PAD. The government in each entity is also committed to taking the measures indicated in the Stakeholder Engagement Plan and Environmental and Social Commitment Plan to mitigate these risks to the extent possible.



VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Bosnia and Herzegovina

Bosnia and Herzegovina Emergency COVID-19 Project

Project Development Objective(s)

The project development objective is to prevent, detect, and respond to the threat posed by the COVID-19 pandemic in Bosnia and Herzegovina.

Project Development Objective Indicators

Indicator Name	DLI	Baseline	End Target
Respond to the COVID-19 pandemic by strengthening BiH health systems			
Number of acute healthcare facilities with isolation capacity in BiH (Number)		12.00	28.00
Number of acute healthcare facilities with isolation capacity in Republika Srpska (Number)		2.00	10.00
Number of acute healthcare facilities with isolation capacity in Federation of BiH (Number)		10.00	18.00
Number of intensive care beds fully equipped (with ventilators) (Number)		282.00	490.00
Number of intensive care beds fully equipped (with ventilators) in Republika Srpska (Number)		82.00	140.00
Number of intensive care beds fully equipped (with ventilators) in Federation of BiH (Number)		200.00	350.00



Indicator Name	DLI	Baseline	End Target
Number of suspected COVID-19 cases reported and investigated based on guidelines (Number)		1,642.00	160,000.00
Number of suspected COVID-19 cases reported and investigated based on guidelines in Republika Srpska (Number)		586.00	50,000.00
Number of suspected COVID-19 cases reported and investigated based on guidelines in Federation of BiH (Number)		1,056.00	110,000.00
Respond to the COVID-19 pandemic by providing social assistance to most vulnerable groups			
Total number of beneficiaries covered by COVID-related social protection benefits (Number)		0.00	50,575.00
Total number of beneficiaries covered by COVID-related social protection benefits in Republika Srpska (Number)		0.00	14,600.00
Total number of beneficiaries covered by COVID-related social protection benefits in Federation of BiH (Number)		0.00	35,975.00

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
Component 1: Responding to the COVID-19 Pandemic in Republika Srpska			
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Republika Srpska (Number)		2.00	4.00
Percentage of cases who are healthcare workers in Republika Srpska (Text)		4.5%	Under 2%



Indicator Name	DLI	Baseline	End Target
Risk communication and community engagement strategies for COVID-19 adapted in Republika Srpska (Text)		No contextualized strategies	Strategies are in place and operational documents issued
Pandemic preparedness and response plan as per Ministry of Health/ Agriculture guidelines updated and adopted for Republika Srpska (Text)		No	Yes
Republika Srpska has activated their Public Health Emergency Operations Center or a coordination mechanism for COVID-19 (Text)		Partly established	The coordination mechanism established and functional
Number of COVID-19 related beneficiaries of the permanent social assistance program in Republika Srpska (Number)		4,300.00	6,300.00
Number of COVID-19 related beneficiaries of disability benefits in Republika Srpska (Number)		0.00	5,500.00
Number of COVID-19 related beneficiaries who are elderly and PWDs residing in institutions in Republika Srpska (Number)		0.00	350.00
Number of new applications received for COVID-related beneficiaries for social protection benefits (for accommodation in social institutions or one-time cash assistance) in Republika Srpska (Number)		0.00	2,000.00
Percentage of complaints received and resolved related to COVID related social assistance benefits in Republika Srpska (Percentage)		0.00	100.00
Number of in-kind assistance packages delivered to social care institutions in Republika Srpska (Number)		0.00	20.00
Number of communication and dissemination activities undertaken on social protection benefits in Republika Srpska (Number)		0.00	15.00
Component 2: Responding to the COVID-19 pandemic in the Federation of Bosnia and Herzegovina			
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Federation of BiH (Number)		3.00	6.00
Percentage of cases who are healthcare workers in Federation of		4%	under 2%



Indicator Name	DLI	Baseline	End Target
BiH (Text)			
Risk communication and community engagement strategies for COVID-19 and for specific communities adapted in Federation of BiH (Text)		Yes	Yes
Pandemic preparedness and response plans updated and adopted, according to government and international guidelines, in Federation of BiH (Text)		Yes	Yes
Public Health Emergency Operations Center, or other coordination mechanism for COVID-19, activated in Federation of BiH (Text)		Yes	Yes
Number of beneficiaries covered by COVID-related permanent social assistance program in Federation of BiH (Number)		10,000.00	15,000.00
Number of beneficiaries receiving COVID-19 related one-off cash assistance in Federation of BiH (Number)		4,838.00	4,838.00
Number of beneficiaries receiving COVID-related home assistance in Federation of BiH (Number)		15,893.00	16,137.00
Number of applications received for COVID-related social assistance in Federation of BiH (Number)		0.00	5,000.00
Number of complaints received relating to COVID-19 related social assistance benefits in Federation of BiH (Number)		0.00	500.00
Number of in-kind assistance packages delivered to social care institutions in Federation of BiH (Number)		0.00	29.00
Number of communication and dissemination activities undertaken on social protection benefits in the Federation of BiH (Number)		0.00	85.00

