# DONOR COORDINATION FORUM (DCF) MINUTES OF MEETING, MARCH 30<sup>TH</sup>, 2017

### **Participants**

Mr Melvin Asin, Head of Cooperation, Delegation of EU to BiH, Ms Dusanka Basta, BiH MoFT/SCIA

(Meeting Chairs)

### Donor/IFIs representatives:

Ms Normela Hodzic Zijadic, EUD Mr Sezin Sinanoglu, UNCT

Ms Dalila Sadinlija, UNCT

Mr David Kramer, Switzerland

Mr Kent Larson, USAID

Ms Ela Chellenger, USAID

Mr Joeri Maas, OSCE

Ms Natascha Garloff, Embassy of Germany

Ms Gabrijela Huskic, KfW

Mr Dzelila Hadzovic, KfW

Ms Dragana Varezic, The World Bank

Ms Suke Gultek, Embassy of Turkey

Mr Mario Vignjevic, Embassy of Sweden/SIDA

Ms Sara Ricknas, Embassy of Sweden/SIDA

Ms Anesa Terza Vukovic, Embassy of the Czech Republic

Mr Yasuda Kunihiko, Embassy of Japan

Ms Lana Guberovic, Embassy of Japan

Mr Harald Aksnes Karmhus, Embassy of Norway

Ms Leila Fetahagic, Embassy of Nethrelands

Mr Ömer Faruk Alimci, TIKA

Mr Jasmin Sojko, TIKA

Ms Aniko Gyenge, Embassy of Hungary

Ms Valentina Sarcevic, Embassy of Croatia

### **Government representatives:**

Ms Edina Topcagic, BiH MoFT/SCIA Mr Zoran Danilovic, BiH MoFT/SCIA Mr Igor Blagojevic, BiH MoFT/SCIA

Ms Bruna Kjuder, BiH MoFT/SCIA

Ms Jelena Brkic, BiH MoFT Ms Danijela Bilic, BiH MoJ

Mr Zdenko Milinovic, DEP

Ms Senada Hadzic, MoFTER

Ms Aneta Raic, PARCO

Mr Midhat Dzemic, DEI

## Meeting Agenda

- Welcome and opening remarks
- Presentation prepared by the Delegation of EU to Bosnia and Herzegovina Mid-term review of Indicative Strategy Paper (ISP) for BiH 2014-2020
- Presentation prepared by the Swiss Cooperation Office in BiH Swiss Cooperation Strategy for Bosnia and Herzegovina 2017-2020: Four more years of partnership and cooperation
- Tour de table general news from all participants of recent developments and activities including Floods update
- Closing remarks

### AD1: Welcome and opening remarks

**Ms Basta, MoFT,** on behalf of the Ministry welcomed participants of the DCF meeting and then gave the floor the meeting co-chair, Mr Melvin Asin, Head of Cooperation, Delegation of the European Union to Bosnia and Herzegovina.

# • AD2: Presentation prepared by the Delegation of the EU to BIH – Mid-term review of Indicative Strategy Paper (ISP) for BiH 2014-2020

Mr Asin, EUD, welcomed all meeting participants and noted that EUD is now half way in the life of the *Indicative Strategy Paper (ISP)* for BiH 2014-2020, which basically represents the strategic umbrella document which sets out the strategic level, the scope and the markers of the EU assistance as well as the strategic objectives in its sectors. Accordingly, in 2017, EUD has undertaken the ISP mid-term review 2014-2017 to see what needs to be done in BiH in the remaining period until 2020, representing both the expectation of the management and the current state of play of the financial allocations per IPA II sectors 2014-2017. It is important to note that in this context, BiH represents an exception in the EU assistance portfolio since the current ISP is limited in time and the scope, covering only 4 out of 9 sectors (Democracy and governance, Rule of law and fundamental rights, Competitiveness, innovation, Education, employment and social policies).

