

DONOR COORDINATION FORUM (DCF)
MINUTES OF MEETING, DECEMBER 08TH, 2015

Participants

Mr Guntern Joseph, Swiss Development Cooperation, Ms Dusanka Basta, BiH MoFT/SCIA **(Meeting Chairs)**

Donor/IFIs representatives:

Ms Ruvejda Aliefendic, WBG
Mr Dzenan Malovic, IFC
Ms Normela Hodzic Zijadic, EUD
Mr Martin Schieder, EUD
Mr Massimo Mina, EUD
Mr Aris Seferovic, UNDP
Mr Armin Sirco, UNDP
Mr Nesad Seremet, UNDP
Ms Jasmina Islambegovic, UNDP
Ms Jelena Dubovina, Embassy of Greece
Mr Dimitrios Maos, Embassy of Greece
Mr Vasilis Tsivitzoglou, Embassy of Greece
Mr Frank Werner, Embassy of Germany
Ms Brigitte Heuel- Rolf, GIZ
Mr Matthiass- Schmidt Rosen, KfW
Mr Edin Bukvic, Embassy of Sweden/SIDA
Mr Steve Majors, USAID
Ms Ana Riatti, UNICEF
Mr Donato Giuliani, Embassy of France
Ms Catherine Palpant, Embassy of France
Mr Dejan Buha, Embassy of UK
Ms Anesa Terza Vukovic, Embassy of the Czech Republic
Ms Olga Zdralkova, Embassy of the Czech Republic
Mr Gregor Presker, Embassy of Slovenia
Mr Marco Zecchinato, Embassy of Italy
Ms Alenka Hudek, Embassy of Croatia
Ms Aniko Gyenge , Embassy of Hungary
Ms Anna Riatti, UNICEF
Ms Irena Suljagic Jankulov, IMF

Government representatives:

Ms Edina Topcagic, BiH MoFT/SCIA
Mr Zoran Danilovic, BiH MoFT/SCIA
Ms Bruna Kjuder, BiH MoFT/SCIA
Ms Lejla Mahmudovic, MoFT
Ms Gabrijela Bilic, BiH MoJ
Ms Iva Zovko Karacic, BiH MoJ
Ms Sasa Stanic, DEP
Mr Midhat Dzemic, DEI
Ms Serifa Godinjak, MCA
Ms Nevenka Dalac, MoFTER
Ms Aneta Raic, PARCO

Meeting Agenda

- Welcome and opening remarks
- Information on the new Swiss Cooperation Strategy 2017-2020
- Presentation prepared by the World Bank Group –BiH Country Partnership Framework 2016 -2020
- Presentation prepared by the UNDP- TB and HIV programmes: status and transition to national ownership
- Presentation prepared by the MoFT/SCIA- Donor Mapping Report 2014
- *Tour de table* – general news from all participants of recent developments and activities including Floods update
- Conclusions and closing remarks

AD1: Welcome and opening remarks

Ms Basta, MoFT, on behalf of the Ministry welcomed all attendees to the DCF meeting and afterwards gave the floor to Mr Guntern, Director of Swiss Development Cooperation in Bosnia and Herzegovina.

AD2: Information on the new Swiss Cooperation Strategy 2017-2020

Mr Guntern, Swiss Development Cooperation, gave a short overview of Swiss Cooperation Strategy 2013-2016 implementation status and announced that the new Strategy 2017-2020 has been conceptualized, which will follow the similar goals, domains and themes defined in the Strategy 2013-2016. Overall strategic goal of Switzerland remains to contribute, through development programmes, to the transition of Bosnia and Herzegovina on the path towards an inclusive market economy, decentralized democratic political system as well as European integration, through introducing European values, respecting fundamental human rights, democracy, decentralized systems and principles of good governance, with particular focus on socio-economic disparities (poverty) and further improvement of functional institutions at all levels in Bosnia and Herzegovina.