**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of acute healthcare facilities with isolation capacity in BiH	This indicator measures the total number of acute healthcare facilities with isolation capacity in both Republika Srpska and Federation of BiH	Quarterly	MoHSW/ FMoH administrative data	MoHSW/ PAFPID and FMoH/ PIU monitoring reports	MoHSW/ PAFPID and FMoH/ PIU
Number of acute healthcare facilities with isolation capacity in Republika Srpska	This indicator tracks the number of acute healthcare facilities with isolation capacity in both Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID
Number of acute healthcare facilities with isolation capacity in Federation of BiH	This indicator measures the number of acute healthcare facilities with isolation capacity in Federation of BiH	Quarterly	FMoH administrative data	FMoH/ PIU monitoring reports	FMoH/ PIU
Number of intensive care beds fully equipped (with ventilators)	This indicator tracks the number of new intensive care beds fully equipped, especially with ventilators, to treat COVID-19 patients in BiH	Quarterly	MoHSW/ FMoH administrative data	MoHSW/ PAFPID and FMoH/ PIU monitoring reports	MoHSW/ PAFPID and FMoH/ PIU
Number of intensive care beds fully equipped (with ventilators) in Republika Srpska	This indicator tracks the number of new intensive care beds fully equipped, especially with ventilators, to treat COVID-19 patients in Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID



Number of intensive care beds fully equipped (with ventilators) in Federation of BiH	This indicator tracks the number of new intensive care beds fully equipped, especially with ventilators, to treat COVID-19 patients in Federation of BiH	Quarterly	FMoH administrative data	FMoH/ PIU monitoring reports	FMoH/ PIU
Number of suspected COVID-19 cases reported and investigated based on guidelines	This indicator tracks the number of suspected COVID-19 cases reported and investigated based on guidelines in the whole country	Quarterly	MoHSW and FMoH administrative data	MoHSW/ PAFPID and FMoH/ PIU monitoring reports	MoHSW/ PAFPID and FMoH/ PIU
Number of suspected COVID-19 cases reported and investigated based on guidelines in Republika Srpska	This indicator tracks the number of suspected COVID-19 cases reported and investigated based on guidelines in Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID
Number of suspected COVID-19 cases reported and investigated based on guidelines in Federation of BiH	This indicator tracks the number of suspected COVID-19 cases reported and investigated based on guidelines in Federation of BiH	Quarterly	FMoH administrative data	FMoH/ PIU monitoring reports	FMoH/ PIU
Total number of beneficiaries covered by COVID-related social protection benefits	This indicator measures the total number of beneficiaries who receive COVID-related social protection benefits in BiH	Quarterly	MoHSW and FMoLSP administrative data	MoHSW/ PAFPID and FMoLSP/ PIU monitoring reports and reports from centers for social work and specialized institutions	MoHSW/ PAFPID and FMoLSP/ PIU



Total number of beneficiaries covered by COVID-related social protection benefits in Republika Srpska	This indicator measures the number of beneficiaries who receive COVID-related social protection benefits in Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports and reports from centers for social work and specialized institutions	MoHSW/ PAFPID
Total number of beneficiaries covered by COVID-related social protection benefits in Federation of BiH	This indicator measures the number of beneficiaries receiving COVID-related social assistance benefits in Federation of BiH	Quarterly	FMoLSP administrative data	FMoLSP/ PIU monitoring reports and reports from centers for social work and specialized institutions	FMoLSP/ PIU

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Republika Srpska	This indicator tracks the number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID
Percentage of cases who are healthcare workers in Republika Srpska	This indicator measures the ratio of COVID-19 infected cases who are healthcare workers in Republika Srpska	Quarterly	MoHSW administrative data	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID



Risk communication and community engagement strategies for COVID-19 adapted in Republika Srpska	This indicator measures the country's efforts in contextualizing their risk communication and community engagement strategies in Republika Srpska	Quarterly	PAFPID management system	PAFPID monitoring reports	PAFPID
Pandemic preparedness and response plan as per Ministry of Health/ Agriculture guidelines updated and adopted for Republika Srpska	This indicator tracks how Republika Srpska prepares and responds to the pandemic by updating and adopting a preparedness and response plan as per Ministry of Health/ Agriculture guidelines	Once	MoHSW/ MoAg management information systems	Administrative data from government management information systems	MoHSW & MoAg
Republika Srpska has activated their Public Health Emergency Operations Center or a coordination mechanism for COVID-19	This indicator tracks the country's efforts to address COVID-19 pandemic by activating its Public Health Emergency Operations Center or a coordination mechanism for COVID-19	Quarterly	MoHSW/ MoAg/ PAFPID	MoAg & PAFPID monitoring reports	MoAg / PAFPID
Number of COVID-19 related beneficiaries of the permanent social assistance program in Republika Srpska	This indicator tracks the number of COVID-19 related beneficiaries of the permanent social assistance program in Republika Srpska	Quarterly	MoHSW administrative data and PAFPID monitoring system	MoHSW/ PAFPID monitoring reports and reports from centers for social work and specialized institutions	MoHSW / PAFPID
Number of COVID-19 related beneficiaries of disability benefits in Republika Srpska	This indicator tracks the number of COVID-19 related beneficiaries who	Quarterly	MoHSW administrative data and	MoHSW/ PAFPID monitoring reports and reports from	MoHSW/ PAFPID



