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Bosnia and Herzegovina / Bosna i Hercegovina / Босна и Херцеговина



United Nations in Bosnia and Herzegovina

UN Business Operations Strategy 2014 – 2017

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1. Introduction

1.1 Background¹

The TCPR 2007 and the subsequent ECOSOC resolution on Operational activities of the United Nations for international development cooperation (2011) call for “identification and acceleration of the implementation of those business processes that promise the highest return from simplification and harmonization” and “encourages United Nations system organizations within their existing planning, budget and evaluation systems to report on their cost savings resulting from improvement of their business operations”¹.

In addition, the ECOSOC resolution requests the UN to “explore further ways to enhance cooperation, collaboration and coordination, including through the greater harmonization of strategic frameworks, instruments, modalities and partnership arrangements, emphasizing the importance of ensuring greater consistency between the strategic frameworks developed by the United Nations agencies, funds and programmes”². Along similar lines, the Secretary General's 5 year Plan of Action (2012) called for a “Second Generation of DaO”, providing continued focus on reduction of transaction costs and increasingly efficient business operations. This Plan of Action was supplemented by the Secretary General's Report in anticipation of the QCPR 2013-2016, which urged for enhanced analysis and strategic planning and reporting of the Harmonization of Business Operations at the country level³.

The UNDG strategic priorities seek to operationalize these mandates by emphasizing the need for efficient business operations through simplification and harmonization where it adds value in order to provide better support to development effectiveness and impact of programmes. With an aim to reinforce linkages between the UN Programme (UNDAF) and UN Operations, enhance operational monitoring, evaluation and reporting efforts of said harmonization initiatives, advance the harmonization of Business Operations at the country level as well as reduce transaction costs of UN Operations and enhance overall quality of operational support to programme delivery, it has been agreed to go for the Business Operations Strategy pilot in 10 countries worldwide. UN Bosnia and Herzegovina volunteered to become a part of this forward-looking pilot initiative.

1.1.1 Context

For quite some time now, BiH is in a standstill with its reform processes due to the lack of political agreement about major constitutional and institutional issues. This prolonged status quo situation together with global and regional economic recession contributed to the large setbacks in social and economic development of the country, affecting all major aspects of life: from social services, pensions, healthcare, to employment opportunities and security and stability in general.

Given that BiH is an upper middle-income country, it is expected that international development cooperation funding will be further lessened. This makes strategic utilization of these resources a prerogative. So, in line with the UN reform trends and consultations with the BiH authorities, the UNCT in BiH has developed the 2015-2019 UNDAF (to be endorsed in the first semester of 2014) as

¹ Guidance note on developing the UN Business Operations Strategy, July 2012

One Programme with all its integrating elements² and in line with the general agreement of the UNCT in BiH. UNCT will make every effort to provide best-quality results in responding to the most critical country needs over the next five years and it intends to explore the application of light Delivering as One (DaO) modality³ for this programming cycle in BiH.

Development of the new UNDAF 2015 – 2019 and opening up to a light DaO modality seemed to be a good point to join the Business Operations Strategy (BOS) pilot for a number of reasons. Most important benefit was the flexibility of the model which provides opportunity to scope the BOS to the specific BiH needs and capacities, serving as a UNCT platform that brings together operations staff of resident UN Agencies, increasing quality and cost effectiveness of the selected operational processes and reinforcing links between the new UN programme and operational support.

BiH Business Operations Strategy provides a strategic, four-year focus on common UN operations processes which add value to the UN system in BiH. Being a voluntary framework, it allows the BiH UNCT to decide which joint activities to undertake – the emphasis is on reduction of costs and/or enhancing quality and impact of UN operations and, ultimately, programme delivery at the country level.

BiH BOS concentrates on the areas of common procurement services, common ICT, common HR services, common finance services and common logistic and transport services for which it is expected to have direct effects on the associated costs (including labour costs/time) and provision of a better quality of operations services of two or more UN Agencies.

BiH BOS is a practical tool for the UNCT (at strategic level) and OMT (at operational level) which allows mid-term strategic planning of UN BiH business operations in support to UNDAF implementation. BiH BOS also demonstrates a clear commitment of the UNCT and OMT to cut operations costs, increase efficiency and improve quality of selected business processes in which UN Agencies operate as one.

The BiH BOS was developed jointly by the members of the BiH OMT, under the guidance of the UNDG and with strategic support of the BiH UNCT.

The following UN Agencies in BiH participated in the preparation of the BOS: UNICEF, UNFPA, UN Women, UNHCR, IOM, UNESCO and UNDP. Other resident and non-resident UN Agencies are invited to join the BOS wherever/whenever it is of relevance or benefit for them.

1.2 Principles of implementation

Key principles underpinning the BiH BOS are the following:

- ✓ The BOS is a voluntary instrument used at CO level by UNCT/OMT, to be developed in conjunction with UNDAF;
- ✓ The BOS model is flexible and allows for a localized approach, matching the specific country needs, requirements and capacities;
- ✓ The BOS provides strategic, medium-term focus and prioritization based on quantitative and qualitative Cost Benefit Analysis;
- ✓ The Business operations Strategy focuses on Common UN operations, e.g. operational processes that add value to the UN System as *a whole*. In addition to these system wide

² In addition to UNDAF at Outcome Level, One Programme foresees development of joint biennial work plans per each UNDAF Focus Area and joint reporting and monitoring mechanism. Individual agencies action plans can be developed upon requests and requirements of BiH authorities.

³ DaO is consisted of 5 components, One Programme, One Budgetary Framework, One Leader, One Voice and Operating as One). UNDAF constitutes one of the elements of the One Programme DaO component. The intention of the UNCT is to take a pragmatic and flexible approach toward the DaO adoption in BiH. Through UNDAF formulation approach, the UNCT is primarily addressing the elements of One Programme, One Leader and One Voice. Operating as One and One Budgetary Framework will be discussed within the UNCT at the later stage. One programme does not substitute or abolish established collaboration modalities of the specialized UN agencies. In line with the SOPs for DaO, the UNCT has opted not to establish One Fund in BiH at this stage considering the current funding challenges for One Fund.

services, UN Agencies may decide to continue Agency-specific operational support services. The UN Business Operations supplement these Agency-level operations;

- ✓ The UN in BiH commits to harmonisation of Business Operations where this yields added value to the UN System and its partners, where added value is defined as reduction of costs (either direct monetary cost or time cost) or enhancement of quality of services provided;
- ✓ The BoS is in line with the UNDG Standard Operations Procedures for Delivering as One countries and it focuses on the creation of tangible efficiency gains and reduction in transaction costs deriving from the Delivery as One approach;
- ✓ The BOS provides the basis for Monitoring and Reporting on progress and results of BOS initiatives;
- ✓ The BOS provides the basis for evaluation of implemented practices for further optimization, if needed, and for purpose of knowledge sharing

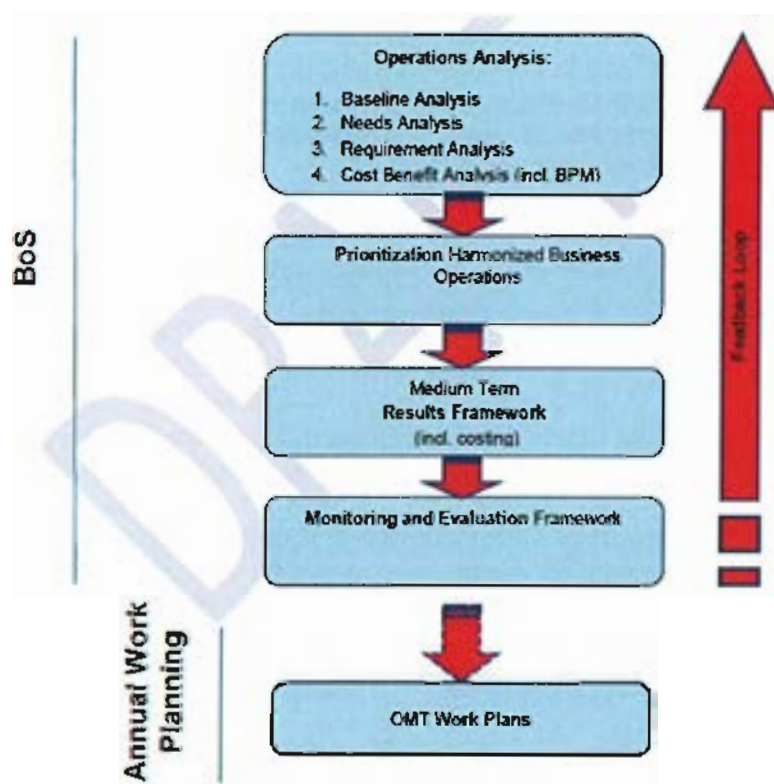
Given that BOS is a voluntary framework, BiH UNCT made a decision to go for a BOS 'light', which would complement 'light' DaO approach in the implementation of the new UNDAF 2015 – 2019, to pragmatically concentrate on the direct and highest wins when it comes to the business operations⁴. Thus BiH BOS focuses at harmonizing and/or simplifying business operations services, achieving cost reduction (through reduction of duplication of work, through reduction of transaction costs, through benefiting from the UN bargaining position for bulk procurements), enhanced quality of service delivery and enhanced operational focus and prioritization (identification and selection of the high impact harmonization initiatives, facilitation of monitoring and evaluation against the baselines).