Over the last 4 years Switzerland has invested total amount cca 100 m CHF, which besides the committed budget funds (88 m CHF) includes additional funds assigned for flood recovery and DRR/DRM. Cooperation Strategy 2017-2020 will have similar financial framework focused in 3 main domains: Local governance and municipal services, Health and Economy & employment as well Migration partnership. The new projects were defined in the mentioned domains with the prospective up to 10-15 years, and the Swiss would like to add the fourth cooperation domain - Human security program. Other standard themes within Swiss Cooperation remain: Gender and governance, Migration partnership, Migration & Development, Civic education, PPP and DRR/DRM mainstreaming

Mr Guntern then elaborated on the approaches of the new strategy, cooperation modalities, results orientation, risk assessment, donor communication, with special focus on development of joint monitoring within the DCF. In this context he particularly thanked to MoFT/SCIA for their efforts and further improvements within donor coordination in Bosnia and Herzegovina.

The main points of the Swiss Cooperation Strategy 2017-2020:

- Swiss Cooperation Strategy BiH 2013-2016: Overall goals, Committed budget, Domains and themes
- Towards the CS 2017-2020: Elements of the overall goal; Domains and themes; Approaches

For more details, please see the attached information.

Ms Basta thanked Mr Guntern for comprehensive presentation and past cooperation. She stressed that donor cooperation in BiH is good and that partnership has been achieved between MoFT and DCF members. However, monitoring on Paris Declaration principles is not yet sufficiently developed in BiH, stressing that with donor support and true experts this segment could be significantly improved in the future.

• AD3: Presentation of the new World Bank Group –BiH Country Partnership Framework 2016 -2020

Ms Aliefendic Private Sector Development Specialist in the Word Bank Group, introduced the new Country Partnership Framework (CPF) 2016-2020 with BiH, with the reference to formulation of the new Medium-term Strategy 2016-2020. CPF with BiH is based on the **Systematic Country Diagnostic (SCD)** which is made on the findings and lessons learned from the analysis of the previous Strategy (CAS) and the Reform Agenda for BiH for the period 2015 to 2018, supported by the entity governments and the Council of Ministers. SCD is the new tool for WBG which assesses the country development and analyses factors that could trigger the economy, reduce poverty and accelerate economic development. SDC analysis ascertained that BiH economy is unbalanced, driven by consumption, stimulated by remittances and therefore fuelling the imports, with large and inefficient public sector; where the entire socio-economic model should be changed and rebalanced, in order to achieve the sustainable development.

BiH is currently exporting at cca 30% of its GDP, which is significantly under the minimum of 50% of GDP, necessary for sustainable development. BiH business environment and labour market policies remained inflexible despite previously conducted reforms, while connectivity of economic infrastructure and inefficient energy efficiency additionally limit economic growth. Also, BiH poverty rate still remains high at 15% along with very high unemployment rate, so it will be necessary in the forthcoming period to initiate the potential of the private sector, with simultaneous improvement of the public sector efficiency. Besides the defined **challenges** that BiH is facing such as: high cost of employment & rigid labour laws; poor conditions for doing business; large public sector, high taxes & wage expenditures; poor road infrastructure; vulnerability to adverse natural events, etc., SCD has also identified **10 priorities**: reforming the labour market; improving competitiveness, entrepreneurship and business climate, reducing the size of public sector, powering and connecting BiH to the world; helping BiH in coping with adverse natural events, improving education and health services; expanding access to finance; reducing pollution and protecting environment; increasing agricultural opportunities. SCD has also analysed issues related to the **Government Reform agenda 2015-2018, Donor coordination, Lessons learned in the previous SB engagement and the Risks to implementation of the proposed SPF**. It was noted that the proposed structure of CPF consists of 3 pillars: Increasing public sector performance, Empowerment of the private sector and Building resilience to natural shocks, essentially addressing the themes which include already mentioned top 8 priorities plus a cross-cutting

theme. Both documents, the Strategy and Systematic Country Diagnostic became official and available on the World Bank web site on December 15, 2015.