	receive disability allowances in Republika Srpska		PAFPID monitoring system	centers for social work and specialized institutions	
Number of COVID-19 related beneficiaries who are elderly and PWDs residing in institutions in Republika Srpska	This indicator tracks the number of COVID-19 related beneficiaries who are elderly and PWDs residing in institutions programs in Republika Srpska	Quarterly	MoHSW administrative data and PAFPID monitoring system	MoHSW/ PAFPID monitoring reports and reports from centers for social work and specialized institutions	MoHSW/ PAFPID
Number of new applications received for COVID-related beneficiaries for social protection benefits (for accommodation in social institutions or one-time cash assistance) in Republika Srpska	This indicator tracks the number of applications received for COVID-related permanent social assistance, including those who reside in social institutions and those who receive one-off cash assistance	Quarterly	MoHSW administrative data and PAFPID monitoring system	MoHSW/ PAFPID monitoring reports and reports from centers for social work and specialized institutions	MoHSW/ PAFPID
Percentage of complaints received and resolved related to COVID related social assistance benefits in Republika Srpska	This indicator tracks how complaints received relating to COVID-19 related social assistance in Republika Srpska are handled and resolved.	Quarterly	MoHSW management system	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID
Number of in-kind assistance packages delivered to social care institutions in Republika Srpska	This indicator tracks in-kind assistance packages delivered to social care institutions in Republika Srpska. The package size will be based on the	Quarterly	MoHSW/ PAFPID information systems	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID



	number of beneficiaries living in the institutions				
Number of communication and dissemination activities undertaken on social protection benefits in Republika Srpska	This indicator follows on communication and dissemination activities that provide information on COVID-19 related social protection benefits to the targeted groups of population. The activities include blogs, online updates, radio and TV ads, and info spots.	Quarterly	MoHSW/ PAFPID information systems	MoHSW/ PAFPID monitoring reports	MoHSW/ PAFPID
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Federation of BiH	This indicator tracks the number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines in Federation of BiH	Quarterly	FMoH administrative data	FMoH/ PIU monitoring reports	FMoH/ PIU
Percentage of cases who are healthcare workers in Federation of BiH	This indicator measures the ratio of COVID-19 infected cases who are healthcare workers in Federation of BiH	Quarterly	FMoH administrative data	FMoH/ PIU monitoring reports	FMoH/ PIU
Risk communication and community engagement strategies for COVID-19 and for specific communities adapted in Federation of BiH	This indicator tracks the country's efforts in adapting risk communication and community engagement strategies for COVID-19 and for specific	Quarterly	PIU management system	PIU monitoring reports	PIU



	communities in Federation of BiH.				
Pandemic preparedness and response plans updated and adopted, according to government and international guidelines, in Federation of BiH	This indicator tracks how Federation of BiH prepares and responds to the pandemic by updating and adopting a preparedness and response plan according to government and international guidelines	Once	FMoH management information system	FMoH/ PIU monitoring reports	FMoH/ PIU
Public Health Emergency Operations Center, or other coordination mechanism for COVID-19, activated in Federation of BiH	This indicator tracks the Federation of BiH's efforts to address the COVID-19 pandemic by activating its Public Health Emergency Operations Center or a coordination mechanism	Quarterly	FMoH management system	FMoH/ PIU monitoring reports	FMoH/ PIU
Number of beneficiaries covered by COVID-related permanent social assistance program in Federation of BiH	Number of beneficiaries covered by COVID-related permanent social assistance program in Federation of BiH.	Quarterly	MoLSP administrative data and PIU monitoring system	MoLSP/ PIU monitoring reports and reports from centers for social work and specialized institutions	MoLSP/ PIU
Number of beneficiaries receiving COVID-19 related one-off cash assistance in Federation of BiH	This indicator tracks the number of beneficiaries who receive COVID-19 related one-off cash assistance in Federation of BiH	Quarterly	MoLSP administrative data and PIU monitoring system	MoLSP/ PIU monitoring reports and reports from centers for social work and specialized institutions	MoLSP/ PIU
Number of beneficiaries receiving COVID-related home assistance in Federation of	This indicator tracks the number of COVID-19	Quarterly	MoLSP administrative	MoLSP/ PIU monitoring reports and reports from	MoLSP/ PIU