BiH BOS includes the following components:

1. Operations Analysis, including:
 - Baseline Assessment of the existing business harmonization initiatives (including common services) in the UN in BiH
 - Needs and Requirements Analysis deriving from non-programmatic regular operations
 - Quantitative and Qualitative Cost Benefit Analysis
2. Business Operations Results Framework, including baselines, targets and indicators;
3. Business Operations Monitoring, Evaluation and reporting
4. Management Arrangement of UN Business Operations Business Operations Governance Mechanism
5. Business Operations Budgetary Framework
6. Operationalizing the BOS

⁴ For the purpose of the Business Operations Strategy and in line with the Guidance note on developing the UN Business Operations Strategy, Business Operations are defined as 'jointly executed back-office support processes that support UN programme implementation at the country level'.

Figure 1: An overview of the process OMT BiH followed in development of the BiH Business Operations Strategy (BOS)⁵:

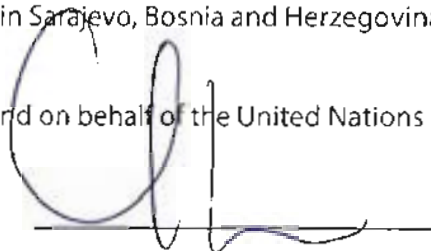


⁵ Source: Guidance note on developing the UN Business Operations Strategy, 2012

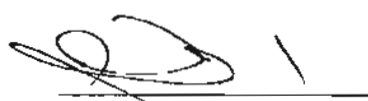
Signature Page:

In witness thereof, the undersigned, being duly authorized, have signed the Business Operations Strategy on 3 October 2014, in Sarajevo, Bosnia and Herzegovina.

For and on behalf of the United Nations in BiH



Yuri Afanasiev
Resident Coordinator
UN Bosnia and Herzegovina



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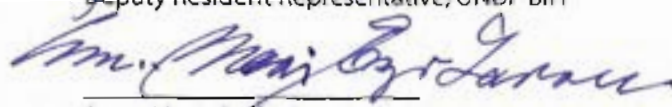
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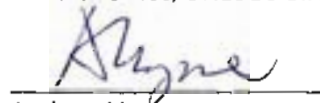
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2. Business Operations – Operations Analysis

The Operations Analysis is the key analysis by which harmonization initiatives that add value to BiH country office (define focus – business solutions) are identified and different initiatives that are recognized as adding value to BiH level Business Operations (based on the outcome of costs and benefit analysis for each business solution) are selected.

Business Operations Analysis comprises the following steps:

- (i) Baseline Analysis – Supply side (existing business operations harmonization initiatives, including common services)
- (ii) Needs Analysis – Demand side (programme related and non-programme related)
- (iii) Requirements Analysis
- (iv) Cost Benefit Analysis for potential new business operations harmonization initiatives (including common services)

2.1 Baseline Analysis

The first tool was the baseline analysis, with which the OMT did a stock-taking and assessment of which Business Operations Harmonization initiatives, including common services, are currently in place in BiH.

As it will be seen in the below Baseline Analysis table (Annex 1), based on the KPIs for each existing harmonization initiative/common service, the OMT rated its added value and made specific recommendation: for expansion, for downscaling, for discontinuation, for adjustment/modification.

Baseline Analysis revealed 16 business operations harmonization initiatives currently implemented in BiH, most of which are linked to the UN House/common premises and common services (i.e. UN House, Cleaning, Building Maintenance, Internet, Telecom, Parking, Catering, HR advertisements and Recruitment, Communications (mobile phones), ICT support, Travel, Banking, Translation/Editing Roster, Internship Roster, Security).

In 2013, eight (8) UN Agencies moved to the UN House and got the benefit of a well-managed, new and modern building, most advanced internet, communications and ICT solutions, reliable security, good cleaning and maintenance, catering, parking, etc.

In addition, UN Agencies have had two joint procurement LTAs (banking, travel) and a number of individual UNDP LTAs to which other Agencies piggy-backed and used, including a contract for mobile communication and two Rosters (translation/editing and internship rosters).

The BiH OMT went further on and identified 12 potentially interesting and beneficial business operations initiatives, which harmonization would add value to the UN System in BiH and which were considered in the Needs & Requirements Analysis (i.e. Common: Procurement of Office Equipment, LTA for hotel/accommodation, LTA for office supplies and stationary, LTA for printing, Vehicle fleet, Roster drivers, Rent-a-car, Vehicle maintenance, car wash, Courier services, UN Designated Physician).

Given that majority of the existing business operations initiatives are recommended for continuation, their regular performance monitoring in future is further enabled by rather precisely identified KPIs and, where necessary/feasible, users' surveys. This will be an important Annex to the BOS and will be monitored together with the new harmonized business initiatives elaborated in the BOS.

The BiH BOS Baseline Analysis is presented in the Annex 1.

2.2 Needs Analysis

The Needs Analysis identifies and describes the need for existing and new joint operational support services. It derives from the Baseline Assessment on the existing common services and the need for the new ones.

Given that our Baseline Analysis very well depicted the existing common services, including their KPIs/requirements, in the Needs & Requirements Analysis Table BiH OMT elaborated solely on the newly required common services' initiatives with potential added value. In its deliberations, BiH OMT was led by the 'definition' of a common service instead of an Agency service;

- That more than one Agency needs that service;
- That monetary and non-monetary benefits of having the service jointly offset the cost of developing and delivering the service and,
- That there is a quality benefit in having that particular service jointly.

Thus the OMT remained focused on the most pragmatic proposals that would bring direct benefits (cost/staff time-reduction and/or quality/accessibility of the operations service) to majority of the UN Agencies.

The Needs Analysis in BiH case scrutinized the need for: (i) Common Procurement through LTAs in the areas of travel, office supplies & stationary, fuel and mobile communication; (ii) Common logistics and transport services through the establishment of the UN Drivers' and Vehicles' Pool; (iii) Common Finance - HACT; (iv) Common HR services through Designation of UN Physician; and (v) Common ICT services through refining and upgrading existing PABX & Telephone landlines system.

The BiH BOS Needs Analysis table is presented together with respective Requirements Analysis in the Annex 2.

2.3 Requirement Analysis

The Requirements Analysis identifies and describes requirements for existing and new joint operational support services. It outlines parameters which each identified need has to meet in terms of quality, cost-effectiveness or timeliness, usually expressed through KPIs.

The BiH OMT chose to pre-review potential new common services so the Needs and Requirements Analysis deliberates only 'serious' five cases mentioned above, to be followed through to the Cost Benefit Analysis and Results Framework. Each need is complemented with specific SMART KPIs, baseline and targets, which will be an excellent basis for monitoring and evaluation of results.

The BiH BOS Needs and Requirements Analysis is presented in the Annex2.

2.4 Cost Benefit Analysis

The aim of the Cost Benefit Analysis, as the part of the Business Operations Analysis, is to assess the cost effectiveness of proposed solutions – it provides analytical basis for the OMT/UNCT to make informed decisions as to which/whether an initiative should be implemented based on either cost savings or enhanced quality of the business operations process/service or both. Given that some of chosen harmonization initiatives may require upfront investment, cost benefit analysis provides details on the level of that investment (time/financial cost). As such, it is the last step in the Business Operations Analysis.

The BiH Cost Benefit Analysis analyzed three types of costs and benefits associated with all five suggested Business Operations harmonization/common initiatives in the areas of Common Procurement, Common Transport and Logistics, Common Finance -HACT, Common ICT and Common

HR:

1. Monetary costs and benefits – Direct cost (one-time and recurring)
2. Labor costs and benefits – Non-monetary cost-time spent (one-time and recurring)
3. Other costs & benefits

In case of the five (5) proposed business operations harmonization/common initiatives, the BOS Cost Benefit Analysis spelled out clear benefits which by far exceed associated costs, both in monetary terms as well through increased quality of services achieved.

The BiH BOS Cost Benefit Analysis is presented in the Annex 3.

3. Business Operations Results Framework (Results Matrix)

The Business Operations Results Framework is the basis for the OMT annual work plans, which ties them to the strategic framework over the four-year period and allows for monitoring and evaluation of the results achieved.

The BiH Business Operations Results Framework translates the business solutions identified in the BOS Cost Benefit Analysis into specific outcomes and outputs, along with a short narrative for each results area and required budget per outcome/output.

