

# BOSNIA AND HERZEGOVINA



## Country disaster risk profile

Bosnia and Herzegovina ([World Bank, 2021](#)) is at risk of natural disasters, which affect the agricultural sector and human health, through seasonal flooding and periods of drought. The most common natural disasters are associated with heavy rainstorms that may cause mudslides and flooding of large areas of agricultural land, houses, and industrial buildings, as well as lead to other changes in the environment. Bosnia and Herzegovina (BiH) also experiences and is at high risk of forest fires due to projected climate change trends and increasing temperatures. The projected changes in climate will make BiH increasingly vulnerable to natural hazards: droughts, heat waves, heavy precipitation, landslides, and floods. BiH is located in south-eastern Europe, one of the most complex tectonic sectors in Europe. While no seismic risk assessment has been undertaken, earthquakes are also a hazard for the country. Bosnia and Herzegovina is also ranked third in the world regarding its vulnerability to intense rain and prolonged rainfall events.



## COVID-19 impact

The first confirmed COVID-19 case in BiH ([IMF, 2021](#)) was reported on March 5, 2020. The government declared a country-wide state of emergency, banned public gatherings, and imposed severe restrictions on the movement of people.

On June 28, 2021, for the first time in months, BiH recorded no COVID-related deaths, a sign of continued improvement. However, BiH continues to lead Europe by having the highest fatality rate (ratio of cumulative COVID-19 deaths to cumulative new cases) at around 4.7 per cent at end-June.

As of February 2022 ([georank 2022](#)), over 367,000 cases were confirmed (10,483/100k), over 160,000 cases were active (4,568/100k), over 192,000 had recovered (5,481/100k) and there had been over 15,200 deaths (435/100k).



## Fiscal and social protection measures

Bosnia and Herzegovina ([IMF, 2021](#)) deployed substantial resources (economy and household levels): at the entity level, the Federation of Bosnia and Herzegovina (FBiH) provided Euro 27 million support to the health sector, Euro 90 million support to firms, and Euro 128 million support to decentralised governments and civil protection. In contrast, the Republika Srpska (RS) provided Euro 74 million support to the health sector, Euro 47 million support to firms, and Euro 18 million support to lower level of governments and other public entities.

On **social assistance**, individual local governments provided significant sums to assist the elderly and families with low or no income. Top-ups and one-off payments were introduced for various categories of beneficiaries (for 6 months), and also several utility waivers.

On **social insurance**, a series of measures were taken on both health insurance, unemployment benefits and social security contributions, whereas on the **labour markets** the focus was on activation measures and wages (minimum) subsidies.



## Structure of governments at decentralised level

BiH ([OECD/UCLG, 2019](#)) has an **asymmetric governance system**, a standard denomination of United Cities and Local Government (UCLG) as it is composed of three entities independently divided between cantons and cities/municipalities.

The FBiH has a three-tier federal government organisation, composed of **ten federal units, (the cantons)** further divided into **79 cities and municipalities** as local self-government units. The RS has a single level of local government constituted of **62 cities and municipalities**. The Brčko District, with around 95 000 inhabitants, is a special unit of local self-government with its own institutions, laws and regulations, powers, and status.

# Documentation of how governments in Europe and Central Asia have responded to disasters and crises through decentralised social protection systems

## **Case study: Bosnia and Herzegovina**

Towards a disaster response through decentralised systems allowing for effective response to the economic and social needs of children and their families, including through social protection measures

Mihai MAGHERU, February 2022

## 1. Introduction

Within the overall documentation of how governments in Europe and Central Asia (ECA) have responded to disasters and crises through decentralised social protection systems, the case study of Bosnia and Herzegovina (BiH) has a multiple stake value:

- The **asymmetric governance system of the country** implies a much higher complexity of institutions with different and complementary roles, but also with cross-coordination among the entities of BiH. This applies to both systems of social protection (SP) and disaster risk management/reduction (DRM/R), with implicit challenges in terms of coordination.
- Despite these challenges, the case study captures a **quite unique model of cooperation among SP and DRM/R sectors**, particularly at municipal/city level.
- While BiH was severely affected by **COVID-19**, particularly in terms of fatality rate and high economic losses, the **governmental response seemed uneven**, with a different approach by each entity of the country, with very different governance structures.