BiH	related home assistance beneficiaries in Federation of BiH		data and PIU monitoring system	centers for social work and specialized institutions	
Number of applications received for COVID-related social assistance in Federation of BiH	This indicator tracks the number of applications received for COVID-related social assistance in Federation of BiH	Quarterly	MoLSP administrative data and PIU monitoring system	MoLSP/ PIU monitoring reports and reports from centers for social work and specialized institutions	MoLSP/ PIU
Number of complaints received relating to COVID-19 related social assistance benefits in Federation of BiH	This indicator tracks the beneficiaries' complaints relating to COVID-19 related social assistance in Federation of BiH	Quarterly	FMoH/ FMoLSP/ PIU monitoring systems	Data from the MoLSP and PIU monitoring systems	FMoLSP/ PIU
Number of in-kind assistance packages delivered to social care institutions in Federation of BiH	This indicator tracks in-kind assistance packages delivered to social care institutions. The package size will be based on the number of people living in the institutions	Quarterly	FMoH/ FMoLSP administrative data	FMoH/ FMoLSP/ PIU monitoring reports	FMoH/ FMoLSP/ PIU
Number of communication and dissemination activities undertaken on social protection benefits in the Federation of BiH	This indicator tracks communication and dissemination activities that provide information on COVID-19 related social protection benefits to the targeted groups of population. The activities include include blogs, online updates, radio and	Quarterly	FMoLSP/ PIU information systems	FMoLSP/ PIU monitoring reports	FMoLSP/ PIU



	TV ads, and info spots.				
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**ANNEX 1: Project Costs**

COUNTRY: Bosnia and Herzegovina
Bosnia and Herzegovina Emergency COVID-19 Project

COSTS AND FINANCING OF THE COUNTRY PROJECT

Program Components	Project Cost (EUR m)	IBRD Financing (EUR m)	Trust Funds	Counterpart Funding
Component 1. Responding to the COVID-19 Pandemic in Republika Srpska	12.987	12.987		
• Goods including medical and IT equipment and medical supplies, among others	9.017	9.017		
• Consulting and non-consulting services	0	0		
• Social cash transfers	3.970	3.970		
Component 2. Responding to the COVID-19 Pandemic in the Federation of BiH	19.664	19.664		
• Goods including medical and IT equipment and medical supplies, among others	9.957	9.957		
• Consulting and non-consulting services	0	0		
• Social cash transfers	9.707	9.707		
Component 3. Project Management (including communication, monitoring and evaluation)	0.366	0.366		
• Project monitoring (RS)	0.220	0.220		
• Project monitoring (FBiH)	0.146	0.146		
Total Costs	33.017	33.017		
Front End Fees	0.083	0.083		
Total Financing Required	33.100	33.100		

**ANNEX 2: Overview of Development Partners' Contributions**

This table summarizes the contributions of development partners, using information from project counterparts and UN Situation Reports.

Organization	Financial support (cash or in kind)	Technical support
World Health Organization	PPE kits	
International Monetary Fund	Rapid Financing Instrument of EUR 330 million	
International Organization for Migration	Rehabilitation of Temporary Reception Centers (e.g. expansion of hygiene facilities and facilities for isolation)	Development of COVID-related content for Temporary Reception Centers, targeted to youth and other specific groups
UNICEF	PPE kits, hygiene supplies, thermometers to be distributed to vulnerable communities	Rapid assessments of capacity for child protection and social service delivery in COVID-affected areas; development of mitigation measures
International Labour Organization		Labor market assessment of the impact of COVID-19; technical assistance to develop employment strategies that mitigate impact of COVID-19
European Union	EUR 73.5 million mobilized to support social and economic recovery	
Hungary	PPE kits	
Malaysia	Masks	



ANNEX 3: The PHI of Republika Srpska’s Modeling of the Need for Test Kits, PPE and Hospital Beds

The PHI of Republika Srpska modelled the need for test kits, PE and hospital beds, basing the needs on the equipment specified in WHO guidelines for responding to the COVID pandemic.²⁰ Models drew on global experience with COVID-19 patients, and assumed that about 40 percent of patients would have mild disease, for which treatment is generally symptomatic and does not require hospital care; about 40 percent of patients would have a moderate clinical picture, which may or may not require hospital care; 15 percent of patients would have a severe picture requiring oxygen therapy or other hospital interventions; and about 5 percent of patients would have a critical clinical picture of the disease, which requires mechanical ventilation.

	Current number of beds available	Expansion capacity	Total beds available to the hospital
University Clinical Centre of Republika Srpska	95	95	1,000
Prijedor Hospital	16		400
Doboj Hospital	7	15	400
Bijeljina Hospital	5	30	280
Zvornik Hospital	10	5	208
East Sarajevo Hospital	15	35	210
Foca Hospital	9	11	220
Nevesinje Hospital	4	10	50
Trebinje Hospital	6	27	150
TOTAL	169	228	2,918

Monthly requirement for PPE:

University Clinical Centre of Republika Srpska	6000
Hospitals	11,700
Primary care facilities	19,080
Public Health Institute	2000
Total number	38,780

²⁰ <https://www.who.int/docs/default-source/coronaviruse/covid-19-sprp-unct-guidelines.pdf>