Mr Asin noted that moving to the sector approach and introduction of IPA II as the second specific instrument for pre-accession assistance and moving to the sector based approach are the result from evaluation of implementation of the first IPA instrument which indicated that this is the best way to actually achieve the sectoral progress, which in the end is the aim of EU pre-accession assistance. Considering that the precondition for financing of activities from IPA funds is the adoption of strategic plans and sector strategies, EU intends to extend the timelines and as much as possible where the pre-conditions exist, to the new sectors which have not been covered so far. The revised ISP, officially still 2014-2020 (effectively 2018-2020) provides an opportunity to include other important sectors for EU accession, notably Transport, Agriculture and rural development, Environment and energy. It should be noted that currently activities are underway in terms of developing the strategic plans (strategies) and that Transport sector is likely to be included in the future ISP. In terms of Medium-term revision of ISP procedures and timeliness, they are reflected in following activities: 2 rounds of consultations with BiH beneficiary institutions and CSO in 2016; 1st version of revised ISP 2014-2020; EC/DG NEAR internal consultation with line DGs in 2016 and 2017; 2<sup>nd</sup> version of revised ISP 2014-2020; strategic dialogue with the EU Parliament in 2016; inter-service consultation of revised ISP launch in 2016; IPA II Committee meeting opinion of Member states in 2017 and ISD adoption process, end of 2017. ISP for BiH 2014-2020 covers 7 sectors which will remain in the scope of the EU assistance: Democracy and governance, Rule of law and fundamental rights, Environment, climate action and energy, Transport, Competitiveness and innovation, agriculture and rural development, Education, employment and social policies and Territorial and regional cooperation.

Mr Asin then elaborated on the main expected results for each of the mentioned sectors and the *Current state of play of financial allocations* per IPA II sectors for 2014-2017. He noted that with this reduced scope of the assistance, on average EUR 40.00 m grant assistance was provided to BiH annually, which is a significant decrease if compared to the first IPA grant assistance which totalled EUR 90.00-95.00 m a year, which will allow the room for improvement in case if strategic documents are adopted in certain sectors. Specifically, he emphasised that the allocation for 2017 (EUR 60.00 m) stands out from the average provided assistance, as a result of the agreement on the strategic document in the Transport sector.

### The main points of the EUD presentation:

- Mid-term Review of ISP for BiH 2014-2020, procedural aspects
- ISP starting premises, future premises, process timelines, sectors covered (7)
- Main expected results per sector: Democracy and governance, Rule of law and fundamental rights, Environment, climate change and energy, Transport, Competitiveness, innovation, agriculture and rural development, Education, employment and social policies, Territorial and regional cooperation
- •Current state of play of financial allocations per IPA II sectors for 2014-2017 in EUR m

For more details, please see the attached presentation.

# • AD3: Presentation prepared by the Swiss Cooperation Office in BiH – Swiss Cooperation Strategy for BiH 2017-2020: Four more years of partnership and cooperation

Mr Kramer, Swiss, greeted all meeting participants and thanked for the opportunity to present the Swiss Cooperation Strategy for BiH 2017-2020. The Cooperation Strategy which includes sectors, fields and issues that can be discussed with partners in BiH who wish to collaborate with Swiss Cooperation Office, basically constitutes an offer to Bosnia and Herzegovina. In that sense, todays' presentation is also an offer to all meeting participants to join efforts and achieve more together, with the overall objective to avoid wasting money and time. Swiss Government has been partnering with BiH for over 20 years and overtime and the activities evolved from humanitarian aid into a long-term oriented cooperation programs. Switzerland's engagement is based on three reasons, the first one is that Switzerland wants to see its European neighbours living well, including in BiH. Another reason is Swiss own interest, i.e. if economy develops in BiH, that opens trade opportunities for Swiss companies. And finally, Swiss engagement is based on tradition of solidarity and its commitment to every person living free of poverty, in dignity and in security. The overall objective of Swiss Cooperation in BiH is to provide more and better economic and political opportunities and perspectives for all people of Bosnia and Herzegovina in the area of social and political affairs and also economically. The goal is to jointly improve these perspectives and provide opportunities to people and motivate them to stay in BiH, and contribute here with all their skills and knowledge to develop the country.