The main highlights of the WBG presentation:

- WBG Country Engagement and Country Partnership Framework (CPF)
- Systematic Country Diagnostic (SCD): Government Agenda; Lessons from Previous Engagement and Donor Coordination; CPF 2016-2020; Discussion and Suggestions
- Challenges identified by the SCD
- Priorities identified by the SCD
- Risks to Implementation of the Proposed CPF
- Development Partner Coordination around the Reform Agenda
- The proposed structure of the CPF; Focus areas (3)

For more details, please see the attached presentation.

Ms Basta thanked for comprehensive presentation and detailed analysis and then opened the floor for discussion.

Mr Dzemic, DEI, informed that numerous activities are ongoing within SIGMA project starting at the beginning of 2016, related to the public sector performance, which should be coordinated through PARCO.

Ms Aliefendic reflected to the part of the presentation related to the Reform agenda, emphasising that the rule of law and public administration reform do not feature in the future WB program, since these areas are covered and carefully coordinated by the EUD. However, if taken in consideration that the WB indicative lending portfolio for the next 5 year period amounts to cca USD 750 m, this includes very detailed coordination of all portfolio areas at all levels in Bosnia and Herzegovina.

AD4: Presentation prepared the UNDP- TB and HIV programmes: status and transition to national ownership

Mr Sirco, UNDP Senior Programme Coordinator, presented the current developments within the two TB and HIV programmes. Since 2006, in partnership with local institutions and NGOs, UNDP has been implementing robust TB and HIV programmes, funded by GFATM with substantial amount of USD 60 m through 4 grants. Programme partners, recipients of 4 grants, are public health institutes in the FBiH and RS and selected civil society organizations as well as the Ministry of Civil Affairs and Entities ministries of health. The entire programme was implemented under the auspices of the Ministry of Civil Affairs / Country Coordination Mechanism for development and monitoring of GFATM fund implementation in BiH. In the last 9 years the programmes delivered very good results and present an excellent example how in the complex environment in BiH functional mechanisms can be established and deliver good results. The major distinction between the two programmes is that HIV programme focuses on prevention, while the TB on treatment. Key achievement in HIV prevention is that BiH has the lowest percentage of prevalence (7%), among the countries in the region and is among lowest in Europe, while in terms of TB treatment, UNDP managed to achieve the reduction of (50 %) TB cases in the last 8 years. Both programmes are very large and complex and both associated with stigma and many campaigns and interventions have been done in that regard. Today, after USD 60 m and 9 years, BiH has one of the best the facilities for TB treatment in the region and Europe. It also has the equipment, the capacities, and infrastructure that can effectively fight both diseases and serve as regional reference centres. In case of HIV, the programme established 13 Opioid substitution therapy centers in BiH for the treatment of most affected population/drug users.

Considering that the programmes are in the last year of implementation and next year BiH will no longer be eligible for GFATM fund, given the low prevalence of both diseases and the income level of BiH, this will require provision of new sources of funding to maintain this level of program implementation. To that end, 2 Transition plans have been prepared and approved for the Government to take the ownership. However, if BiH authorities fail to ensure the stable programme funding after 2016, a scenario can happen that occurred in other countries after GF, e.g. in Romania, where prevalence of HIV has tenfold, which could in case of BiH, cause severe consequences, particularly in the context of migrations, trafficking of people, drugs, weapons, etc. However, UNDP will stay committed to continued support to the partners in BiH in the the fight against HIV and TB, assist them to easier undergo the transition and face all challenges and jointly seek alternative sources of funding, in order to maintain and keep the existing infrastructure, with the hope that for both programs will be allocated a significant amount of resources (3 mil).