These specificities have an important knowledge generation potential particularly **within the BiH context** and might serve in sharing of good practices and lessons learnt in other governance contexts, bearing in mind the need to **focus on the lowest level of decentralisation – the city/municipality** – which would make possible comparisons or knowledge transfers.

## 2. Provision of social protection by authorities in BiH within an asymmetric, and weakly coordinated SP system

The **social protection systems**<sup>1</sup> in BiH are composed of a social security and a social assistance system. The social security system provides insured persons who have paid their contributions for a minimum period with various benefits to protect against social risks such as old age, ill health and unemployment. The social assistance system is a non-contributory scheme that provides a social safety net for the most in need. It provides eligible persons with family benefits, child benefits, disability and veterans' benefits, and social care services.

In terms of institutional configuration, **different ministries, and different public authorities at different levels of decentralization are in charge of the overall SP system.**

Competences for social protection are mainly **decentralised to the level of the Entities, Cantons and Brčko District (BD)**. At the state level, the BiH Ministry of Civil Affairs has a competence for the coordination of the plans of the entity governments and managing international social security agreements that BiH has ratified. The Ministry of Human Rights and Refugees has competence for the rights of displaced persons and returnees. Laws have been adopted in Entities, Districts and Cantons to regulate the social protection system in BiH. ***The lack of regulatory and institutional coordination, including discrepancies in the provision of social protection rights and services, persist as one of the key bottlenecks in the social protection sector in BiH.***

Social protection in the **FBiH** is organised through the **Federal Ministry of Labour and Social Policy**, the **cantonal ministries of social protection** and the **municipalities**. There is also the Sector for Social Protection and Family and Child Protection within the Federal Ministry of Labour and Social Policy. The cantonal ministries are organised in a similar way to the Federal Ministry of Labour and Social Policy.

Social protection in the **RS** is organised through the **Ministry of Health and Social Protection** and in the **municipalities**. There is a Children's Fund which administers all cash benefits related to children.

Social protection in **Brčko District** is organised through the **Department of Health and Other Services**, as the **Sub-Department for Social Protection and the Centre for Social Welfare**. The sub-department consists of three offices: (i) the Office of Child Protection; (ii) the Office of General Social Protection and Family Protection, and (iii) the Office of Psychosocial Protection.

For one to exercise **the right to social assistance in BiH**, the person must be assessed as unable to work, has no sufficient sources of income or no family members able to support him/her. The system is means-tested and consists of several non-contributory rights available to individuals or families: social assistance for the poor and disability benefits cover various categories of users such as the poor (those receiving permanent social assistance), persons with non-war related disabilities, and civilian

war victims. Supervision is performed by the above-mentioned Ministries while the **Centres for Social Welfare (CSW)** perform key operational activities in both Entities and Brčko District.

**In the FBiH, the social welfare benefits** include: permanent financial assistance (PFA), assistance to persons with non-war related disabilities, assistance to civilian victims of war, and health insurance for the claimant and family members. Cantonal social protection laws establish the amounts and criteria for regular social assistance, while the administration of social assistance in FBiH is ensured through 72 municipal CSW.

**In the RS, the social assistance benefits** cover: permanent financial assistance (PFA) and health insurance for the claimant and family members. Social assistance payments are financed by fiscal transfers from the RS government to municipalities. For the purpose of fiscal transfers, there are five categories of municipalities ranging from the most developed to the least developed. The 45 CSW administer the social assistance scheme, while the municipalities that do not have CSW have their own departments for social welfare.

**The BD Government is in charge of social protection in the territory of the District through the Department of Health and Other Services, as the Sub-Department for Social Protection and the Centre for Social Welfare.** Social assistance is financed from its budget. The following categories are eligible for social, family, and child protection benefits and services: adults – financially unprovided for and unable to work, elderly without family care, persons with disabilities, persons exhibiting socially unacceptable behaviour; persons in a state of social need due to special circumstances; persons victims of abuse; single parents, and children: children without parental care; children with disorders in psychological and physical development; neglected and uncared-for children.

### **3. Harmonised, comprehensive, and functional legal and operational framework missing in the area of DRM/R**

The protection and rescue system in BiH, under which civil protection is the key disaster responder, is organized at several levels: the state level (BiH Council of Ministers and the BiH Ministry of Security), Entity level and Brčko District (in RS the Republic Civil

Protection Administration, in the FBiH, the Federal Civil Protection Administration and in the BD the protection and rescue activities are executed by the Department for Public security of the BD Government), Cantonal levels in the FBiH (cantonal civil protection administrations) and Municipal level (civil protection services in municipalities). Operational capacities rest mainly at the entity and lower governance levels.