The Strategy is divided in 3 domains and 10 themes. **Domain I** includes: <u>Democratic governance</u>, implying inclusive, accountable and responsive local governments and participation of citizens in decision making processes, with expected results in 2020 - at least 50 municipalities having increased revenues for investments due to strategic development approach; at least 150.000 citizens take part in community processes and 700.000 persons use improved quality services; <u>Municipal services</u> imply access to efficient quality services, including infrastructure for all; <u>Justice</u> is about efficient judiciary, access to justice for all (particularly for most vulnerable persons), with expected results in 2020- there is no unsolved court case older than 2 yrs. **Domain II** includes: <u>Health</u> with equitable access to quality health care services for all, with expected results in 2020 – at least 50% of primary health care providers apply standards of care for chronic diseases and BiH as smoke free at public places. **Domain III** consists of: <u>Economic development</u> with better economic framework conditions for private sector and improved financial literacy and reduced indebtedness, with expected results in 2020 - 84 startups are created and use improved services of at least 5 business incubators; <u>Youth employment</u> pertains to more better jobs for young people and well-functioning labour market with expected results in 2020 – at least 40 public vocational schools working with companies that provide on the job training to trainees; <u>Migration</u> implies using potential of BiH diaspora for the country's development and professional migration management, with expected results in 2020 - BiH diaspora invests beyond remittances in their homeland: know-how, financial investments, etc.; and <u>Disaster risk reduction</u>, <u>Gender equality</u> and <u>Culture and development</u>.

Mr Kramer noted that total amount of KM 135.00 m will be engaged in the period 2017-2020 will have total KM 135.00 m. He concluded that another theme of *Social inclusion* is important in this Cooperation Strategy and it could be summarized in efforts enabling access to services for everyone. Another important fact is that Swiss engagement spreads in the whole country, where the long-term partnership principle of cooperation stands out, enabled by the Swiss Government and BiH, Swiss Agency for Development and Cooperation (SDC), State Secretariat for Economic Affairs (SECO) and State Secretariat FOR Migration (SEM), working in cooperation with BiH governments, NGOs, private sector

and International organizations.

#### The main highlights of the Swiss presentation:

- 20 years of experience
- Why is Switzerland engaged in BiH?
- Cooperation objective
- 3 domains /10 themes
- Democratic governance / Municipal services / Justice / Economic development / Youth employment / Migration
- Expected results
- Resources & total budget 2017-2020
- Social inclusion
- Engagement in the entire BiH
- Principles of cooperation

#### For more details, please see the attached presentation.

Ms Basta thanked for comprehensive presentations and added that all involved stakeholders are aware that a lot needs to be done in the future period which can be accomplished only if the efforts are undertaken jointly. This is why it's very important to share the information, thoughts and initiatives, to work together and complement projects and programs between donors and BiH institutions and avoid overlapping of activities. It is evident from both presentations that there are a lot of expected results, which imply substantial amount of activities to be implemented in the forthcoming period and which could be accomplished only through the joint work. It is important to emphasise that BiH has too many priorities, and top priorities should be decided in joint consideration. Ms Basta then opened the floor for discussion on both presentations and invited meeting participants to pose questions and make remarks and comments.

Mr Asin, addressed the Swiss presentation, commenting that what distinguishes Switzerland is that they are here for a long-term, which is a trend that the EU would definitely like to follow. BiH needs to accomplish numerous issues within the scope of European integration, with the assistance of the EU. However, in order to accomplish these activities, more explicit division of labor will be required among involved parties to also commit to priority sectors in a long-term period. Such activities will definitely require involvement beyond the engagement of MoFT and inclusion of line ministries as well as different levels of government.