Ms Godinjak, MCA, thanked for the opportunity to present the achievement and results of programmes which are coordinated by the BiH Ministry of Civil Affairs. She pointed out to the concerns and threats BIH might face upon expiry of the GFATM, and potential of threat for the health sector and population of BIH once when those funds and crucial services addressing the HIV prevention and TB treatment are not available. Unfortunately, in the complicated country as BiH is and complicated health system (16 ministries of health, 16 public health institutes, etc.) further efforts are needed to include these programs in the regular activities of the ministries. Considering that the planned high level dialogue with representatives of BiH authorities was postponed for the spring, it is necessary to the start the planning and preparation of the exit strategy in due time, in order to systematically respond to the needs in the fight against TB and HIV. Ms Godinjak expressed the hope that donors will have understanding for the pleas already mentioned by the UNDP and also recognize the need to closely monitor these two programmes in the future.

The main points of the UNDP presentation:

- TB and HIV programmes in BiH: status and transition to national ownership
- HIV/TB programme in brief
- Key achievements

- Current status
- Future challenges

For more details, please see the attached presentation.

AD5: Presentation prepared by MoFT/SCIA – Donor Mapping Report 2014

Ms Edina Topcagic, MoFT/SCIA, presented the basic findings of the Donor Mapping Report (DMR) 2014. DMR is the result of joint joint activities of Donor Coordination Forum members and responsible BiH Institutions which aims to improve effectiveness and efficiency of foreign development aid in BiH. The Report provides an overview and analysis of development assistance channelled by DCF members to 6 development sectors, in order to enhance the cooperation for socio-economic development, facilitate donor coordination and aid effectiveness and improve transparency in ODA resources utilisation. Main findings of DMR 2014 indicate that slight progress was recorded in economic development of BiH, besides the devastating floods from May 2014, which caused enormous destruction in the country. DCF members strongly supported BiH in its attempt to address the impact of floods and landslides, revive the economy and accelerate the growth, while maintaining macroeconomic stability. In that regard, **total ODA allocations amounted to EUR 770 mil, out of which 26% or EUR 199 mil was in the form of grants while 74% or EUR 570 mil in the form of credits**, which if compared to 2013 presents an overall increase of EUR 105 mil or the highest level of ODA allocations in the in the observed years 2007-2014. Highest proportion of ODA was allocated to Environment and Climate Change, Transport and Energy Infrastructure Sector and Private Sector Development, aiming to improve the living standards and overcome the economic crisis as well as the flood consequences, while highest proportion of ODA was disbursed to Transport and Energy Infrastructure Sector, Private Sector Development and Social Development Sector. In terms of ODA structure, highest share of ODA refers to concession loans if compared to grants. The loans primarily supported Transport and Energy Infrastructure Sector, Private Sector Development and Environment and Climate Change, while grants mainly supported Justice and Home Affairs, Social Development Sector and PAR.

Ms Topcagic concluded that DMR is the result of cooperation among wide range of participants and used the opportunity to thank to all DCF members in BiH as well as colleagues from BiH Institutions for the cooperation and the support for their assistance in finalization of the DMR, with the hope that DMR Report will be useful for work of national and international stakeholders involved in development cooperation in BiH, considering that DMR is currently most systematic attempt to map donor assistance in BiH

The main points of the MoFT presentation:

- Information on Donor Mapping Report (DMR) 2014
- Main findings of the DMR 2014
- Emerging trends from the DMR 2014: Total ODA disbursements 2007-2014; Disbursed vs. Allocated ODA; Historical Overview; Sectoral ODA allocations and disbursements; Grants vs. Loans sectoral allocations and disbursements
- The way forward

For more details, please see the attached presentation

Ms Basta noted that the DMR 2014 is posted on the web sites of the Ministry and the DCF and then opened *the tour de table* discussion inviting all meeting participants to share information on the current activities from their agencies.