The content of the Results Matrix is directly derived from the Operations Analysis as follows:

- The BOS BiH Baseline Analysis of the existing common services which identifies business solutions in place, which are to be continued;
- The BiH BOS Needs and Requirements Analysis which provides the results statements for the newly proposed business solutions
- The BiH BOS Cost Benefit Analysis, which provides the basis for prioritization of the proposed business solutions and its rationale in terms of cost savings and/or better quality of services provided;

For the time being, UN BiH BOS has five (5) "Pillars" (out of 7 available Pillars) for each thematic area in Business Operations. Given that BiH BOS is a living document, it is expected to be expanded during the implementation of the new UNDAF 2015-2019 with the new areas in which harmonization of operations processes could bring benefits for the UN system in BiH. In addition, already existing common premises & services activities that will carry on in future will also be a part of the BOS.

Pillar 1: Common Procurement

In the area of common procurement, UN BiH (UNICEF, UN Women, UNFPA, UNESCO, UNHCR, UNDP) aims at reduction of UN staff time spent on procurement processes by 10% between 2014 and 2017, reduction of expenditures on the selected items/services procured through application of common LTAs for up to 7% (economy of scale), while maintaining quality of items/services and Agencies' satisfaction (satisfactory or excellent) with the common procurement services at the rate of 75-80% in the same period.

Specifically, we aim at (i) reduction of air travel costs by 4% until 2017, keeping Agencies' satisfaction with the quality of air ticketing services at the rate of 80%; (ii) reduction of costs of office supplies/stationary for up to 5% until 2017, maintaining agencies' satisfaction with the quality and terms of delivery of the procured items at the rate of 80%; (iii) reduction of fuel costs by 1.5% until

2017, ensuring reduction of staff time spent on the fuel consumption monitoring through introduction of fuel cards system by 70% and availability of fuel stations on all major roads in BiH.

Pillar 2: Common Human Resources

In the area of common human resources, UN BiH aims at getting in place the UN Designated Physician system for all UN staff by 2014, with two Designated Physicians certified to provide official opinion on availability of medical procedures/medicines in country and, most importantly, the need for medical evacuation.

Pillar 3: Common ICT

In the area of common ICT, UN BiH aims at reduction of Telecom costs (PABX & mobile/landline telephone system) while implementing most up-to-date achievements in this field and remaining reliable at all times. UN BiH will focus on getting VPN/free calls between landline and mobile phones, and reduction of telecommunication costs by 20% by 2017.

Pillar 4: Common Logistics and Transport

In the area of common logistics and transport, UN BiH aims at establishment of a functional UN Drivers' and Vehicles' Pool, which provides services to all interested UN Agencies, ensuring lower costs, larger safety and security and better utilization of the UN internal resources (staff time and assets).

By 2017 UN BiH aims to achieve 10% savings in the field of transport, vehicles' maintenance and drivers' time for participating Agencies, reduce utilization of rent-a-car services by 80%, whilst keeping Agencies' level of satisfaction with the professionalism, quality, reliability and client-orientation of the UN Pool at 80%.

Pillar 5: Common Finance and HACT

The following four Agencies in BiH have adopted the HACT modality: UNICEF, UNDP and UNFPA. In the area of HACT, UN BiH set the target on completion of the HACT Macro Assessment which will be further fed into the UNDAF 2015-2019.

4. Business Operations Monitoring, Evaluation and Reporting

The Operations Analysis (Baseline Analysis, Needs & Requirements Analysis and Cost Benefit Analysis) provides the UN BiH with indicators that allows UNCT/OMT to monitor and report on the progress of the harmonization initiatives outlined in the Results Framework and Annual Work Plans for the period 2014 – 2017.

The Requirements Analysis provides a set of Key Performance Indicators (KPIs) for each common business operation, including the baselines and targets of the proposed business solutions and, as such, these KPIs are part of the Results Matrix. They will serve as a basis for reflecting progress against the work items and the ongoing effectiveness of the harmonization effort. It is also important to mention that the Baseline Analysis continues providing indicators for monitoring of the 16 existing harmonization initiatives that will be continued in this period.

The BiH BOS M&E system which supports the BOS, determines the responsible entity, planning and frequency of the M&E efforts and relations with other UN M&E efforts and systems in UN BiH.

M&E Structure for BiH BOS comprises the OMT Chair and OMT, which will for in specific areas as follows:

- The OMT Chair in BiH is a member of the UNCT;
- The OMT will be working on the specific business operations harmonization initiatives and will appoint Chairpersons as M&E focal point to represent specific thematic areas. Chairmanship may be rotational and leadership is currently as follows:

Thematic area	Chairmanship
• Common Procurement	UNDP
• Common HR	UNHCR
• Common ICT	UNDP
• Common Transport and Logistics	UNDP
• Common Finance and HACT	UNICEF
• Already existing/ongoing common services	UNDP

Roles and Responsibilities within the M&E Structure:

1. OMT Chair

- ✓ The OMT Chair reports on a regular basis to the UNCT on progress and issues related to the implementation of the activities supporting each of the operations outcomes. Progress updates are based on the indicators and targets as reflected in the Results Matrix;
- ✓ The OMT Chair liaises with the UN programme team (RC office) in the areas of potential concern and/or interest.

2. Chairmanship of the OMT for specific business operations areas:

- ✓ 'Thematic' Chairs ensure timely monitoring and implementation of the outputs and report progress to the OMT Chair;
- ✓ 'Thematic' Chairs ensure compliance by all participating Agencies and alert UNCT through OMT on potential non-compliance;
- ✓ 'Thematic' Chairs are responsible for monitoring of savings related to BOS implementation
- ✓ Together with the OMT Chair, 'Thematic' Chairs are responsible for elaboration of summary report identifying achievement of savings and for identifying challenges and bottlenecks that are to be addressed by UNCT;

M&E Framework

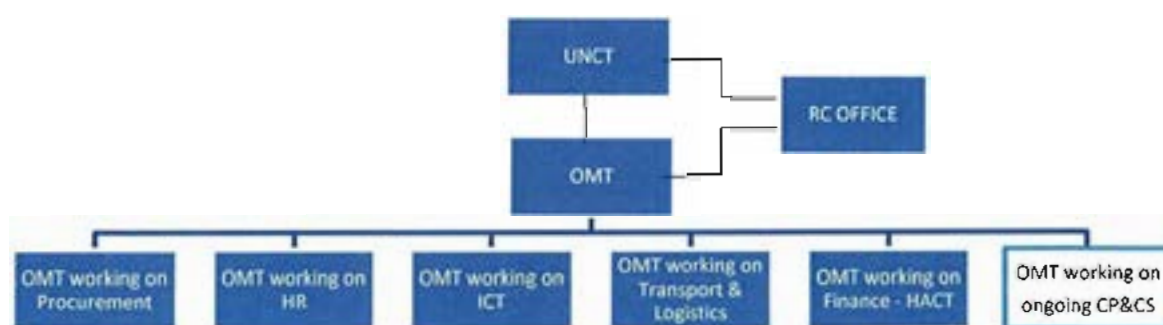
- OMT will meet on a minimum bi-annual basis to review progress of outcomes for all thematic areas and report during the OMT meeting
- The baseline data is taken from 2012 and 2013 for monitoring purposes
- OMT will consolidate report to UNCT every six months
- BOS will be reviewed annually by OMT and the review will be endorsed by the UNCT
- The Annual Review will report on the progress made against targets - OMT will provide summary narrative
- Annual Work Plans with clearly defined targets will be developed following annual BOS review (findings of the Annual Review will enable appropriate strategic and/or operational adjustments, as required)
- Revised BOS document will be presented to UNCT during the annual retreat

- End of cycle review of BOS will be conducted by an independent party. Its recommendations will feed into the development of the next BOS.

5. Business Operations Management and Accountability – Governance Mechanism

The governance structure for BOS in UN BiH comprises UNCT and OMT for each specific harmonization area. On behalf of BiH UNCT, OMT is put in charge of the day-to-day management of Business Operations and it will deal with all selected harmonization areas. The Figure 2 below reflects the UN BiH Business Operations governance structure:

Figure 2: Governance structure for the Business Operations in BiH



United Nations Country Team (UNCT)

The United Nations Country Team (UNCT), which brings together the representatives of the UN Agencies working in BiH, is the ultimate decision-making body for all issues in the field of common/inter-agency operations. Under the leadership of the UN Resident Coordinator, the UNCT will ensure the successful adoption, implementation, and reporting on the results presented in the BOS Results Matrix. To this end, the UNCT will review and endorse the OMT Annual Work Plan and mobilize the resources required for the BOS results achievement.