Mr Kramer, referred to many expectations and promises mentioned in today's presentations and pleaded to all to call on and claim the Swiss Government to be accountable to what has happened with ODA funds, since Swiss is responsible to make effective use of them. He also invited all relevant stakeholders to exchange the information in order to avoid any parallel work done. Another important point is to break the circle of negativity which is omnipresent all spheres of BH society, mentioning that waste water treatment plant was launched last November in Sarajevo, which is a very successful story, and yet no one has heard of it. He concluded that media also play their role in this circle of negativity which needs to be broken and proposed that a platform should be established presenting only positive stories.

Ms Sinanoglu, UNRC, thanked for very useful presentations and noted that UN will be happy to present any positive stories and even to host fun club events. In terms of addressing numerous priorities of BiH and issues demonstrating the results, Ms Sinanoglu referred to the presentation of SDGs on the last DCF meeting. SDGs are actually the way to start the dialogue exactly on priorities and results and present a set of goals which are the minimum basics that need to be established, for a country to be able to say they are sustainably developed and that human development is on acceptable levels. She encouraged all meeting participants to start this discussion with their counterparts to embrace the SDGs, to get together and use them as the medium and as opportunity to prioritize. She added that a big state level conference on SDGs will be held next Monday, which will be opened by Mr Ivanic. UN has also invited to this conference most of the international organizations as well as all levels of government in BiH. However, there was not adequate response from the side of BiH government. Ms Sinanoglu is currently having meetings with individual ministers and UN also made presentations at the Joint Steering Committee requesting for support, however it seems that there is not enough interest. Finally, she concluded that SDGs are the common language for all stakeholders to talk about the development, they help prioritize and serve ad guidance for cooperation with the Government. She once again pleaded to all DCF participants to come to the conference on Sustainable Development Goals.

Mr Larson, USAID, introduced himself as the new USAID program officer and noted that this DCF meeting was the perfect opportunity to hear about all important strategic updates. In terms of strategic planning, he quoted former US president Eisenhower saying "plans are nothing, planning is everything". The idea here that plans meet reality and have to be modified. However, this challenge can be met easier through the planning process, talking to people, being inclusive, having consultations as mentioned in EU presentation. Mr Larson concluded that he appreciates the inclusiveness of other donors, which is the process also used by the USAID. He noted that the new USAID strategy is in the process of being extended and all interested in USAID activities can reach information via CDCS country cooperation strategy and also find the CDCS for BiH.

Ms Basta opened the floor for discussion and invited participants to take part at the *Tour de table*.

### • AD4: Tour de table including Floods update

\_\_\_\_\_

Ms Topcagic, MoFT, informed the meeting participants that PIMIS-DMD system is upgraded currently, in order to align the priority sectors from the existing classification with the IPA II sectors, which is the reason why DCF members still have not been invited to begin entering data on projects implemented during 2016. Meanwhile, in order to spare the time and meet the deadlines and facilitate the preparation of the Donor Mapping Report 2016, she announced that the next week Standardized Questionnaires will be sent to all domestic and foreign stakeholders involved in development cooperation in BiH, as the basis for the preparation of the DMR. She pleaded to DCF members to fill out the answers from the Questionnaires regarding their activities, status and reform processes taking place within the priority sectors they are active in and forward them as soon as possible as well as thanked them in advance for their cooperation and understanding.

