

**Remarks by June Kunugi, UNICEF Representative  
at the Launch of the Child Rights Impact Assessment Report on Potential Electricity  
Price Rises in Bosnia and Herzegovina**

Sarajevo, 6 December 2007

*Check against delivery*

Distinguished Guests,  
Ladies and Gentleman,

On behalf of UNICEF, it is my pleasure to welcome you to the presentation of the report on the Child Rights Impact Assessment of the effect of potential increases in electricity prices on children and families in BiH.

I also wish to take this opportunity to thank all of our partners—namely DFID, Save the Children UK, and the Directorate of Economic Planning of BiH, for the excellent collaboration we had in conducting the CRIA Research, and especially DFID for the valuable funding support which made this work possible.

This research is unique in this region, and is of significant relevance within the current context in Bosnia and Herzegovina:

1. First, it emphasizes the increasing vulnerability of families with children and of the institutions servicing children to the economic shocks created by increasing commodity prices.
2. Second, it represents an important methodological tool for policy makers to assess the potential impact of their decisions as the basis for evidence-based policy making.

This Child Rights Impact Assessment research set out to determine the impact of potential increases in prices of electricity. Since we began this assessment in 2006, increases in prices have already occurred and there are risks that these prices will further increase along with the prices of other commodities. Examples of sudden increases in prices due to global increase of the price of oil and this summer's drought have provided stark indicators of the vulnerability of BiH markets and households.

The CRIA research has focused on the coping mechanisms of families in the event of price increases. What is clear is that families with children in BiH are already using all their available resources to support their children and they have very limited capacity or survival strategies at their disposal to deal with the increasing costs of living. Unemployment rates, according to the latest Labour Force Survey in BiH are at 31 percent; the average salary for those employed at 585 KM in BiH, whereas the costs of basic commodity baskets are already set at higher levels. Whereas families are consistent in giving priority to their children's well-being, it is clear that the quality of life for children and their access to adequate nutrition, hygiene and education may be seriously influenced by the increasing living costs.

Likewise, government and non-governmental institutions providing services to children such as schools, are already reducing their expenses to a minimum and it seems that the only strategy they may be able to apply to cope with increasing prices would be a further reduction in the quality or availability of their services.

The research has presented a bleak view of the future from the perspective of families and children. However, it also presented solutions for the potential increases in prices of electricity such as subsidization of costs for children's institutions, and the introduction of adequate tariff systems. These are only some of the recommendations highlighted in the report and they require serious planning and commitment on behalf of the BiH governments.

We plan to jointly continue our dialogue with responsible government institutions to develop mitigation and social protection strategies that will be targeted at those households who are most affected and marginalized, particularly in the context of our new project strengthening the Social Protection and Inclusion System for children in Bosnia and Herzegovina, which will be supported once again by DFID, as well as the EC and the Government of Norway.

In addition, we very much want that the methodology developed within this research will be standardized and replicated so that it becomes a common practice and requirement for evidence-based policy making, similar to the way in which industries are often required to conduct an environmental impact assessment before embarking upon a new venture.

Thank you for your kind attention, and we at UNICEF look forward to continuing our partnership and dialogue so that children's issues will gain higher priority in policy making and adequate measures for the fulfillment of their rights guaranteed.