According to the World Bank<sup>2</sup>, BiH lacks a harmonized, comprehensive, and functional legal framework, one that would define the roles and competencies of the institutions responsible for managing emergencies and disasters.

**A state-level framework Law has not been converted into consistent legislation, policies, and procedures throughout all levels of government in the different jurisdictions.** It is therefore necessary to improve harmonization of protection and rescue Laws at all levels in BiH. Strengthening the legal system will allow a more coordinated, efficient, and coherent response to large-scale impacts and thus save lives and limit loss of development gains.

The results of the above-mentioned diagnostic indicate that development of the legislative system in recent years has progressed with some positive results. Important caveats exist, however, mainly related to **lack of clarity around (delegated) responsibilities and definitions in use.**

The domain of protection and rescue at BiH level is regulated by the Framework Law on Protection and Rescue of People and Material Goods from Natural and Other Disasters in Bosnia and Herzegovina. In the FBiH it is regulated by the Law on Protection and Rescue of People and Material Goods from Natural and Other Disasters, and in RS it is regulated by the Law on Protection and Rescue in Emergency Situations, while BD applies the BiH Law.

Pursuant to the Framework Law, the Entity laws should be harmonized, but this has not yet been fully done. In addition, the **definitions and terminology in the field of protection and rescue differ.** This lack of clarity in terminology creates confusion on the operational level when decisions are to be taken because responsibilities and accountabilities are overlapping and not clearly defined. As a result, risk assessments, preparedness and response plans and standard operating procedures (SOPs) between different actors within the system and across the different legislative levels do not align. The

contemporary DRR approach and relevant terminology is not yet integrated in the country's legal, policy and institutional elements of the protection and rescue system, which causes mostly a single-sector approach in dealing with disasters, mainly by civil protection.

The protection and rescue financing is regulated differently at the level of State, Entities and in Brčko District. In the FBiH, a special protection and rescue fee is set for legal entities and citizens, who are self-employed or employed in the public sector - 0,5 per cent of paid net wage. The amount can accumulate the current and previous years and be used to finance measures identified by the Protection and Rescue Development Programmes (at different levels), including the rapid mobilisation of emergency resources during disasters. Unfortunately, the funds collected through fees frequently remain unused, due to lack of quality utilization EPR/DRR plans or are sometimes used to cover gaps in other budget lines and help improve budget solvency (triggered by entity and cantonal-level decisions). In addition, at municipal/city level in FBiH, local governments are financing equipment and work of the municipal/city civil protection services as well as functioning of the local Crisis HQs.

#### 4. The Centres of Social Welfare as the pillars of social protection countrywide

The responsibility of implementation of social protection in BiH, and in some cases the legislative powers, are divided between higher (Entities, Cantons) and lower government authorities (local governments). Most of the responsibility lies with the local government units (cities, municipalities) which for that purpose established **Centres for Social Welfare**, with the overall management system of social, family and child protection under the jurisdiction of the corresponding ministries.

The responsibility for the financing of social protection measures is divided between the entities, cantons, and municipalities. BiH institutions provide funds only for social services intended for asylum seekers and foreign nationals, victims of trafficking, who find themselves on the territory of Bosnia and Herzegovina.

While the CSW administratively depend on the local governments and are regulated at entity level and are similar throughout the territory, the

municipalities/cities may also develop their own **Departments of Social Affairs** which perform professional and administrative activities under the City jurisdiction related to: pre-school and school education, **health and social care**, science, culture, sport and physical education, youth, birth rate and demographic policy, **family and protection of children's rights**, public information, humanitarian activities, non-governmental organisations, religious topics, activities related to refugees, displaced people and returnees, legal aid service for citizens, and other jobs placed in their scope of work by special documents. Such departments may include different sections and services, including a Section for health and social care, national minorities, returnees and displaced people, like in the case of the **Municipality of Bijeljina**, in Republika Srpska.

Whereas the capacity of CSW may have improved lately (further details about the case of CSW of the **Municipality of Kalesija** indicate such a trend and are presented in section 7 of the report) a study of 2015<sup>3</sup> identified that their capacity was very weak: a small number of professionals, technically unequipped, little field work, disproportionate number of technical staff, burdened by the administration, have limited resources, are heavily influenced by personal solutions at the level of managers, etc.