Operations Management Team

The Operations Management Team (OMT), comprising Operations Managers and/or Senior Administrative Officers of the UN agencies in BiH, is responsible for the day-to-day management of the UNCT's business operations. It is the BiH BOS Custodian, managing and coordinating the development and implementation of the BOS. It provides the UNCT with recommendations to improve the quality, timeliness and cost-effectiveness of the operational support to programme delivery.

The OMT Chair serves as the lead for the adoption and implementation of the BiH BOS as well as BiH OMT Annual Work Plan. The OMT Chair organizes meetings for discussions and coordinates with agencies' representatives thus ensuring smooth running of the OMT and successful implementation of its Annual Work Plan.

The OMT monitors implementation of the ongoing Business Operations Harmonization initiatives – Common Premises & Services in BiH, ensuring service delivery is in line with the KPIs, as specified in the BOS Baseline Analysis.

Based on the BOS Results Matrix, BiH OMT develops Annual Work Plan, which will direct OMT activities and operations for a particular year.

The OMT will be working on 5+1 thematic areas/BiH-specific business operations harmonization initiatives to enable implementation of the respective activities from the OMT Annual Work Plan. Each thematic area will have nominated a Chairperson, who will be coordinating contributions within the OMT.

The OMT Chair will report to BiH UNCT regularly on the progress and potential issues pertaining to the achievement of the outcomes and outputs elaborated in the BOS Results Matrix and OMT Annual Work Plan.

OMT and 'Thematic' Chairmanship

As explained above, OMT BiH will work on implementation of the five + one (5+1) thematic areas elaborated in the BOS Results Matrix/OMT Annual Work Plan in: Procurement, Human Resources, Finance-HACT, ICT and Transport and Logistics plus the 12 already existing/ongoing CP&CS harmonized initiatives. OMT will appoint a Lead Agency for each thematic area, which will lead the OMT activities on behalf of the OMT Chair. These 'Thematic' Chairs will report to the OMT on the progress against the respective part of the OMT Annual Work Plan. Here is the overview of the OMT leads in BiH: Finance-HACT – UNICEF; HR – UNHCR; Procurement/ICT/Transport & Logistics/ongoing CP&CS activities – UNDP.

6. Business Operations Budgetary Framework

Given that the BiH UNCT decided to go for a BOS 'light', UN Agencies will contribute to the BOS outcomes as per their actual participation. BiH UN Agencies will also contribute to the BOS implementation through allocation of the time of their staff to work on the realization of the BOS outcomes and outputs.

Since the new UNDAF 2015-2019 may bring new business harmonization initiatives, it may be expected that one of the subsequent BOS annual reviews would foresee creation of the Common Services Budget and Common Services account.

7. Operationalizing the BiH Business Operations Strategy (BOS)

So far, the UN DOCO Guidance Note on Developing the UN Business Operations Strategy foresees three instruments for operationalization of the BOS:

- OMT Integrated Annual Work Plan
- Common Services Budget and Common Services Account
- Common Services MoUs

All three instruments have been already in use for implementation of the current business operations harmonization activities in BiH: Common Premises & Common services, which are managed by UNDP (Common Services Budget/Common Services' MoUs) but they are almost solely limited to the UN Agencies which are part of the UN House.

With the BOS to be implemented, the role of the OMT Integrated Annual Work Plan will gain more importance given that it will be derived from the BOS, the BiH UN four-year strategic framework to which implementation UNCT committed. BOS outcomes and outputs will be translated into OMT annual deliverables to be realized in a particular year.

Common Premises & Common Services System will continue to be managed by UNDP, with Common Services MoUs for the UN House already in place, hence now adopted to embrace all new initiatives/services arising from BOS.

UN in Bosnia and Herzegovina

ANNEX 1. Business Operations Strategy: Baseline Analysis

Type of existing Common Service/ Harmonization effort	Managing Entity (Service Manager)	Clients (Agencies using service)	Key Performance Indicators (KPI's)	Performance Ranking against KPI's	Modality (Outsourced/ In House)	Recommended Action (ref below)
UN House	UNDP	UNICEF, UNFPA, IOM, UN Women, UNESCO, ILO, WHO, UNV, UNDSS (9)	(i) Price (ii) Work conditions Benchmarks: - Price- 20 BAM/m2 - Conditions for work excellent Targets: - Price ≤ 20BAM/m2 - Conditions for work same or better	Satisfactory	In house	Recommended for continuation as is
Cleaning	Landlord/UNDP	UNICEF, UNFPA, IOM, UN Women, UNESCO, ILO, WHO, UNV, UNDSS (9)	(i) Number of complaints (ii) Offices/common area cleaned as per the conditions set in the Lease Agreement	Needs improvement	Outsourced	Recommended for adjustment/modification

			Benchmarks: - On average about 4.4 complaints of staff received per month in total (as recorded in the Building log) - Schedule of cleaning set in the LA not 100% respected Targets: - Maximum 4 complaints of staff received per month in total - Schedule of cleaning as set in the LA fully respected - Positive response rate on cleanliness of office premises as per annual survey $\geq 75\%$ Sources: - Building log - Annual survey		Outsourced	Recommended for continuation
Building Maintenance	Landlord/UNDP	UNICEF, UNFPA, IOM, UN Women, ILO, WHO, UNV, UNDSS	(i) Response time (ii) Regular maintenance as per conditions set in the Lease Agreement	Satisfactory but still needs improvement in some elements		

Internet (including backup internet)	UNDP	UNICEF, UNFPA, IOM, UN Women, UNESCO, ILO, WHO, UNV, UNDSS	Benchmarks: - Response time to reported issues (non-urgent) ≤ 2 working days - Regular maintenance performed as per conditions set in the Lease Agreement - Response time to urgent issues - immediate (≤ 4 hours) Targets: - To continue as it is	satisfactory	Outsourced	Recommended for continuation as is - reduction in price recommended after the current contract expiry depending on the overall usage of bandwidth
			Benchmarks: - Internet available 99.9% of time - No complaints received on Internet speed - Current cost = \$2,000 Targets: - Internet available 99.9% of time - No complaints on			

Telecom (PABX & telephone landlines)	UNDP	UNICEF, UNFPA, IOM, UN Women, UNESCO, ILO, WHO, UNV, UNDSS	internet speed – continue - Cost of internet <2,000 US\$ Reliable and cost-effective telecom services Baseline: - Telecom services available 99.9% of time - Cost of telecom services in 2012 -- 35,500 US\$ Targets: - Telecom services available 99.9% of time - Participating agencies achieved savings of 20% until 2017	satisfactory	Outsourced	Recommended for continuation as is - explore VPN/free calls between landline and GSM services (in 2014)
Parking	UNDP	UNICEF, UNFPA, IOM, FAO, UNESCO, WHO, UNV, UNDSS	(i) Security of parking area (ii) Cleanliness of the parking area (iii) Parking price Benchmarks: - Parking secure at all times - Parking area clean most of time - Parking price 130 BAM/spot	Needs improvement	In house	Recommended for adjustment/modification

Catering (office meetings)	Golf Club/UNDP	UNICEF, UNFPA, IOM, UN Women, UNESCO, ILO, WHO, UNV, UNDSS, UNEP (10)	Targets: - Parking secure at all times - continue - Parking area clean at all times - Parking price ≤100 BAM/spot Quality, variety of food and drinks Quality of services (response time, attentiveness/politeness) Price of food and drinks Benchmarks: - Quality and variety of food, drinks – 70-90% satisfactory - Quality of services- 34% (response time) – 93%(rest) satisfactory - Price of food and drinks – 69-86% satisfactory Targets: - All above categories evaluated more than 75% satisfactory in semi-annual surveys - Response times ≤15 min/order – above 75% satisfactory - Prices as per	Needs improvement (especially response time)	Outsourced	Recommended for adjustment/modification
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HR (Advertisements & recruitment)	UNDP	UNFPA, UN Women, UNV, UNDSS	Sources: Semi-annual survey Building log agreement Benchmark: - Response/action by UNDP ≤ 2 work days Target: - To continue that way	satisfactory	In house	Recommended for continuation as is
Communications (mobile phones)	UNDP	UNFPA, UN Women, UNESCO, UNV, UNDSS	Availability, high quality of cell phones, good packages Benchmarks: - Mobile phone services available at all times - High quality of procured cell phones with additional features increased staff productivity/availa bility Target: - Selected GSM provider and packages ensured additional features with minimum 10% savings until 2017	satisfactory	Outsourced	Recommended for continuation as is – when contract expires, go for common LTA
ICT Support	UNDP	UNFPA, UN Women,	(i) Systems availability (ii) Help desk response	satisfactory	In house	Recommended for continuation as is