Mr Vignjevic, Sweden/Sida, informed that Swedish Embassy and SIDA development teams worldwide are in the process of the Mid-term evaluation of their current strategies, including the strategy for BiH. He acknowledged that the SDGs are the excellent tool for them to develop the next Swedish strategy beyond 2020. Swedish contribution to BiH will have increased funds for 2017. following the decrease in 2016 due to the refugee crisis, which affected development cooperation funds not only in BiH but also worldwide in countries of Sida operations. The problem was partially solved, the funds for 2017 are increased and Sweden will hopefully soon reach the previous annual allocation for BiH and remain in line with its strategy goals. As mentioned, there are so many similar goals and strategies and Sweden has great cooperation in particular with Swiss and USAID colleagues as well as UNDP, and the goal here is also to continue this cooperation with donors engaged in the similar or same sectors. Mr Vignjevic then referred to the sector budget support, an innovation in IPA II mentioned in the EUD presentation, and noted that Sweden is also considering possibilities to engage in sector budget support and is eagerly waiting for the PAR strategy to be adopted. Sweden as the leading donor in the PAR in BiH will continue activities in this sector. Sweden is also waiting for environmental strategy in order to fully support the activities in this domain in the country. Mr Vignjevic finally thanked to all, donors and partners working with them in specific projects for excellent contribution, insights and inputs for the Swedish strategy and noted that Sweden is currently collaborating with the MoFT on PFM strategy and waiting for entity PFM strategies to be harmonized in order to support these strategies. He informed that from mid 2016, Sweden has established a continuing publishing of positive stories on the Embassy web site, FB, twitter, all social media, and is trying to publish other positive things in general, not only on the Swedish contribution to BiH, in order to make a positive change.

Mr Aksnes Karmhus, Norway, intruduced himself as an intern in the Embassy of Norway who is present at today's meeting as a substitue for Deputy Head of Mission Ms Anne Havnor. He noted that he also publishes lots of positive news on the FB, as well as information on Norwegian priorities such as gender equality, etc.

Mr Dzemic, DEI, informed on the latest development from the Office of IPA coordinator. CoM has recently officially appointed DEI Director as national IPA coordinator, thus further strengthening the role of DEI, and since the roles and responsibilities of NIPAC are regulated by other international agreement framework contract with the Commission for implementation of IPA II. Currently DEI is working in partnership with BiH institutions on second revision of the action program documents for IPA 2017 (total value exceeds EUR 66.00 m). This program covers action documents on PAR, PFM, anti-discrimination policy, home affairs and justice, and the new sector in IPA allocation, Transport. Final approval of this program is expected by the end of 2017. Also, DEI has recently sent to the Commission their proposal action document related to sector budget support for the Employment sector. He noted that DEI has significant assistance provided by the Commission and EUD in order to motivate BiH institutions to finalize their efforts and complete the PFM and employment strategies, with the new deadline in June 2017. If BiH institutions successfully agree on these strategies, then sector reform contract on employment will be accepted for financing out of IPA 2018. Current sector reform contract is worth approx. EUR 35.00 m. After finalization of the ISP mid-term review, BiH institutions will start preparing the plans for development of sector planning documents 2018-2020 for relevant sectors. As before, this will be realized through sector working groups which include all relevant BiH institutions, civil society and donors. DEI is still considering the modality of donors inclusion in sector working groups and it will approach donors in the next few weeks with proposals and request their comments. In the forthcoming period 2018-20, DEI is particularly interested in joint planning with other donors and considering to have one or two donors per each of these sectors as the leading donors in order to coordinate with other donors interested in specific sectors. Regarding the participation with civil society, DEI will organize their contributions in two ways. Everybody in BiH can participate in these processes through DEI web application, developed specifically for this purpose as well as the selected number of civil society representatives will take part directly in sector working groups. BiH has recently signed an agreement with the Commission for the usage of COSME program, meaning that BiH is currently participating in 7 programs: Erasmus +, Creative Europe, Horizon 2020, Fiscalis 2020, Customs 2020, Cosme, Europe for citizens, and negotiations are underway for participation in the program Health for growth. In terms of floods, there is a WBIF grant (EUR 4.80 m) for preparation of flood hazard and flood risk maps and support to PMU for flood risk management in RS.