#### 5. Municipal/City Civil protection units integrated within broader municipal services, including SP related

The City of Bijeljina developed a **Department of War Veterans, People with Disability and Civil Protection** which is performing professional, administrative, and other activities under the City jurisdiction related to: veterans and protection of people with disability, protection of civil war victims, keeping records and issuance of certificates on information kept in the records about persons who completed military service and about material-technical resources, jobs related to protection and saving citizens and property from natural and other disasters, and civil protection in the City, as well as other jobs placed in their scope of work by special documents.

In this particular case, the **section for civil protection** performs the following jobs: (i) preparation of plans, programmes and documents concerning protection and saving citizens and property from natural and other disasters, (ii) preparation of documents and organising activities within the Civil protection system, pursuant to the law, plans, and programmes

of the City, (iii) organising and implementation of training and practice of Civil protection members, or units and commissioners, (iv) organising and implementing civil protection measures, placement of members into the Civil protection structure, and keeping prescribed records, (v) keeping prescribed records related to material-technical resources for the needs of Civil protection, (vi) planning and procurement of resources and equipment for protection and rescue, or for Civil protection, and their maintenance, (vii) giving instructions to the citizens, companies and other legal entities related to protection and rescue, or Civil protection, (viii) preparation of reports, analyses, information, programmes, and other materials and documents for competent state and city authorities and institutions.

Whereas the section for civil protection is a separate unit from the section for administrative legal affairs and protection of beneficiaries within the Department of War Veterans, People with Disability and Civil Protection, a potential advantage of this configuration might be a higher sensitivity and better understanding at the level of the staff in the civil protection section regarding some of the aspects related to social protection of the targeted beneficiaries.

## **6. Substantial resources to mitigate the adverse effects of COVID-19 with entity specific social protection response and support to local levels**

At state level, according to the World Bank “living paper<sup>4</sup>” Bosnia and Herzegovina ranks quite high<sup>5</sup> in the region in terms of number and diversity of SP measures, with a total of seven core groups of measures. The details of these measures are presented in the annex and may constantly be consulted in the regularly updated version of the living paper.

The purpose of this section is to set out the framework of measures taken by the authorities in BiH and the Entity governments and further corroborate the information with the field findings. It should also be acknowledged that each entity took its own specific measures that are not identical as it could be noticed in the details in the annex. However, a countrywide support was envisioned including specific allocation to local governments as details in the box below.

Below are listed the core measures by the three components of social protection:

**Social assistance: (i) cash transfers, (ii) utility waivers.**

**Social insurance: (i) health insurance, (ii) unemployment benefits, (iii) social security contributions.**

**Labour market: (i) activation measures, (ii) wage subsidies.**

COVID 19-related spending allocations were estimated at about 1.8 per cent of GDP, of which around 40 per cent support to firms, 8 per cent support to households, **37 per cent transfers to be administered by decentralised governments**, and 4 per cent support to entity governments. The pandemic-related budget allocations to the health sector were estimated at about 12 per cent during 2021, with an envisioned revision because of the third wave and prolonged COVID pandemic crisis. No updated current information about their status was available.

## **7. Implementation approaches and practical models of action during emergency and crisis at local level**

While the qualitative analysis<sup>6</sup> only considered a few interviews in each of the five countries<sup>7</sup> selected for case studies, the richness of collected information and the triangulation with data and information emerging from the desk review allowed for summarising some interesting examples of action, potentially convertible into models of good practice that might inspire other municipalities in developing similar approaches.

While the social protection system in BiH is characterised by a series of challenges determined by the complexity of administrative organisation of the country, the evidence from the ground also indicates that at local level, particularly in the municipalities, the stakeholders found genuine approaches to cooperation and working together in the best interest of the vulnerable families and their children. UNICEF BiH has also embarked on supporting these approaches by elaborating the “Guidelines for the Development of Preparedness and Response Plans of Centres for Social Work in the Event of a Natural and other Disaster”<sup>8</sup>, as well as a Methodology for development of a risk and vulnerability assessment in Centres for Social Welfare which is expected to

further consolidate the joint SP and DRM/R efforts at municipality level.