		UNESCO, UNV, ILO, UNDSS, WHO, UNEP	(iii) Conferencing support response Benchmarks: - Systems Availability of 99.5% - 100% of help desk requests responded to - 50% of help desk requests completed on same day - 80% of help desk requests completed within 2 days - 95% of help desk requests completed within a week - 100% of help desk requests completed within 2 weeks - All conferencing support requests responded to. Targets: - to continue as it is	satisfactory	Outsourced	Recommended for expansion – to launch new joint RFP for Travel, new LTA
Travel	UNDP	UNFPA, UN Women, UNV, UNDSS, UNHCR	(i) Travel Agency response, accuracy speed and efficiency, service quality (ii) Value for money Benchmarks: - Response/action by			

Banking	UNDP	ILO, WHO, UNFPA, UN Women, UNV, UNDSS, UNESCO	travel Agency ≤2 work days - Response/action on travel entitlements by UN Agency ≤2 work days - Zero-error in reservation, ticketing and billing Targets: - Response/action by travel Agency ≤1 work days - Response/action on travel entitlements by UN Agency ≤2 work days - Zero-error in reservation, ticketing and billing - Positive results of performance semi-annual survey Source: Semi-annual survey LTA (i) Complaints (ii) Response Time (iii) e-banking system Benchmarks: - Number of complaints ≤5 per	Satisfactory (except for e-banking)	Outsourced	Recommended for continuation as is
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Translation/ Editing Roster	UNDP		year - Response time to different requests/issues ≤ 2 days - e-banking system not fully functioning Targets: - Number of complaints ≤ 5 per year - Response time to different requests/issues ≤ 2 days - e-banking system fully functioning and reliable 100%	Satisfactory but could get improved	In house	Recommended for continuation as is
		UNFPA, UN Women, UNESCO, UNV, UNDSS, WB, UNHCR, UNICEF	(i) Quality, reliability of interpreters/editors (ii) Roster maintenance (introduction of new interpreters/editors based on test and references) Benchmarks: - Availability of translators/editors upon request ≤ 1 work day Targets: - Translators/ editors available upon requests ≤ 1 work day - Positive results of			

Internship roster	UNDP	UNDP, UNV, UNICEF, UNHCR	performance evaluation (IC) and annual survey $\geq 75\%$ satisfactory - Renewal of the roster through inclusion of new interpreters/editors based on test and references Sources: Annual survey IC Performance Evaluation (i) Availability of good quality candidates from various areas (ii) Management of the roster Benchmarks: - Number of candidates in the roster 5-10 - Areas of internship 3-5 - Time necessary for engagement of Intern ≤ 3 work days - Regular maintenance of the roster Targets: - Number of candidates in the roster 8-15 - Areas of internship	satisfactory	In house	Recommended for expansion and for utilization by more UN Agencies
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Security	UNDP	UNICEF, UNEP, UN Women, WHO, UNESCO, ILO, UNV, UNDSS, IOM	5-10 - Time necessary to process internship ≤ 3 work days - CCTV/Access Control/Fire Safety systems available 99.9% of time - Response time for Security Incidents within UN House Compound < 5 min - Safety and Security Services provided for all UN House Events	satisfactory	In house	Recommended for continuation as is
Office equipment	No common arrangement					Explore existing corporate LTAs and use the best ones for all agencies
Hotel/accommodation	No common arrangement					Launch new tender (if it is possible to summarize our joint needs)
Office supplies and stationary	No common arrangement					Launch new tender for all agencies
Printing	No common arrangement					Launch tender for all agencies (basic printing)
Vehicle fleet	No common arrangement					Explore possibility of creation of joint fleet
Roster drivers	No common arrangement					Explore possibility of creation of joint drivers' roster

Rent a car	No common arrangement				Launch new tender for all agencies
Fuel	No common arrangement				Launch new tender for all agencies
Vehicle maintenance	No common arrangement				Explore possibility for joint tender
Car wash	No common arrangement				Launch tender for all agencies
Courier services	No common arrangement				Launch tender for all agencies
Mandatory entry/periodic/exit medical examinations/Designated Physician	No common arrangement				Explore possibility for the UNHCR physician to become UN designated physician -Explore possibility to have one UN medical point for various examinations

UN in Bosnia and Herzegovina

ANNEX 2. Business Operations Strategy: Needs and Requirements Analysis

Name Business Operation/Service	Needs Analysis Narrative	Requirements Analysis & KPI's
Common Procurement Services	Need: Establishment of LTAs in the area of common procurement to reduce the staff time and costs Current situation: LTA/contract for banking established in 2011, valid 5+ years; LTA for travel established in 2011. LTA was valid 2+ years, covering two travel agencies. LTA was a good experience but it is time to launch new RFP for travel. Agencies usually embark on individual procurement in common areas or piggy-back on UNDP procurement processes: fuel, office supplies, car wash, etc. Suggested solution: Establishment of new LTA for travel - ongoing, establishment of LTAs in the new areas: office supplies and stationary, courier services, fuel, mobile communication Impact: Reduced transaction costs due to elimination of redundancies on procurement process. Bulk discounts negotiated with LTA signatories; Quality products/services will be provided due to collaboration with reputable companies.	KPI 1: Man hours saved due to implementation of LTA procedures instead of individual procurement for specific purchases Baseline: Estimated 2,000 hours per year spent on the areas in the suggested solution for 7 Agencies Target: 30% reduction on time spent on these processes by 2017 KPI 2: Economy of scale savings on specific items when tendering for more UN Agencies: office supplies, fuel, travel, courier services Baseline: In average, 7 Agencies spend 836,500 US\$ annually on these services/goods (travel, office supplies/stationary, fuel) Target: 20% cost reduction by 2017

Common Logistics and Transport Services	Need: Establishment of the Common Vehicle and Drivers fleet/pool, by which costs related to transport, vehicles' maintenance and drivers time would be reduced, while maintaining high quality and secure services Current situation: UNDP has vehicle and drivers pool which provides services to UNDP and its projects and other agencies as per request. UNICEF, UNHCR, WHO, IOM, UNFPA, UNESCO have their own vehicles and drivers and they use rent-a-car on needs basis Suggested solution: Establishment of the UN vehicle and drivers pool, which can provide services to all interested agencies. Impact: UN Agencies having professional, well maintained and cost effective drivers and vehicles pool at all times. Cost savings on vehicle maintenance, staff time, image of One UN	1. KPI: Number of trips taken using common vehicle/drivers pool services monthly Baseline: 5-6 Target: 20-30 2. KPI: Cost savings achieved in comparison with utilization of rent-a-car Baseline: 30,000 US\$ spent on rent-a-car per year by 4 Agencies Target: Utilization of rent-a-car services reduced by 80%; cost savings amounting to 40,000 US\$ until 2017; 3. KPI: Quality of services and safety of staff Baseline: UN vehicles used are well-maintained, drivers are professionals; rent-a-car vehicles condition not guaranteed, rent-a-car drivers professionalism not guaranteed Target: UN staff transported in well-maintained vehicles by drivers professionals
HACT	Need: Conduct HACT Macro Assessment Current situation: Macro assessment was carried out in 2007; micro assessment has been carried out regularly by each agency separately. No Government letter received Suggested solution: To perform Macro Assessment as a desk review Impact: Risks related to the functioning of the PFM system in BiH reduced for HACT UN agencies; cost of the assessment reduced as a result of joint implementation.	KPI: Macro Assessment fed into UNDAF, providing key info on public finances of BiH as indication for future cooperation with the Government Baseline: Macro Assessment as per HACT guidelines (UNDG guidelines on HACT) has not been carried out in this programme cycle (2010-2014) Target: Macro Assessment-as desk review of current relevant studies/reports of public financial management in the country to be carried out in 2014, serving UN agencies in the next CCA and being incorporated in UNDAF

Common HR Services	Need: Designated UN Physician Current situation: Only UNHCR has Designated Physician Suggested solution: To select UN Designated Physician Impact: UN staff having UN Designated Physician in case of need for medical evacuation or for obtaining official confirmation on non-existence of certain medical procedures/medications in country	KPI: UN Designated Physician Baseline: no UN designated physician except for UNHCR Target: UN Designated Physician for all UN staff as of 2014
Common ICT Services	Need: To have cost-effective and reliable Telecom (PABX & telephone landlines) Current situation: In the new UN House, common PABX & telephone landlines system has been established and first benefits are already visible, both in quality and in price Suggested solution: Further refine the system and explore VPN/free calls between landline and GSM services Impact: Reliable communication at all times, enhancing staff productivity, reducing agencies' costs;	KPI 1: Reliability of the telecom system in UN House Baseline: Telecom services available 99.9% of time Target: Telecom services available 99.99% of time KP 2: Cost of the telecom system in UN House Baseline: In 2012, 7 UN Agencies spent 35,000 US\$ for telecom services Target: Savings of 20% achieved until 2017 KP 3: VPN/free calls between landline and GSM services Baseline: VPN/free calls do not exist Target: VPN/free calls between landline and GSM services established, allowing for 10% savings on landline/GSM until 2017