Ms Gyenge, Hungary, informed that they are very close to finalize implementation of flood recovery and disaster risk management projects. Government of Hungary pledged EUR 500.000 in Brussels after the 2014 floods. The remaining four small projects are implemented with individual local self-governments in Brcko, Citluk, Doboj and Kakanj, out of which 3 are in the field of reconstruction and one in flood protection, each project is worth approx. EUR 10.000-12.000. The contract has been signed and it is expected that by the end of May, the projects will be successfully finalized.

Ms Bilic, MoJ, noted that on the 49<sup>TH</sup> session of the BiH CoM held on March 15<sup>TH</sup>, 2017, Action plan was adopted for implementation of Justice Sector Reform Strategy 2014-2018. This created the condition for the establishing of mechanisms for monitoring and implementation of sectoral strategy. Activities on preparation and organization of the second ministerial conference have been initiated with the adoption of the mentioned documents. Regarding the donor coordination in the Justice sector, Ministry of Justice of BiH, as the coordinating institution, for the sector Rule of law and fundamental rights, during January-February 2017, intensified the revision process of the action documents within IPA 2017 program, in accordance with the suggestion of the EC. The revision process was completed within the said deadline, with the full compromise of beneficiary institutions and accordingly at the end of February, the final version of the document was submitted to DEI and EUD for further action. In the forthcoming period, BiH Justice sector will organize the ministerial conference, inform the donor community on implementation of the JSRS, it will actively participate in process of development in the area of IPA strategic framework, sector planning document, implement the IPA 2018 program, and work on the capacity building for M&E.

Ms Heuel Rolf, GIZ, thanked for interesting and informative presentations and briefly informed on latest GIZ activities. GIZ is implementing the EU Prolocal program funded by the EU (EUR 9.00 m) and German Government (EUR 4.00 m). The EU part of the program was initially intended to support the SMSs for flood recovery, but later extended to areas where SMSs were indirectly affected. The program is now operational in 20 municipalities and distributed in 3 clusters. Also, GIZ is about to sign the contract for SMSs who will receive grants out of calls for proposals, that have been launched last year. In addition to the financial support, via grants, the program is also delivering technical advisory services in the focus areas of metal, wood processing, agri-food and in tourism. GIZ is also engaged in the area of economic development with the new project on vocational training which will be launched in April. The project aims to have better cooperation between schools, administration and private sector, those who are offering jobs for people who attended such training. The project will build on experiences and results of a pilot measure that has been implemented in Herzegovina-Neretva Canton, and it will be extended to other areas also, in PAR reform support program, supporting efficient, accountable and transparent public administration services. In terms of regional programs, a set of 6 programs based in Sarajevo and implemented in 6 West Balkans countries. Programs are engaged on issues relevant for BiH as well, including activities on legal reform, municipal services program and biodiversity.

Ms Garloff, Germany, informed that the focus areas of German development cooperation are economic reform, renewable energy and energy efficiency and agriculture. In this context, Germany pledged technical support to increase the competitiveness of agricultural sector in the country, by implementing a number of technical measures. She added that EUD has recently organized a meeting where a number of EU member and non-member states reiterated their commitment to BiH's agricultural sector.

Ms Huskic, KfW, addressed the latest activities in KfW infrastructure sector. The preparation is underway for the new project in the waste water sector, the construction of the new waste water treatment plant in Zenica, with the contribution from the German side, a grant worth EUR 13.50 m. KfW is also expecting the new grant from the Swiss Government, a continuation of successful cooperation in this sector, which implies big grant portion from the Swiss Government for the project Rehabilitation of water supply in Zenica and Tuzla, as well as an extra grant for disaster risk reduction. KfW is counting on this cooperation and expecting speedy decision from the Swiss Government on this issue. End of April, KfW will finalize the project of the reconstruction of the waste water treatment plant in Bihac, which is co-financed by the German Government grant and the EU IPA grant portion.