ANNEX 4: The Federation of BiH's Modeling of the Need for Test Kits, PPE and Hospital Beds

The Institute for Health and Food Safety Zenica, Health Center Zenica and School of Medicine, University of Zenica modelled the need for test kits, PPE and hospital beds in the Federation of BiH, drawing on global experience with COVID-19 patients (particularly in Italy's Lombardy region). Needs are based on the equipment specified in WHO guidelines for responding to the COVID-19 pandemic.²¹

The models assumed that about 14 percent of patients would have a severe picture requiring oxygen therapy or other hospital interventions²² (with around 8 days' hospital admission); and that about 6 percent of patients would have a critical clinical picture of the disease, which requires admission to an intensive care unit (ICU) for mechanical ventilation²³ (with around 15 days' hospital admission).

The baseline scenario, which assumes a caseload in the Federation of BiH proportional to that recorded in Italy on March 21, 2020, estimates just over 1,700 cases. Of these, 342 patients would need hospital treatment (without intensive care), and 103 would need admission to an ICU for mechanical ventilation. Caring for this caseload over a month (the approximate duration of the epidemic peak in Italy) would require 114 non-ICU and 64 ICU hospital beds, and a minimum of 42 respirators. The model also projected needs assuming increases in caseload of 50 percent and 100 percent above the baseline scenario. For example, at 100 percent above baseline, 228 non-ICU and 128 ICU hospital beds, and a minimum of 83 respirators, would be required.

The model also projected needs assuming a caseload in the Federation of BiH proportional to that recorded in Lombardy (the worst-affected region of Italy) on March 23, 2020. Under these assumptions, the Federation of BiH would have an estimated caseload of almost 6,000 cases. Of these, 832 patients would need hospital treatment (without intensive care) and 360 would need admission to an ICU for mechanical ventilation. Caring for this caseload over a month (the approximate duration of the epidemic peak in Italy) would require 280 non-ICU and 220 ICU hospital beds, and a minimum of 111 respirators.

The model notes that the Federation of BiH currently has about 140 respirators. However, they are in demand, for a wide range of patients, and not all should be assumed to be available for the COVID-19 caseload.

Source: "Model of virus spread and control, COVID-19 infection" by Senad Huseinagić 1,3, Fatima Basic 1, Selvedina Sarajlic-Spahić 2 (1 Institute for Health and Food Safety Zenica; 2 Health Center Zenica; 3 School of Medicine, University of Zenica); prepared March 25, 2020.

²¹ <https://www.who.int/docs/default-source/coronaviruse/covid-19-sprp-unct-guidelines.pdf>

²² This proportion is very similar to that assumed in Republika Srpska, i.e. 15 per cent.

²³ This proportion is very similar to that assumed in Republika Srpska, i.e. 5 per cent.



ANNEX 5: Overview of Social Protection Financing, Benefits, and Delivery Institutions in BiH

REPUBLIKA SRPSKA

The Republika Srpska provides social protection to vulnerable populations and has in place several laws that guide the delivery of benefits and services.²⁴ These laws and secondary legislation pertain specifically to social assistance, child protection, family protection, assessment of eligibility, and protection of people with disabilities and elderly citizens.

Social protection is financed by public revenues ensured from the Republika Srpska budget and the budgets of local self-governance units. Some services may be financed by donor funding, funds provided by legal entities and natural persons and donations made by citizens. Beneficiaries make co-payments from their own resources to finance certain entitlements, in line with the criteria prescribed by the Law on Social Protection. The Republika Srpska budget ensures financing for: (a) cash benefit cofinancing at 50 percent of the entitlement; (b) care-giver allowance cofinancing at 50 percent of the entitlement; (c) support equal opportunities for children and youth with development disorders; (d) cofinancing of institutional accommodation of beneficiaries institutionalized by Centers for Social Work in public institutions; (e) construction, adaptation, rehabilitation, equipping, and portion of heating and maintenance costs of public social protection institutions; (f) functioning of social protection institutions; (g) maintenance of the social protection IT system; (h) development programs aimed to improve the social protection system; and (i) emergency assistance in case the livelihood and living standard of large number of citizens is threatened by economic, social, and humanitarian factors.

The budget also pays 50 percent of the amount necessary for the health insurance of the beneficiaries of cash benefits and caregiver allowances who cannot get health insurance under any other basis. Local self-governance units provide 50 percent of the amount necessary for cash benefits, caregiver allowances, and health insurance of these persons. Local self-governance units also provide financing for accommodation in social institutions, foster families, day care, care and assistance at home, one-time cash benefit, extended social protection, functioning of Centers for Social Work and other social protection institutions of the local self-governance unit, and support and development programs aimed to improve the social protection of the population.