### **Learning from previous disaster: 2014 floods**

Extraordinary rainfall affected Bosnia and Herzegovina between 14 and 19 May 2014, the largest level of precipitation in 120 years. The waters surpassed retention barriers of soil and slopes. The effects were aggravated by pre-existing environmental degradation factors such as deforestation, erosion of riverbeds and construction in hazardous risk exposed areas. **DRM/R and SP entities started to work together in order to better respond to the needs of the most affected.**

While disaster preparedness and response cooperation and joint action at state and entity levels seem more challenging, including on occasions where it may be considered weak, at local level, particularly the municipal one, the stakeholders found proper ways of working together and to cooperate in the best interest of affected persons.

The department, unit or service of civil protection works on a regular basis according to its legal status. However, during emergency and crisis a Crisis headquarters (HQ) unit is activated.

The complex need engendered by the 2014 flood indicated the need to **involve the directors of the CSW in the structure of this Crisis HQ**, hence an opportunity to closely work between DRM/R and SP sectors and better respond to specific needs:

- Provision of material, in-kind support to the affected population, mainly the most vulnerable ones,
- Provision of psychosocial support, counselling and tailored social work support to the most affected,
- Contribute to the evacuation process, including with provision of appropriate information and guidance to the people in need,
- Provide housing support to the most affected, by identifying tailored short and mid-term housing solutions.

### **Social protection top-ups or complementary aid at municipal level during the COVID-19 pandemic**

The CSW, although different from one entity to another, work similarly and the main responsibilities include: (i) Information systems and data management, with focus on beneficiary registries and social registries (ii) Outreach and communication,

sensitization and awareness raising, (iii) Identifying the vulnerable: needs assessment, targeting, registration, enrolment, (iv) Delivery: provision of benefits (from cantonal and/or federation level in the case of FBiH or from entity level in the case of RS) and/or services, (v) Monitoring, evaluation and reporting, (vi) Managing grievance and redress mechanisms, (vii) Coordination (of services across sectors), and (viii) Case management.

**The financial resources necessary for the proper functioning of the CSW** are covered from various levels. In the case of FBiH, the social benefits are mostly covered by the cantonal or federal level whereas the administrative cost of CSW functioning, including salaries for human resources and partially one-off cash assistance are covered by the city/municipality budget. In the case of RS, the mechanism is similar, however, the core budget for social benefits comes from the entity level as it is centralized.

In terms of **social benefits**, two categories exist: (i) basic rights, regulated at FBiH and RS level and uniform throughout the territories, (ii) extended rights, regulated at cantonal and municipal level in FBiH and at municipal level in RS. This category of benefits is where the municipality has the possibility to add new and/or complement the amounts that vulnerable families receive. This also includes social services.

Therefore, in a similar manner to the experience from the 2014 floods, the Municipality of Kalesija put in place a series of measures, including safety, mobile teams for outreach activities, hotline to register and respond to the needs of vulnerable persons, allowing to deploy a series of support actions, particularly in form of in-kind support for the most affected (who lost jobs, are in precarious situation, are isolated, elderly, etc.). The material support was ensured by the municipality funding in complementarity with the aid coming from the cantonal/federal government level.

### **Preparedness and response plans for CSW**

According to UNICEF Guidelines of 2021 (adjusted as per the official legal methodologies for development of protection and rescue plans in FBiH and RS), the Preparedness and Response Plan of Centres for Social Work in the Event of Natural and Other Disasters (plan of a legal entity, in this case a CSW institution) is a planning and operational document that is used in situations of prevention and

preparedness, response and elimination of consequences, i.e. recovery/normalization of life in the disaster-affected area.

The primary objective of the Plan is to provide **timely, efficient, and appropriate social protection to the population in the municipality/city in the event of an increased degree of social vulnerability due to natural and other disasters**. The Plan creates preconditions for efficient action and fulfilment of legally defined obligations of centres for social welfare towards beneficiaries who are in a state of social need caused by natural and other disasters, as well as towards material, technical and organizational resources of the institution itself.

The protection and rescue plans, including those by the CSW, per the legal requirements should:

- Determine the measures that shall be implemented by the legal entity.
- Determine the organization and implementation of protection of employed personnel.
- Prepare an overview of civil protection units with data on personnel, material and technical means and equipment used in performing their tasks.
- Prepare an overview of the Civil Protection Commissioners (contact and roles).
- Determine the organization, tasks, and manner of work of the protection and rescue service.
- Determine the manner of establishing cooperation with the competent municipal authorities in the implementation of protection and rescue measures.
- Determine the manner of performing tasks of importance for protection and rescue.