AD6: Tour de table including Floods update

Mr Mina, EUD, presented the short overview on the current status of *EU Floods Recovery Support* which was initiated in July 2014 at the Brussels Donor Conference. Based on the assessment needs, EU pledged EUR 85 mil in two grants assistance packages. The first was EU Flood Recovery Program (EUR 43,5 m) and the second EU Special Measures on flood recovery and flood risk management in BiH (EUR 41 mil) as well as multi-country allocation (EUR 24 mil). *EU Flood Recovery Programme* implemented by the UNDP, IOM and UNICEF, with original duration of 16 months, will be extended until February 2016. Programme targets were also expanded, with more housing units and critical community infrastructure rehabilitated than originally planned, particularly in the support for creation of new jobs, where figures are twofold. The second longer-term measure, *EU Special Measures on floods in BiH* include a number of components which will be implemented by the EUD either through procurement procedure or call for proposal, except one related to Strengthening of SMSs (EUR 9 mil) which will be implemented in direct management with GIZ. Other components include the Support to flood protection and water management (EUR 15 m), Housing interventions (EUR 12,5 mil), Support to civil protection (EUR 2.5 mil) and Support to civil society initiatives (EUR 2 mil), as well as the regional element (EUR 3.6 mil in total).

For more details, please see the attached presentation.

Ms Zdralkova, Czech Embassy, informed on the latest activities of the Czech Development Cooperation in BiH. It allocates annually approximately EUR 3 mil, in four sectors: agriculture, public administration, energy and water and sanitation as well as in HR and transition projects. Currently the conception is prepared for the new Development Cooperation for Czech Republic from 2018. In terms of floods, several projects are carried out together with partners in Magalaj, Doboj and Samac (EUR 0.5 mil).

Mr Majors, USAID, informed that US Embassy along with USAID programmes provide cca USD 30 mil per year in civilian foreign assistance, while USAID alone provided between USD 15-20 mil in 2016. Current objectives for 2016 include justice and anti-

corruption as well the engagement with Swedish partners in local economic development, where USAID will be jointly launching the new agriculture project in 2016. USAID is also engaged in programs in fiscal and energy policy reform as well as civil society protection and development and promotion of marginalized groups. Besides, US Government has donated USD 15 mil to Flood Recovery Program which is soon ending, except for the commitment with UNDP as a partner in the housing programme which will end in summer 2016.

Ms Heuel-Rolf, GIZ, noted that GIZ as a part of German development cooperation programme remains committed to cooperation with BiH. GIZ slightly increased the funds in the public administration reform projects, adult education and it has started the pilot project in vocational training in Herzegovina Neretva Canton, with the possibility to extend this programme in the future. GIZ is also working on local economic development and SME competitiveness, mainly in the metal and wood sector, agriculture and tourism, where within strengthening of MSP GIZ is now discussing with the EU to substantially extend the programme funded by the EU. In the energy sector, GIZ is active in the ongoing Energy efficiency programme and it will also start the renewable energy with 5 intervention areas (developing of strategic framework for promotion of RE, promotion of the legal framework, on incentive system, the improvement on the permit and licencing procedures) on all levels of government, aiming to have more transparency and harmonized procedures. Other GIZ focus will be on development of innovative RE approaches in the area of bio mass use, along with the capacity development in partner institutions. In addition to bilateral programme, GIZ is engaged in regional programmes in various fields supporting the EU accession process in all Western Balkans countries, and it also started projects in biodiversity.

Mr Schmidt Rosen, KfW, introduced himself as the new director KfW Development Bank director, which is a part of the German development cooperation. KfW is active in 3 sectors: water waste water, municipal infrastructure and financial sector. The energy sector is at the centre of financial cooperation and KfW is the biggest donor in this sector (including also multilateral banks) particularly in renewable energies, HPP plants, wind power projects, with several large projects currently in preparation and with already committed funds. Rehabilitation of HHP Rama with Elektroprivreda HZHB is about to be completed and HPP will become operational in early 2016. In water waste water sector, KfW finalized the rehabilitation and extension of water and waste water networks and treatment plants in Banja Luka. In the financial sector, KfW signed a Loan agreement with Unicredit bank Mostar in October, worth over EUR 7,5 mil, to support the MSMS financing in the Federation and will also sign with Credit Guarantee Fund an agreement with the bank to cover with 50% of risk with guarantee the loan of EUR 4,5 mil for microfinancing of micro and small enterprises for businesses. In terms of flood recovery efforts, KfW had a commitment of EUR 7,5 mil in grants for recovery efforts, that were disbursed last year as interest free loans under the European funds for BiH to affected households and micro enterprises.