Distribution of cash payments to the beneficiaries of various entitlements under the Law on Social Protection is made by local self-governance units. Besides these obligations, local self-governance units also provide financing of extended social protection defined by municipal decisions. Extended social protection is aimed to support vulnerable population in cases when the social service envisaged by the Law cannot respond adequately to their

²⁴ The Law on Social Assistance (“Republika Srpska Official Gazette” No. 37/12, 90/16, 94/19), the Law on Child Protection (“Republika Srpska Official Gazette” No. 114/17, 122/18,107/19), the Family Law (“Republika Srpska Official Gazette” No. 54/02, 41/08, 63/14, 56/19), the Rulebook on Ability Assessment in the Process of Granting Social Protection Entitlements and Determining Beneficiary’s Functional Status (“Republika Srpska Official Gazette” No. 116/12, 111/13, 9/17),

The Rulebook on Needs Assessment and Orientation of Children and Youth with Development Disorders (“Republika Srpska Official Gazette” No. 117/12, 16/18),

The Strategy on Improving Social Protection of Children without Parental Care (2015-2020), the Strategy on Improving Social Status of Persons with Disability in Republika Srpska (2017–2026)

The Strategy on Improving Elderly Citizens Status in Republika Srpska (2019 - 2028).



specific needs. Basic social protection entitlements, defined by the Law on Social Protection and, covering the most vulnerable population, particularly elderly people, include the following:

Cash benefits – within this entitlement the beneficiary can also receive health insurance, unless he/she can get it under some other basis. Beneficiaries of the cash benefit are persons who face problems in meeting their basic needs and live in absolute poverty. These are mainly people above 65, who are unable to work and without family.

Cash benefit (permanent social assistance) level for vulnerable households with no person who is able to work and with dependents is defined, based on family size, as a percentage of the base – average net wage in Republika Srpska earned in previous year (KM 906.00):

- | | |
|--|-----------|
| a) For one person, 15 percent – | 135.90 KM |
| b) For family of two, 20 percent – | 181.20 KM |
| c) For family of three, 24 percent – | 17.44 KM |
| d) For family of four, 27 percent – | 244.62 KM |
| e) For family of five and more members, 30 percent – | 271.80 KM |

Caregiver allowance – within this entitlement the beneficiary can also get health insurance, unless he/she can get it under some other basis. Beneficiaries of the caregiver allowance are persons with disability, as well as other persons whose functional conditions requires full or partial assistance by another person. This entitlement is a result of a society’s recognition of person’s condition of functional dependency and presents a compensational entitlement aimed to equalize opportunities and chances for persons with disability. Care-giver allowance is defined as a percentage of the average wage, after tax, earned in Republika Srpska in the previous year, as follows:

- a) Group I - 20 percent of the base (KM 906.00) for a person who is 24 hours a day totally dependent on another person to satisfy basic needs, including physiological ones, and is unable to meet such needs on his/her own even using various types of aid devices – KM 181.20.
- b) Group II – 10 percent of the base for person who needs partial assistance from another person to meet his/her basic needs - KM 90.60.

Accommodation in institution: Beneficiaries of an entitlement to accommodation in institution are persons for whom an expert assessment determines that their institutionalization would be the optimal form of social protection. Beneficiaries can get this service paid for by the local self-governance unit budget if they meet criteria prescribed by law. The permanent accommodation of old and bedridden persons in institutions can be also done at their personal request or at the request of a family member if it is financed by such person/family members.

Assistance and care at home: Beneficiaries of assistance and care at home are elderly people, bedridden people and persons with disabilities who are provided social support in their homes. This entitlement can also be extended to children with development disorders, if they meet criteria prescribed by law. Assistance and care include housekeeping, personal hygiene, buying and preparing food, meeting day-to-day needs: going shopping, visiting doctor, walking, conversation, reading, etc. Assistance and care at home can be provided by a social protection institution, non-governmental organization, religious organization and other legal entities that meet the criteria established for provision of this service.

Personal disability allowance: The total number of personal disability allowance beneficiaries is estimated to grow to 6,000 by the end of 2020 from the current number of around 5,000. The difference is caused by new disability assessments and harmonization with the Law and amendments of the Law on Social Protection adopted by the



end of 2019, implementation of which started on January 1, 2020. The level of personal disability allowance is defined as a percentage of the average wage, after tax, earned in Republika Srpska in the previous year, as follows:

- a) 15 percent of the base for a person with 100 percent bodily damage – KM 135.90
- b) 13 percent of the base for a person with 90 percent bodily damage – KM 117.78
- c) 11 percent of the base for a person with 80 percent bodily damage – KM 99.66
- d) 9 percent of the base for a person with 70 percent bodily damage – KM 81.54

One-time cash benefit: A one-time cash benefit is provided to an individual, family members, or a whole family in social need at certain moments of time. The level of a one-time cash benefit cannot exceed an amount equal to three months of permanent social assistance, in line with the number of family members. Exceptionally, in special circumstances, a Center for Social Work director can approve a one-time cash benefit at a higher amount. A one-time benefit can be also provided in kind through extended municipal entitlements or donations (staple food, medicines, hygiene, bed linen, etc.).