UN in Bosnia and Herzegovina

ANNEX 3. Business Operations Strategy: Cost Benefit Analysis (excl. Priority Assessment)

	Monetary Costs Benefits (\$)		Labor Costs Benefits		Other Costs/Benefits	
	A	B	C	D	E	F
Proposed Business Solution (incl. Common Services)	Anticipated Monetary Cost (One Time & Recurring \$ Investment)	Anticipated Monetary Benefit (One Time & Recurring Benefits)	Anticipated Labor Cost-Time Investment (One Time & Recurring Labor costs)	Anticipated Labor Benefit: Time Reduction (One Time & Recurring Labor benefits)	Anticipated Significant Other Cost	Anticipated Significant Other Benefits
Common Procurement Services: Establishment of common LTAs for: travel; fuel; office supplies & stationary	One-time cost: Advertisement x 3 (for 3 LTAs) Recurring cost: 0 (LTAs will be of 2-year duration, so it is foreseen to perform LTA procedure twice in the BOS cycle 2014-2017, for stationary 3-4 times)	One-time benefit: 0 Recurring benefit: Travel: 5% reduction/year vs. 2012 total travel expenditure of x UN Agencies Fuel: 1.5% discount per 1l of fuel Office supplies & stationary: 2% discount for bulk purchasing	One-time cost: -Data collection for TOR; RFP (ToR, advertisement, evaluation, RACP); issuance of LTA - 1 G7 x 8h x 2 6 G6 x 4h x 2 1 NOC x 1h 2 NOB x 1h 2 G6 x 1h 1 P5 x 1h 1 G7 x 2h - Creation of the e-survey for evaluation of the LTA services - 1 G57 x 8 hrs	One-time: 0 Recurring: No need for full procurement procedure each year or for reference pricing at each purchase	None	Travel: Additional benefits through collecting flight points (free tickets) Fuel: fuel cards and easy recording, monitoring of consumption; BiH coverage with fuel stations

				Recurring cost: for Travel: -Evaluation of LTA on semi-annual basis through e-survey (filling in and analysis) – 1 GS7 x 4 hrs x 2 + 6GS6 x 1 hrs x 2 per year - Monitoring of prices/routes provided randomly: 6GS6 x 0.5 hrs x 12 per year Other LTAs: -Monitoring of prices on the market: 4-6GS6 x 0.5 hrs x 4 per year			
Common Logistics and Transport Services: Establishment of the UN Drivers & Vehicles Pool	One-time cost: 0 Recurrent cost: » -Fuel: as per actual utilization -Daily fees for drivers and vehicles	One-time benefit: 0 Recurrent benefit: anticipating savings compared to the ones by using rent-a-car of US\$ 40,000 until 2017	One-time cost: -Expanding UNDP intra system for drivers/vehicles pool management: 1 GS7 x 4 hrs, 1 GS5 x 8 hrs - Training of UN Agencies staff in utilization of the	One-time benefit: 0 Recurrent benefit: No time invested in referencing prices from rent-a-car agencies	-no vehicles available in the pool at certain moment – need for rent-a-car -in the case of increased number of trips, need for additional vehicles/renewal of pool	- Lower prices than with rent-a-car agencies -drivers and vehicles available in-house -safety and security of UN travelers - professional drivers	

UN House Telecom system (PABX & telephone landlines/mobiles) further refined, ensuring VPN/free calls between landline and GSM services	of the RFP/RFQ -Potentially, purchase of x number of new mobiles with large discount Recurring cost: -Monthly/annual subscription	mobile devices provided for free Recurring benefit: -Savings of 30% on landline achieved until 2017 (2012 costs as baseline) - Savings of 10% on VPN/free calls between landline and GSM services) until 2017	for TOR; RFP/RFQ (ToR, advertisement, evaluation, RACP); issuance of contract - 2 G7 x 8h x 2 6 G6 x 4h x 2 1NOC x 1h 2NOB x 1h 2G6 x 1 h 1 P5 x 1h 1G7 x 2h Recurrent Cost: same as above after 2 years	Recurring: No need for full procurement procedure each year	-Image of One UN
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UN in Bosnia and Herzegovina

ANNEX 4. Business Operations Strategy: Results Matrix

BOS Outcome 1: Common Procurement							
Lead Agency	UNDP						
Participating UN Agencies	UNICEF, UN Women, UNFPA, UNESCO (UNHCR, IOM)						
Coordination Mechanisms	OMT: Work Groups for Travel, Fuel, Office Supplies & Stationary (Procurement WG)						
Outcome Budget	US\$ 0.00						
Outcome Budget Gap	US\$ 0.00						
Outcome 1	UN Bosnia and Herzegovina will have efficiently reduced staff time spent on procurement processes (reduction of costs) and achieved reduction of costs for purchase of the selected items/services through common procurement and LTAs						
Outcome Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
Cost saving (man hours saved) due to implementation of LTA procedures – reduced staff time spent on procurement	UN Agencies' data	2012 – 2,000 hours/year	5% reduction	5% reduction	10% reduction	10% reduction	Risks: - Lack of input from agencies in solicitation processes - Different standards/rules of the participating Agencies - Market price fluctuation - Low response rate to the survey Assumption: - Agencies include their true needs in
Cost savings secured through better prices for goods and services through LTAs - economy of scale	Agency ERP systems (ATLAS/SAP)	2012 – US\$ 801,000	3.5% reduction	4.5 % reduction	5% reduction	7% reduction	

											specifications for the LTA development and actively participate in the OMT Procurement Work Group
Agencies' level of satisfaction with LTAs and procurement services	User Surveys	no	Agencies rate min 65% of the LTAs as satisfactory or excellent	Agencies rate min 70% of the LTAs as satisfactory or excellent	Agencies rate 75% of the LTAs as satisfactory or excellent	Agencies rate 80% of the LTAs as satisfactory or excellent					
Output 1.1											
UN BiH air travel costs reduced by 2017											
Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption				
Quality of air ticketing services	User Surveys	No	Agencies' satisfaction rate min 70%	Agencies' satisfaction rate min 75%	Agencies' satisfaction rate min 80%	Agencies' satisfaction rate min 80%	Risks:				
Air ticket cost	Agencies' ERP systems (ATLAS/SAP)	2012 – US\$ 580,000	2% reduction	3% reduction	3% reduction	4% reduction	- Lack of input from agencies in solicitation processes - Different standards/rules of the participating Agencies - Market price fluctuation - Low response rate to the survey - Boycott of RFP by previous LTA vendors - LTA vendors losing interest to provide us				

									with most favorable tickets due to fluctuation in demand and/or larger clients	Assumption: - Agencies include their true needs in specifications for the LTA development and actively participate in the OMT Procurement Work Group - LTA vendors accept to be one of 3-4 selected vendors with whom LTA is signed
UN BiH costs for office supplies/stationary reduced by 2017										
Output 1.2 Office supplies/stationary	Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption		
Cost savings on office supplies/stationary	Agencies' ERP systems (ATLAS/SAP)	2012 – US\$ 100,000	2% reduction	3% reduction	4% reduction	5% reduction	Risks: - Lack of input from agencies in solicitation processes - Market price fluctuation - Fluctuation in demand Assumption: - Agencies include their true needs in specifications for the LTA development and			

							the OMT Procurement Work Group - Agencies' buy-in to support the LTA
Monitoring of fuel costs through fuel cards system	Agencies' direct experience	no	Reduced staff time spent on monitoring for 50%	Reduced staff time spent on monitoring for 60%	Reduced staff time spent on monitoring for 65%	Reduced staff time spent on monitoring for 70%	
Fuel stations availability in whole country	Agencies' direct experience	no	Available on all major roads	Available on all major roads	Available on all major roads	Available on all major roads	

BOS Outcome 2: Common Human Resources							
Lead Agency	UNHCR/UNDP						
Participating UN Agencies	UNICEF, UNFPA, UN Women, UNESCO						
Coordination Mechanisms	OMT, Work Group for HR						
Outcome Budget	US\$ 0.00						
Outcome Budget Gap	US\$ 0.00						
UN Designated Physician for all UN staff as of 2014							
Outcome 2							
Outcome Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
Number of selected UN Designated Physicians	Participating UN Agencies	Only UNHCR has Designated Physician	Two (2) UN Designated Physicians	Two (2) UN Designated Physicians	Two (2) UN Designated Physicians	Two (2) UN Designated Physicians	Risks: - Unavailability of the selected physicians at the moment of emergency (i.e. medical evacuation) Assumptions: - UN Designated Physicians certified to provide official opinion on availability of certain medical procedures/medications in country and the need for medical evacuation
Output 2.1	Two UN Designated Physicians for all UN staff selected						

Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
Number of selected UN Designated Physicians	Report on Common Services	Only UNHCR has Designated Physician	Selection of two UN Designated Physicians and contracting	Two (2) UN Designated Physicians	Two (2) UN Designated Physicians	Two (2) UN Designated Physicians	Risks: - Selected UN Designated Physicians not fitting the job - Selected UN Designated Physicians not available at the moment of emergency Assumptions: - All UN Agencies utilizing selected UN Designated Physicians

BOS Outcome 3: Common ICT							
Lead Agency	UNDP						
Participating UN Agencies	UNICEF, UNFPA, UN Women, UNESCO, WHO						
Coordination Mechanisms	OMT, ICT Work Group						
Outcome Budget	US\$ 0.00						
Outcome Budget Gap	US\$ 0.00						
Outcome 3	By 2017, UN in BiH reduced Telecom costs (PABX & mobile/landline telephone system) while implementing latest achievements in this field and being reliable at all times						
Outcome Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
Common PABX & mobile/landline telephone in the UN House and its quality and price	UN Agencies	Common PABX & landline tel. system established in the UN House in 2013	RFP/RFQ for mobile services for all UN Agencies in UN House launched	VPN/free calls between landline and mobile telephones	Continuous search for new and better ICT solutions in this field and their implementation	Continuous search for new and better ICT solutions in this field and their implementation	Risks: - Budget – no ICT investment - Monopoly position of the BiH telecom companies and/or change in their policies - Different timeframes of the ongoing UN Agencies' contracts with telecom companies for mobile services
Telecommunication costs	Monthly/annual telephone bills	US\$ 35,000 in 2012	Reduction of 10%	Cumulative reduction of 15%	Cumulative reduction of 18%	Cumulative reduction of 20%	- Crash of the telecom system in the UN House - Crash of the telecom system in BiH - Change in ownership of the telecom

										companies Assumptions: - No ICT turnover - UN Agencies willing to embrace new ICT solutions »
UN BiH common PABX & landline telephone system further refined and enlarged by including mobile services and VPN										
Output 3.1										
Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption			
More comprehensive and effective PABX & mobile/landline telephone system	Common Services Report	UN Agencies in UN House sharing PABX & landline telephone system established in 2013	Joint RFP/RFQ for telecom services launched, ensuring cost reduction of 10%	Free mobile devices or mobiles with large discount obtained from telecom companies and 10% of telecom cost reduction	10% cost reduction (cumulative)	15% cost reduction (cumulative)	Risks: - Lack of UN Agencies willingness to jointly do RFP/RFQ - Reduction of the need for the services due to staff reduction - Change in policy of the Telecom Services Providers - Global prices' trends related telecom services Assumptions: - UN Agencies willing to do jointly do RFP/RFQ - Stable and competitive telecom market in BiH »			
VPN/free calls between landline and mobile telephone services	Common Services Report	No	-	10% cost reduction	10% cost reduction	10% cost reduction				

BOS Outcome 4: Common Logistics and Transport

Lead Agency Participating UN Agencies Coordination Mechanisms Outcome Budget Outcome Budget Gap	UNDP UNICEF (pooling vehicles and drivers); UNFPA, UN Women, WHO, UNESCO and other interested Agencies - users OMT, WG for Logistics and Transport US\$ 0.00 US\$ 0.00
	UN has fully functional UN Drivers' & Vehicles' Pool providing services to all interested UN Agencies; ensuring lower costs, larger safety and security and better utilization of the UN internal resources (staff and assets)
Outcome 4	
Outcome Indicators	
Cost savings of participating UN Agencies related to transport, vehicles' maintenance and drivers' time	Source of Data UN Agencies
Utilization of rent-a-car vehicles and drivers	Source of Data UN Agencies
Agencies' level of satisfaction with the professionalism, quality, reliability and client-orientation of the UN Pool	Source of Data User Survey
	Baseline 2012 2012 UN Agencies' experience prior to UN Pool establishment
	Target 2014 5% reduction 50% reduction
	Target 2015 7% reduction 60% reduction
	Target 2016 10% reduction 70% reduction
	Target 2017 10% reduction 80% reduction
	Risk and Assumption Risks: - UN Agencies still using rent-a-car - Due to too high demand, UN Pool not capable of responding to all needs - UN Pool capacity reduced due to potential vehicles' damage Assumptions: - UN Agencies pooling vehicle ensuring amortization of pooled vehicles and purchase of new ones - UN Agencies utilizing UN Pool - Other UN Agencies

Efficient UN Drivers' & Vehicles' Pool established and operational									
Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption		
On-line system for booking, management and monitoring of the UN Pool	UN BiH intranet	UNDP on-line booking system	Established and fully functional	Fully functional	Fully functional	Fully functional	Risks: - Intra system temporary down due to problems with internet - UN Agencies not utilizing UN Pool - UN Pool capacity reduced do to vehicles' age and/or damage Assumptions: - On-line booking system working well - UN Agencies well acquainted with the system - UNDP Operations managing well the demand side with the available vehicles and drivers - UN Agencies pooling and/or using UN Pool adhering to the UN Pool Rules		
Utilization of the UN Pool by all UN Agencies requiring transport services	UN BiH intranet	2013 - services of the UNDP Pool	50% increase	60% increase	70% increase	80% increase			
Utilization of Rent-a-car vehicles and drivers	UN Agencies	Utilization in 2013	50% reduction	60% reduction	70% reduction	80% reduction			
Development of the UN Pool Policy/Rules	UN Rules and Regulations	UNDP Pool in 2013	Developed and functional	Functional	Functional	Functional			
UN Agencies satisfaction with the UN Pool services' quality, cost, reliability	User Survey UN Agencies	2013 - services of the UNDP Pool	Agencies' satisfaction rate min 70%	Agencies' satisfaction rate min 75%	Agencies' satisfaction rate min 80%	Agencies' satisfaction rate min 80%			

Cost savings secured through using UN Pool vs rent-a-car	2013 data	10% savings	15% savings	20% savings	20% savings
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BOS Outcome 5: Common Finance - HACT							
Lead Agency	UNICEF						
Participating UN Agencies	UNDP, UNFPA						
Coordination Mechanisms	OMT, HACT Work Group						
Outcome Budget	US\$ 0.00						
Outcome Budget Gap	US\$ 0.00						
Outcome 6	HACT Macro Assessment conducted and reflected in the UNDAF 2015-2019						
Outcome Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
HACT Macro Assessment prepared	UNCT	2013 – no HACT Macro assessment since 2007	HACT macro assessment prepared and report shared and acknowledged as per HACT framework guide	HACT Macro Assessment not updated in relation to PFM risks change	HACT Macro Assessment updated in relation to PFM risks change	HACT Macro Assessment updated in relation to PFM risks change	Risks: -Inadequate quality of the HACT Macro Assessment -Proper integration of identified risks into implementation strategies Assumptions: -HACT Macro Assessment conducted by a qualified third-party expert with required technical expertise and experience, ensuring good quality and reliable product -Updated and relevant assessments as per UNDG HACT Framework TOR for Macro Assessments available
HACT Macro Assessment signed off by the Resident Coordinator on behalf of UNCT and its summary assessment reflected in UNDAF during the annual UNDAF Review		no	HACT Macro Assessment signed off by RC	HACT Macro Assessment summary introduced into UNDAF	Updated HACT Macro Assessment summary communicate during the annual UNDAF Review	Updated HACT Macro Assessment summary communicate during the annual UNDAF Review	Updated HACT Macro Assessment summary communicate during the annual UNDAF Review

HACT Macro Assessment prepared							
Output Indicators	Source of Data	Baseline	Target 2014	Target 2015	Target 2016	Target 2017	Risk and Assumption
HACT Macro Assessment – desk review of the existing assessments of the Public Finance Management system in BiH	Relevant assessments (as listed in the UNDG HACT Framework Tor for Macro Assessment)	2007	HACT macro assessment finalized	HACT Macro Assessment updated in relation to PFM risks change - data obtained from WB & other parties	HACT Macro Assessment updated in relation to PFM risks change - data obtained from WB & other parties	HACT Macro Assessment updated in relation to PFM risks change - data obtained from WB & other parties	Risk: -Inadequate quality of the HACT Macro Assessment Assumptions: -HACT Macro Assessment conducted by a qualified third-party expert with required technical expertise and experience, ensuring good quality and reliable product -Updated and relevant assessments as per UNDG HACT Framework TOR for Macro Assessments available
HACT Macro Assessment Summary presented during the UNDAF 2015-2019 Annual Review primary output of MA:	World Bank: CFAA report Public Expenditure Review Country Procurement Assessment Review Institutional and Governance Review Capacity Assessment of HIPC PFM Assessments by Other Institutions: IMF Fiscal Transparency Review	2007	-	-	Macro Assessment Summary reflected in the Annual Review of UNDAF 2015-2017	Updated Macro Assessment Summary reflected in the Annual Review of UNDAF 2015-2017	