Mr Bukvic, Sweden/Sida, briefly informed that Swedish funds for development cooperation will be fairly cut from SEK 170 mil in 2015 to SEK 135 mil in 2016. Nevertheless, Swedish strategic priorities remained the same, with engagement in 3 pillars-environment, economic and market development, democracy and HR which also includes judiciary and rule of law area. New projects are prepared in tax administration, while cooperation will continue on project in land administration together with the WB and as well with USAID on successor to the FARMA project; GOLD project will continue and cooperation will be expanded on portfolio guarantees on SMSs lending with USAID.

Mr Giuliani, France, briefly presented activities within the French contribution to flood recovery. French Government allocated EUR 1 mil for renovation of 3 cultural centres in Doboj, Maglaj and Samac, with UNESCO as the main partner and implementer, with 90% of the budget dedicated to reconstruction and upgrading of technology of these cultural centres (digital cinemas). Besides, the new mobility and training programme will be initiated to reinforce the capacity building of creative cultural sectors known in Europe as Creative Europe programme. France believes it is important today to support and encourage cultural sector in BiH through multilateral and partnership cooperation through programme with the MoCA, UN and UNESCO.

Mr Buha, UK, briefly updated on the activities of the British Embassy, which is traditionally involved in the security and defence sector as well as the rule of law and judiciary and anticorruption and reconciliation. In 2015, UK Prime Minister announced the new fund in Good governance in 5 countries including BiH and Serbia from the region. Besides, UK's strategic priority will definitely remain the Reform Agenda of BiH and will also support 2-3 projects already supported by WB&IFC in empowering of the BiH private sector.

Ms Riatti, UNICEF, noted they are approaching the end of the first year of the five year country programme which is implemented with many of the present DCF participants. UNICEF remains active in 5 main sectors: education, child protection, health, nutrition and social protection. She noted that UNICEF would welcome the opportunity to give the presentation on children rights situation in the country on some of the next DCF meetings.

Ms Bilic, BIH MoJ, shared information on recent activities of the Ministry of Justice. At the 22ND Session of BiH CoM, held on September 08TH, Justice Sector Reform Strategy was adopted with the Conclusion to revise and submit its Action plan within 19 days. MoJ submitted it to the CoM and it is expected to be at the agenda on one of the next sessions. In terms of projects, it is important to mention that the construction of the State prison is ongoing, while budget support of the war crime cases is still pending, since the EC has not approved the second tranche as well as the strategy and budget planning support project was not approved by EC due to the absence of the coordination mechanism.

Mr Zecchinato, Italy, introduced himself as the Head of projects of post floods recovery of the Italian development cooperation. He announced that Italy will change the way of aid delivery. Currently, Italian development cooperation is under Italian MoFA, while from January 2016, there will be National agency for cooperation. Italy allocated EUR 1.2 mil for BiH for the Post floods recovery project which was officially launched in June, while the first delivery in agricultural sector started in September, to support farmers affected by floods, SMS and some small infrastructure projects. Italy tries to coordinate the activities with other donors initiatives, for example UNDP activities in Posavina region, with donation of Norwegian Embassy in Maglaj, with OXFAM activities in Maglaj and partially in Orasje and with Save the children. Italy will also cooperate with Sida and USAID on Farma project to support veterinary centres.