At the local community level, this work is performed by Centers for Social Work, which are basic social protection institutions and on which the functioning of the whole social protection system in Republika Srpska. In Republika Srpska there are 50 Centers for Social Work and 13 Social Protection Services. There are also numerous social accommodation institutions founded by the Government (Public Institution Home for Children and Youth without Parental Care “Rada Vranjesevic,” Banja Luka; Gerontology Center Banja Luka; Public Institution Old Age Home, Prijedor and East Sarajevo; Public Institutions Home for Persons with Disability, Prijedor and Visegrad; and Center for Children and Youth with Development Disorders “Buducnos,” Derventa.

SOCIAL PROTECTION INSTITUTIONS FOR ACCOMMODATION – SERVICES FOR ELDERLY PEOPLE

Article 111 of the Law on Social Protection prescribes services that can be provided by an old age home, as follows: residence, nutrition, care, clothes, healthcare, culture, entertainment, recreation, occupational and other activities, social work services and other services depending on the beneficiary’s needs, ability and interest; provision of assistance and care at home, and day care services for the elderly based on contract signed with legal entity or natural person, as well as counseling and preparing beneficiaries and citizens for aging. An old age home can have a Social and Geriatric Department to provide services to elderly persons whose psychological and physical condition means they require intensive attention and care, and it can provide shelter for elderly persons who are in acute social need of temporary accommodation. All the institutions, public or private, must possess an official Decision that they meet the criteria for provision of social protection services in an old age home or geriatric center; this Decision is issued pursuant to the Rulebook on Criteria for Social Protection Institution Establishment and Social Protection Services Provision (“Republika Srpska Official Gazette” No. 90/17).

The Law on Social Protection defines the accommodation of social protection beneficiaries can be performed by the public, private, and non-governmental organization sector (“mixed system of social services provision”).

FEDERATION OF BiH

Pursuant to the Law on Basic Elements of Social Protection, Protection of Civilian War Victims and Protection of Family with Children (“Federation of BH Official Gazette” No. 36/99, 59/04, 39/06, 14/09, 45/16 and 40/18) entitlement to a Permanent Cash Benefit is granted under the following criteria:

- (a) If the person is unable to work or is prevented from enjoying the right to work;
- (b) If the person does not make enough revenues for subsistence; and



- (c) If the person has no family member obliged by law to support him/her, or if the family member is unable to perform such obligation.

The Permanent Cash Benefit is established in a monthly amount equal to the difference between all household members' revenues and the amount of minimum household revenue that is considered sufficient for living. Cantonal regulations define the level of the Permanent Cash Benefit, as well as the level of revenues taken into account to define this assistance and benefit. Children and adults with disabilities, as well as persons with permanent disorders in their physical or mental development, are granted softer eligibility criteria for social protection entitlements and a higher level of basic cash benefit. An invalid's allowance for bodily damage, care-giver allowance, children's allowance, and students' stipend are not included in the household's revenues. If the household has a member with a disability of minimum 70 percent bodily damage or permanent mental or physical development disorders, the percentages are adjusted. The Permanent Cash Benefit is financed from cantonal budget, and cantonal regulations define the eligibility criteria and the procedure to obtain and use such entitlements.

Pursuant to the provision of relevant cantonal regulations, this entitlement is granted to persons and families under the terms and conditions prescribed by the cantonal and Federation Law, namely persons and families who transfer their immovable property or a part thereof by a will or contract to the local community, provided that they also meet other criteria defined by cantonal and Federation Law. Besides, entitlement to the Permanent Cash Benefit is granted to persons and families whose joint household revenues are not sufficient for subsistence. The beneficiary must not be the owner of a house or flat whose size exceeds the needs of household members, the criteria for which are prescribed by the Minister of the relevant Cantonal Ministry. A person cannot benefit from this entitlement if he/she or a member of his/her household owns a motor vehicle (car, truck, tractor, etc.).

In multimember households, only one person is a holder of the entitlement; that is, the benefit is linked to only one personal identification number. Under the Law, the base for calculating cash benefits defined by this Law is set once a year by the relevant cantonal ministry, in line with the planned and secured resources of the canton.

The minimum household revenue considered sufficient for subsistence is set as a percentage of the base and increases with the number of household members and, in certain cantons, with whether there is a pregnant mother, a baby, a single parent child, and a person unable to work.

With the exception of disability allowance for bodily damage, care-giver allowance, children's allowance, student stipend, and one-time assistance, total joint household revenue, established based on submitted documentation, knowledge, and field insight, includes revenues made by family members based on:

- (a) Wage and other work-related receipts (i.e., unemployment benefits);
- (b) Old-age, disability, and survivor pension;
- (c) Revenues earned by production, services, and other business activities;
- (d) Revenues earned from farming, established based on cadaster revenue in previous year divided by 12 months and total number of household members;
- (e) Revenues under veterans' and civilian war victims' protection legislation;
- (f) Revenues made based on property rights;
- (g) Revenues from supplemental work; and
- (h) Revenues from securities, savings deposits, and other revenues.