Ms Hadzovic, KfW, gave an update on flood relief credit program, which is closing in mid of 2017. This program provided KM 50.00 m to MSMEs, private households, for reducing the damage caused by the 2014 floods. Total amount was disbursed in two weeks period to 3.500 clients, MSMEs and private individuals in both entities in central and northern part of Bosnia. The project is considered as rather successful since it reached a broader clientele.

Mr Yasuda, Japan, briefly updated on latest developments in Japanese assistance to BiH. Japan is continuing to support the primary education, clinics and demining sectors in the framework of Japan's grant assistance for grassroots projects. Embassy of Japan signed a grant contract for 7 projects. One is a demining project, with Slovenian ITF as the implementing agency; 5 projects are intended for rehabilitation of primary schools in Sarajevo, Tuzla. etc., and 1 project is providing an ambulance vehicle for local health care centre in Sanski Most. Under cultural grant projects, last week a handover ceremony took place at the Sarajevo University, for rehabilitation project of laboratories for microbiology and chemistry. Also, in another grant aid program, 82 hybrid cars will be provided in Sarajevo in late April, first to the Ministry of Civil Affairs and subsequently to the local social well-fare centres in BiH. In October 2016, Japan has already handed over 40 Japanese clean diesel Toyota cars to the local social well-fare centres, which altogether totals 120 vehicles. In January, Japan also handed over to the MoFTER Minister, the requested equipment for 6 local water utility companies. The equipment includes water pumps, water leak detectors, ground penetrating radars, etc., made by Japanese SMEs, in total value KM 1.10 m. Concerning JICA projects, this fiscal year JICA is offering to BiH Government 14 different training program courses, in which selected persons will be sent to Japan to attend these training courses. Out of these courses, 5 are related to disaster risk reduction and water related disaster management.

Ms Raic, PARCO, informed that PARCO office is currently working on the new PAR strategic framework. She added that drafts of the PAR Strategy and the Action plan were prepared with the assistance of the UK GGF fund and GIZ SPI program. These activities have taken longer time than previously planned, however PARCO offered the draft documents to its main donors, and is now in the process of consultations and getting the agreement between all levels of the government in order to prepare the final drafts and submit them to the governments and CoM. For the first time, there will be a cost estimate for these activities envisaged for strategic documents. It is expected that these activities on preparation of strategy documents should be completed by the end of June 2017.

Mr Sojko, TIKA, briefly shared the information on TIKA's engagement in BiH. Since 1995, Turkish Cooperation and Coordination Agency (TICA) has been actively involved in providing support for the people of BiH. Although Turkey is the host for about 3 million refugees, its support for BiH will not be changed or decreased. Turkish support is focused to agriculture, education, culture and tourism sectors. Besides standard agriculture projects, Turkey will also support the environment sector via donations to greenhouses. The focus in 2017 will be investing in developing social facilities capacities and infrastructure. Last month, construction works on Trebinje cultural centre were finalized, as one of the most beautiful centres in the region equipped with latest technology. At the moment, municipality pot holes in Buzim and Gornji Vakuf are reconstructed. Also, one of the most important TICA sectors is the health sector, with several projects planned in this sector. The most important is the renovation and reconstruction and equipping the haematology department at Sarajevo University Clinic Centre. One of the main focuses in 2017 will be providing support to the schools for special education. On the floods update, much needed humanitarian aid was provided, where TICA focused activities on housing projects in Maglaj, Zepce and Sanski Most municipalities, with cca. 500 houses built or reconstructed. In 2017, TICA will implement 2 new projects in this field - reconstruction of another 54 homes in Maglaj municipality and implementation of the Janja river flow regulation project, III phase, and total value of these 2 projects is EUR 6.00 m. Finally, Mr Sojko used the opportunity to invite all to the grand opening of Mehmed Pasa Sokolovic Bridge in Visegrad, which is on the UNESCO's cultural heritage list and which has been restored by TICA.