	Ex-ante audits of PFM systems undertaken by the EU Commission Assessments by CIDA, DFID, EU, ADB PEFA performed by WB, EC, DFID, Swiss State Secretariat for Economic Affairs, French Ministry of Foreign Affairs, Royal Norwegian Ministry of Foreign Affairs and IMF						
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I. ANNUAL WORK PLAN

Year: 2014 (3 months)

EXPECTED OUTPUTS (and baselines, indicated, including annual targets)	PLANNED ACTIVITIES					TIMEFRAME				RESPONSIBLE PARTY	SOURCE	PLANNED BUDGET	
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4			DESC	AMOUNT
Output 1: Flood recovery, including DRR and Mine Action						UNDP				UNDP			
• Strengthening capacities of local civil protection of most landslides affected communities in prevention and responsiveness to landslide threats				X								Travel Contractual services	3,000
				X								Travel Contractual services	10,000
Baseline:													
1. DRR has not yet been successfully integrated into development programmes ranging from the local community level to the level of state institutions				X								Contractual services Printing	11,000
2. Support to the local communities to manage landslides which are too close to the still-lived-in households, focusing on 15 which are considered to present the biggest threat at this point				X								Contractual services	8,500
3. Where existing, risk				X								Travel Contractual services	41,500

assessments do not contain a thorough analysis of vulnerabilities and were not updated during the last five years.	and the infrastructure	
4. Strengthening the Local Communities Teams through training, defined Roles and Responsibilities to competently provide support and assistance prior, during, and after disaster strikes	Action: Integration of improved plans and preparedness (focused on management of landslides) within Integrated Local Development plans and community safety mechanisms	Travel Contractual services 8,000
Indicators:		
1. Up to 5 communities supported to increase their resilience to disasters		
2. Up to 5 communities increase disaster management capacities		
3. Awareness on DRR increased in up to 5 communities		
Targets:		
1. 'Community' based post disaster recovery project and implementation modality through coordinated local Municipalities and UNDP to further strengthen the sense of joined efforts and 'building back better and safer communities, strengthen and able to respond to similar problems in the future.		
Activity 1.1 SUBTOTAL		82,000

Output 1 (continued):

- Enhancing capabilities of mine action authorities to response to crisis and recovery

Activity 1.2: Improving coordination between key government counterparts in mine action

X

5,000

Baseline:

The Recovery Needs Assessment defined the following recommendations:

Action: Arrange regular coordination meeting

10,000

- In order to be prepared for future emergency situations consideration should be given to using BH Armed Forces, Civil Protection to assist in the survey process.

Activity 1.3. Provide training on land release for the trainers & Strengthening the capacities and the resources of mine action inspectors and community mine action coordinators on land release and IMAS;

X

*Printing
Contractual
services
Communications*

10,000

- A full non-technical survey needs to be conducted as soon as possible to confirm potentially contaminated areas.

Action: Advise government officials on implementation of non-technical and technical survey

X

*Travel
Contractual
services*

- High priority tasks identified in the non-technical survey should be followed up by technical survey.

Action: Draft SOPs and rulebooks on land release

X

*Travel
Contractual
services*

Indicators:

No of mine action coordination meetings;

Improved mine action standardization;

Land release pilot project implemented.

Targets:

Mine action coordination ensures coherent mine action between different mine action authorities.

25,000

Activity 1.2 & 1.3
SUBTOTAL

PROGRAMME SUPPORT
RENT AND ADMIN COST

10,000
6,000

TOTAL (2014)

123,000 USD

Year: 2015 (9 months)

EXPECTED OUTPUTS (and baselines, indicated, including annual targets)	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
	Q1	Q2	Q3	Q4		SOURCE	DESC	AMOUNT
Output 1: Flood recovery, including DRR and Mine Action					UNDP	UNDP		
• Strengthening capacities of local civil protection of most landslides affected communities in prevention and responsiveness to landslide threats	X	X					Travel Contractual services	5,000
Baseline:								
1. DRR has not yet been successfully integrated into development programmes ranging from the local community level to the level of state institutions	X	X	X				Contractual services Printing	10,000
2. Support to the local communities to manage landslides which are too close to the still-lived-in households, focusing on 15 which are considered to present the biggest threat at this point		X		X			Travel Contractual services	53,000
3. Where existing, risk		X		X			Travel Contractual services	10,000

assessments do not contain a thorough analysis of vulnerabilities and were not updated during the last five years.	management of landslides) within Integrated Local Development plans and community safety mechanisms
4. Strengthening the Local Communities Teams through training, defined Roles and Responsibilities to competently provide support and assistance prior, during, and after disaster strikes Indicators: 1. Up to 11 communities supported to increase their resilience to disasters 2. Up to 11 communities increase disaster management capacities 3. Awareness on DRR increased in up to 11 communities Targets: 1. 'Community' based post disaster recovery project and implementation modality through coordinated local Municipalities and UNDP to further strengthen the sense of joined efforts and 'building back better and safer communities, strengthen and able to respond to similar problems in the future.	
Activity 1.1 SUBTOTAL	78,000

SUBTOTAL

Output 1 (continued):

- Enhancing capabilities of mine action authorities to response to crisis and recovery

Building capacities of the national mine action authority, BHMAC, the Ministry of Defense and Civil Protection in implementation of the Land Release IMAS

12,000

Baseline:

The Recovery Needs Assessment defined the following recommendations:

Activity 1.2: Improving coordination between key government counterparts in mine action

X

X

15,000

a. In order to be prepared for future emergency situations consideration should be given to using BH Armed Forces, Civil Protection to assist in the survey process.

Action: Arrange regular coordination meeting

X

X

Action: Provide advanced mine action management training

Activity 1.3: Provide technical and expertise support in conducting non-technical and technical survey

X

X

40,000

b. A full non-technical survey needs to be conducted as soon as possible to confirm potentially contaminated areas.

Action: Advise government officials on implementation of non-technical and technical survey

X

X

25,000

c. High priority tasks identified in the non-technical survey should be followed up by technical survey.

Indicators:	Action: Train mine action scouts in non-technical and technical survey methods	
• No of trained personnel in non-technical and technical survey;	Action: Build capacities of the mine action management to govern the process based on the humanitarian mine action criteria and linked with post-floods recovery and development agenda	19,000
• No of trained personnel in mine action management;	X	
• No of mine action coordination meetings;	X	
• Improved mine action standardization;		74,000
• Land release pilot project implemented.	X	
Targets:	Action: Release land to local communities through application of the land release standard	
100 individuals trained on contemporary mine action standards;	Action: Supervise implementation of land release in 10 mine affected communities.	
Land release pilot project implemented in a mine affected community;	Action: Conduct land release pilot project in a mine affected area	
Mine action coordination ensures coherent mine action between different mine action authorities.		
Activity 1.2 & 1.3		
SUBTOTAL		<u>185,000</u>
OUTPUT 1 TOTAL ALL ACTIVITIES		<u>263,000</u>

EXPECTED OUTPUTS (and baselines, indicated, including annual targets)	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		SOURCE	DESC	AMOUNT
Output 2: Local level disaster risk management strengthened	Activity 2 Strengthening of local level capacities for disaster risk reduction					UNDP	UNDP		
Baseline:	Action: Conduct Risk assessment of selected communities	X	X				Travel Contractual services	7,000	
1. DRR has not yet been successfully integrated into development programmes ranging from the local community level to the level of state institutions	Action: Provision of trainings for relevant members of public administration at selected communities			X	X		Travel Contractual services	21,000	
2. Local governments lack capacity and resource to fulfill even basic DRR functions	Action: Implementation of awareness raising activities at selected communities				X		Contractual services Printing	7,000	
3. Where existing, risk assessments do not contain a thorough analysis of vulnerabilities and were not updated during the last five years.	Action: Implementation of number of small-scale disaster mitigation projects at selected communities			X	X		Contractual services	40,000	
4. Local institutions do have plans that prescribe the dissemination of disaster-related information to the competent authorities and the SOPs for reporting but lack capacities	Action: provision of tools and support for mainstreaming DRR in community development plans			X	X		Travel Contractual services	15,000	
Indicators:									

1. Up to 11 communities supported to increase their resilience to disasters	
2. Up to 11 communities increase disaster management capacities	
3. Awareness on DRR increased in up to 11 communities	
Targets:	
1. eleven municipalities develop Local Level Risk Management	
2. Eleven communities implement LLRM including Risk assessment, relevant trainings, awareness raising activities. 4 (one per municipality) small-scale disaster mitigation projects and mainstreaming DRR in community development plans	
<u>OUTPUT 2 SUBTOTAL</u>	<u>90,000</u>
PROGRAMME SUPPORT	
RENT AND ADMIN COST	18,000
	6,000
<u>TOTAL (2015)</u>	<u>377,000</u>
<u>TOTAL (2014 & 2015)</u>	<u>500,000 USD</u>