Ms Jankulov, IMF, gave a short update on ongoing BiH-IMF discussions and negotiations. Upon expiry of SBA in mid-2015, BiH authorities requested the new program in a form of Extended Fund Facility (EFF). The difference from the previous SBA is that the new program is longer, more focused on reforms, with longer grace period and repayment period. The programme supports longer term structural reforms. The size of the financial package will depend on other IFIs, notably on WB and EC. The support will be focused to 3 objectives: Improving Government quality & reduce the size of Government, Safeguarding financial stability & Revive bank lending and Improving business climate, consistent with the Reform Agenda and country's long term goal to join the EU. So far, 2 negotiations missions were conducted and negotiations are still ongoing. It is expected now from BIH authorities to implement a credible set of measures from the Reform Agenda in order for IMF to recommend to approve the EFF programme.

Mr Sirco, UNDP, noted that they will close this year with record delivery of USD 73 mil, partly due to the robust recovery programme, that has been implemented by UNDP partners, particularly EC, US Embassy/USAID, Italy, Sweden, etc. The programme constitutes around 50% of todays' UNDP programme. UNDP will continue to have strong and high budgets in the years to come and will implement its programme in 4 sectors: regional and rural development, social inclusion and democratic governance, energy and environment, and rule of law and justice. In the future, UNDP will also be strongly focusing on local development programmes (considering that this is the level that changes are taking place much faster than elsewhere) and trying to connect this level to national and central levels. UNDP's new focus areas will include marginalized groups (LGBT) as well as anticorruption.

Mr Dzemic, DEI, informed that DEI has the new director, Mr Edin Dilberovic and presented recent activities. Two DEI sector working groups will start working on the preparation of sector planning documents IPA 2016-17 in Education, Employment and Social protection sectors, which will be coordinated by the Ministry of Civil Affairs, while other working group is engaged on Competitiveness and innovation and Local development strategies is coordinated by MoFTER. Besides the relevant BiH institutions, sector working groups will also include members of civil society and donor community. Together with coordinating institutions, DEI will organize 3 sector working groups meetings for each group and the process will be completed in spring 2016 with preparation of action documents for IPA 2016. The process of preparation of sector planning documents will be supported by IPA funding framework contract and one small service contract funded by GIZ. Regarding the implementation of WBIF, during 2015 DEI prepared and established National investment committee framework, in accordance with requirements of connectivity agenda of Western Balkans. DEI is currently undertaking the activities that will lead to adoption and transposition of the methodology for prioritization and infrastructure projects in BiH, preparation and adoption of single project pipeline for transport sector, which is a condition for use of WBIF funds in 2016. So, this methodology should be adopted by the CoM by the end of December. Also, DEI in collaboration with RCC is active in implementation of Europe 2020 strategy; DEI is very much engaged in initial implementation of Adriatic-Ionian strategy, the new EU macro-regional strategy; DEI will be a project partner for the strategic project led by Slovenian partner that will support governance structure of the Adriatic-Ionian strategy. By the end of 2015, beginning of 2016, DEI will perform consultations with relevant local institutions, donors and civil society on IPA Multi-country programme 2016.

Ms Dalac, MoFTER, noted that the Sector for agriculture, food, forestry and rural development is involved in preparation activities for IPA II. Namely, in August 2015, Council of Ministers of BiH concluded that the MoFTER is the leading institution authorized to prepare sectoral planning document in the field of Competitiveness and innovation, Local development strategies (this includes SMEs, tourism and agriculture), to withdraw funds from IPA II. Sector working group is already formed and the first meeting will take place on December 14. In addition to this, working group for planning of international aid in agriculture subsector is engaged in other projects and working with GIZ, FARMA, IFAD, FAO, other donors. Other plans in agriculture sector also include the preparation of annual report for the Sector of agriculture and the next meeting of the donor coordination is planned for the second quarter of 2016.

Ms Basta then thanked to all participants for their attendance and participation and particularly for the cooperation and understanding, since Ministry of Finance and Treasury/SCIA has made many demands in the 2015 and DCF members replied promptly and always timely. Finally she wished Seasons Greetings to everyone.

The meeting was closed at 13:20 hrs.