Ms Varezic, WB, thanked for very useful presentations and presented the latest activities in the WB portfolio. The WB approved Federation road modernization project which will not only focus on the update of infrastructure but also capacity building for sustainable management of the main road network in the FBiH. Last January, WB also approved the Employment support project, with the aim to increase job placement in the formal private sector among targeted group of registered job seekers. The ratification of this project loan is expected in June 2017. WB recently approved the budget support operation that focused on public finance, aiming to strengthen medium-term management of public assets and liabilities for improved transparency of public finances. It is also expected to improve regulatory frameworks to lower medium-term fiscal pressures related to public employment, insolvency and pharmaceuticals. Also, last week a project is negotiated related to the support to the banking sector operation which is expected to be approved by the Board at the end of April, aiming to improve bank regulation supervision, to address weaknesses in the banking sector, to establish the new bank resolution framework and enhance governance and operation of entity development banks. Mentioned activities are planned for this fiscal year which ends in June. For the next fiscal year, WB is planned operations in the health sector and RS railways modernization project. Also, WB has an ongoing solid waste management analytical work supported by Sida, and support to public sector management reform, which will be eventually supported by the EU. WB is also working on the overview of the public arrears in BiH and hopefully the report should be delivered by the end of 2017.

Mr Maas, OSCE, noted that OSCE work continues in the area of human rights, focusing on national minorities, socio-economic rights, the ombudsmen and intends to expand to the freedom to assembly as well as on primary and secondary education to achieve inclusive, non-discriminatory and quality education. In the area of democratic governance, OSCE's work focuses to support parliaments and assemblies at all levels to improve their efficiency and their engagement with the voters, the public. OSCE is now also engaged in anti-corruption activities included in this democratic governance portfolio. In the area of the Rule of law, the focus is on the penal justice, particularly on war crime processing in close cooperation with the EU, on terrorism, hate crimes and trafficking in human beings with recently added corruption cases portfolio. In the area of security, the focus is on security sector reform, country violent extremism, counter-terrorism activities and lastly the gender equality.

Ms Hadzic, MoFTER, thanked for interesting presentations and gave short update on the activities in MoFTER Sector for agriculture. She informed that they are planning to organize the donor coordination forum specifically for the agriculture sector on April 27<sup>th</sup> and official invitation will be sent to all present at today's meeting. As each year, MoFTER is also preparing the donor coordination report and after its adoption at the CoM, the report will be published at the official MoFTER web site. There are some positive developments in the agriculture sector, the activities are initiated on preparation of the overall strategic rural development plan, which will be discussed in detail on the upcoming donor coordination meeting and all interested is more than welcome to that meeting.

Ms Terza Vukovic, Czech, noted that Czech development coordination is currently engaged in the preparation of the new Strategy 2018-2025. For now, Czech will continue working in the same sectors as in the last couple of years, which includes public administration, renewable resources of energy, water and sanitation. Czech is looking to continue the cooperation with Farma project with USAID and SIDA, which is a very important activity although the agriculture sector is not involved in the new Strategy. She used the opportunity and encouraged all other ministries to organize similar sector based coordination meeting such as it is MoFTER donor coordination meeting in the agriculture sector.

Mr Larson, USAID, noted he is very pleased to hear what everyone from the donor community is doing and with all different sectors that are involved. He commented on visible growth achieved in the last 3 months, within the activities of USAID Farma II project, where a major grant component was launched, particularly since this is a joint project implemented in cooperation with the colleagues from Sida. USAID is very pleased to coordinate with other donors directly in something as important as the agriculture sector and thus looking forward to sector based coordination meetings. This week, USAID awarded a new economic growth activity to help mobilise resources of the diaspora for the economic development here in BiH, to coordinate in this area as well. USAID welcomes all interested in this activity to join the discussions.

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

The meeting was closed at 13:00 hrs.