PERMANENT CASH BENEFIT PAYMENT THROUGH SOTAC, PER CANTON, 2019

Canton	Monthly amount in KM	Average number of benefits paid per month	Total number of benefits paid in 2019	Total amount paid in 2019
Una-Sana	81.00	22.5	270	270,121.10
Posavina	50.00	29.16	350	30,342.00
Tuzla	128.00	290.66	3,488	5,170,336.6
Zenica-Doboj	129.71	124.16	1,490	2,149,501.80
Bosnia-Podrinje	149.50	16.08	193	327,408.40
Central Bosnia	108.00	100.91	1,211	1,493,678.40
Herzegovina-Neretva	130.00	32.25	387	544,255.10
West Herzegovina	100.00	47.41	569	643,100.00
Sarajevo	132.00	46.41	557	1,167,256.90
Canton 10	100,00	58,50	702	792,100.00
Total	-	-	9.217	11,796,000,3
Average	110,82	768,08	-	-

Cash allowances for people with disabilities

The legal basis for allocation of cash assistance, care at home, and other types of assistance to disabled persons is the “Law on bases for Social protection, protection of civilian victims of wars and protection of families with children” (FBH Official Gazette 36/99). This Law was amended in 2004 (Federation of BiH Official Gazette 54/04) and 2006 to define the rights of the civilian victims of war to the following:

- personal disability allowance,
- for care at home from third person,
- orthopedic devices,
- assistance in cost of medical treatments and purchase of orthopedic devices,
- professional rehabilitation, re-qualification, vocational training, and
- priority employment.

In these amendments, the categories of disability and the rights of the disabled person proportional to the degree of disability are also defined. The Medical Commission which is also described in the regulations of the Federation Ministry of Labor and Social Policy determines the degree of disability. The disabled person has the right to complain and if the person exercises that right, the Decision of the Medical Commission is subject to revision by the Federation Ministry of Labor and Social policy. If there is no complaint, the Decision is enacted.

All disabled persons and their medical history and history of payments are registered in the SOTAC database maintained by each canton.



Federation of Bosnia and Herzegovina- Social Protection Needs

Description	Number of persons	Amount (EUR)	Number of months	Total amount (EUR)
Cash benefits				
Persons in constant social need	15,000	50.00	6	4,500,000.00
Non-war disabled persons of Category I	16,000	50.00	6	4,800,000.00
Civilian war disabled	137	50.00	6	41,100.00
In kind assistance				
The procurement of the assets for the FBH Institutes to prevent the COVID-19 - (disposable surgical masks, disposable medicine gloves, Items for disinfection of premises and personal hygiene, non-contact thermometers, surgical robes and disposable shoe covers				1,209,500.00
Drin	723	180,750	1	180,750.00
Bakovići	414	103,500	1	103,500.00
Pazarić	480	120,000	1	120,000.00
Sarajevo - Hum	45	11,250	1	11,250.00
Ljubuški	133	33,250	1	33,250.00
Centar za djecu bez roditeljskog staranja "Duga"	45	11,250	1	11,250.00
Centar za socijalni rad Gradačac – Porodična kuća "Duga"	12	3,000	1	3,000.00
Dom za socijalno i zdravstveno zbrinjavanje osoba s invaliditetom i drugih osoba	225	56,250	1	56,250.00
JU "Dom za stara lica Zenica"	105	26,250	1	26,250.00
JU Centar za djecu i odrasle osobe s posebnim potrebama ZDK	405	101,250	1	101,250.00
JU Centar za rehabilitaciju ovisnika o psihoaktivnim supstancama	31	7,750	1	7,750.00
JU Centar za stara i iznemogla lica-osobe Mostar	154	38,500	1	38,500.00
JU Dječiji dom Mostar	53	13,250	1	13,250.00
JU Dom penzionera	58	14,500	1	14,500.00
JU Dom porodica Zenica	148	37,000	1	37,000.00
JU Dom za djecu bez roditeljskog staranja	99	24,750	1	24,750.00
JU Dom za stara i iznemogla lica Goražde	72	18,000	1	18,000.00
JU Dom za stare i iznemogla lica Jablanica	50	12,500	1	12,500.00
JU Penzionerski dom sa stacionarom ZDK	217	54,250	1	54,250.00
JU Socijalno-pedagoška životna zajednica	140	35,000	1	35,000.00
JU Starački dom Tomislavgrad	158	39,500	1	39,500.00
JU Terapijska zajednica Kampus Kantona Sarajevo	82	20,500	1	20,500.00
KJU Dom za djecu bez roditeljskog staranja	166	41,500	1	41,500.00
KJU Dom za socijalno zdravstveno zbrinjavanje osoba sa invaliditetom i drugih osoba	272	68,000	1	68,000.00
KJU Gerontološki centar	460	115,000	1	115,000.00
KJU Odgojni centar Kantona Sarajevo	91	22,750	1	22,750.00
Ostale potrebe				
	1	0.00	1	0.00
Total				10,550,600.00