### **8. Learning from experience and moving further towards an effective response to the economic and social needs of children and their families, including through social protection measures by local governments**

The review of available documentation and the information shared by the key informants at entity and local levels indicate that **the current legal, policy and institutional configuration regarding DRM/R and SP response, including by local governments in BiH is not propitious to developing a (joint) model of intervention**. However, practical experience on the ground requires the institutions and the professionals to adapt and find their proper ways of cooperation, depending on the local configuration of public administration and regulatory frameworks.

The identified approaches are limited by the scope of the research while others are to be found elsewhere. Aiming for a SP system consolidation and better articulation with DRM/R these individual approaches, and further documentation of other models, could inform further reforms.

**Local governments are best placed, and often equipped, to respond, with social protection measures, to the needs of vulnerable families with children, on a regular basis and in crisis and emergency contexts.** However, the current governance system is not propitious for a homogenous approach throughout the country, While a state level social policy framework is not in place, each entity regulates the SP aspects in its own manner. This might engender unequitable situations throughout the territory in terms of access to rights – although access to basic rights seems guaranteed countrywide. In terms of support to vulnerable people, some extended rights might be available in certain settings, but in terms of top-ups to basic rights some locations may provide while others do not.

**Local governments seem to work in a disconnected manner from the upper levels (cantonal, entity and state level) in terms of DRM/R and each municipality has found its own way of organisation and functioning.** Whereas this model of operation could be effective locally, it showed its inefficiency when disasters and crises go beyond the boundaries of the municipality, which is regularly the case of most disasters. All the consulted studies recommended to develop and consolidate a country-wide DRM/R system which is well-coordinated and articulated.

Despite these challenges, **the current organization of municipal civil protection services**, including its links with some elements of the social protection system, **might constitute a model to be replicated, and regulated, at higher government levels in BiH.**

While **local initiatives of mutual support, including better articulation, data sharing and management, financing, etc. have proved their efficiency**, the regulatory frameworks should consider these models and adjust the legislative provisions in order to make the cooperation a reality on the ground, through standard procedures and country-wide implementation.



**Effective and efficient cooperation among the main stakeholders is critical.** This should involve the relevant public (municipal) services, the civil society organisations and, if possible, the private sector too. A protocol of cooperation, with standard and transparent operating procedures is also critical, particularly in terms of data management and data protection, but also in order to avoid overlapping of aid or exclusion of beneficiaries.

The role of CSW is critical but there is a **need for systemic and planned involvement of CSW, as well as other stakeholders of social and child protection, in the broader DRM/R processes:** risk analysis, planning of preparedness measures to respond and

recover from emergencies as efficiently as possible and better suited to the needs of the most vulnerable categories of population, especially children and families.

This would contribute to **more effective and efficient planning** at the level of each stakeholder individually but also in terms of joint responses to crisis and emergency situations. Moreover, knowledge products such as the UNICEF Guidelines of 2021 on the Preparedness and Response Plan of Centres for Social Work in the Event of Natural and Other Disasters, among others, would further consolidate the process.

## Annex: summary of COVID-19 related SP measures

In terms of **social assistance**:

1. **Cash transfers:** Individual local governments provided significant sums to assist the elderly and families with low or no income (US\$250,000 thus far from Sarajevo municipality Stari Grad). For entities, RS and FBiH, top-ups and one-off payments were introduced for Permanent Social Assistance (PSA) beneficiaries, recipients of disability allowance and those in need of permanent home care ranging between one to six months. The top-ups for the permanent social assistance beneficiaries were in place for 6 months. The amount was on average 65-80 US\$ per month. The one-off payment was around 110 US\$. In addition, coverage of PSA is expected to be expanded to new beneficiaries--approximately 6,000. Through the Official Gazette of Republic of Srpska (Decision on payment of one-off financial assistance to employees in public health institutions), the government established that all employees of public health institutions who have worked for a minimum of three weeks from March 15 to April 15, 2020, will be paid tax and contribution of a free one-off amount of US\$ 560 out of the RS Solidarity Fund.
2. **Utility waivers:** Through the "Decision on Amendments to the Decision on the exemption from calculation and payment of indirect taxes and return of already paid indirect taxes on donated equipment and resources for the prevention, suppression and elimination of epidemics", the government extended the list of tax exempted items, which initially include medicines and ambulances only. The government also exempted indirect taxes on face masks, gloves, disinfectants, protective suits, and mechanical medical ventilators during the state of natural or other disasters in the territory of BiH.

In terms of **social insurance**:

3. **Health insurance:** Through the Official Gazette of the Republic of Srpska, the government established that the RS Health Insurance Fund would provide health care funds for citizens with no status of an insured person in the compulsory health insurance.
4. **Unemployment benefits:** A total of EUR 5.5 million was allocated for unemployment benefits for 2020, but this could increase to another EUR 10 million to support job retention and/or increase unemployment benefits.
5. **Social security contributions:** The Solidarity Fund is used to cover social security contributions of employers of business firms and entrepreneurs who were banned from carrying out their activities during the pandemic. Business entities were entitled to the subsidy of social security contributions, in the amount prescribed by the Law on Mitigation of Negative Economic Consequences. To be eligible, businesses must show turnovers of 20 per cent or more in the month for which the payroll is calculated, compared to the realized turnover in the same month in 2019. The entity would be entitled to a right to subsidy under the condition that it has settled contributions and personal income tax payables, conclusively for February 2020.

In terms of **labour market**:

6. **Activation measures:** The government has allocated EUR 33 million for 2020 for activation programs which may be reallocated for immediate assistance to the unemployed.
7. **Wage subsidies:** Contributions to minimum salary were paid from the budget of FBiH.

## Key references

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<sup>1</sup> UN Task Force on Social Protection, 2021, Social protection in BiH, part of Sustainable Development Cooperation Framework (CF), adopted by the BiH Council of Ministers at its 22nd Session on 16 December 2020 and reconfirmed by the BiH Presidency at its 114th Extraordinary Session on 5 March 2021, that will guide the work of authorities in BiH and the UN system until 2025.

<sup>2</sup> The World Bank and the Global Facility for Disaster Reduction and Recovery (GFDRR) 2021, Diagnostic Report Emergency Preparedness and Response Assessment in BiH, financed by the European Union in the framework of the Western Balkans Disaster Risk Management Program, managed by the Global Facility for Disaster Reduction and Recovery and the World Bank, one of five Ready2Respond (R2R) analysis reports commissioned by the World Bank and conducted by Prepared International (PPI) to assess the emergency preparedness and response capacities of five Western Balkan nations.

<sup>3</sup> Iris Network, 2015, Policy paper – development of social services at the local level in Bosnia and Herzegovina, Prepared under the project: “Improving the provision of Social Service Delivery in South Eastern Europe through the empowerment of national and regional CSO networks”, funded by the European Union.

<sup>4</sup> Gentilini U., Almenfi M.B.A.; Blomquist J.D.; Dale P., De La Flor Giuffra L., Desai V., Tharmaratnam Fontenez M.B., Galicia Rabadan G.A., Lopez V., Marin Espinosa A.G., Natarajan H., Newhouse D.L., Palacios R.J., Quiroz A.P., Rodriguez Alas C.P., Sabharwal G., Weber M., Social Protection and Jobs Responses to COVID-19 : A Real-Time Review of Country Measures (May 14, 2021) COVID-19 Living Paper Washington, D.C. : World Bank Group.

<sup>5</sup> During the inception phase the SP measures were mapped for all the 22 countries in the region. Three categories/groups of countries were identified, by the number of measures taken: seven countries with 3 to 5 measures, eight countries with 6 to 8 measures and another seven countries with 9 to 11 measures (none were take all the 12 possible measures). Hence, BiH is part of the second group of countries.

<sup>6</sup> A full methodological approach including an annex regarding the field research are available in a separate Inception Report.

<sup>7</sup> During the inception phase, a set of criteria was set in order to select a group of maximum five countries to carry out the case studies. These criteria were agreed upon with UNICEF ECA Regional Office and the Country Offices of selected countries and can be found in the Inception Report. The countries are: Albania, Bosnia and Herzegovina, Montenegro, Tajikistan and Ukraine.

<sup>8</sup> UNICEF, 2021, Guidelines for the Development of Preparedness and Response Plans of Centres for Social Work in the Event of a Natural and other Disaster, April 2021.

Federal Hydrometeorological Institute, 2022, The seismicity of BiH:  
<https://www.fhmzbih.gov.ba/latinica/SEIZMO/Skarakteristike.php>

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This study was conducted by Mihai Magheru.  
The work was carried out between November 2021 and  
May 2022 in close cooperation with UNICEF colleagues.

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