Supplemental Letter No. 2

FEDERATION OF BOSNIA AND HERZEGOVINA

Date 01/09/2014

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Credit No.4704-BA
(Social Safety Nets and Employment Support Project)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

This refers to paragraph A.1 of Section II.A of the Schedule to the Project Agreement dated June 25, 2010 between the International Development Association (the Association) and the Federation of Bosnia and Herzegovina (the Federation) for the above-referenced Project.

The Federation hereby confirms to the Association that the revised indicators set forth in the attachment to this letter shall serve as a basis for the Federation to monitor and evaluate the progress of the Project and the achievement of the objectives thereof.

Very truly yours,

BOSNIA AND HERZEGOVINA

By ____________________________
Authorized Representative

Attachment
BOSNIA AND HERZEGOVINA: Social Safety Nets and Employment Support Project

RESULTS FRAMEWORK

Proposed Revisions

1. Original PDI No.1: “Increase in % of Non-War Invalid benefits received by the poorest quintile from 30% in 2007 to 40% by 2014. (% of benefits going to the lowest quintile improved) after the implementation of the PMT)”.

Revised PDI No.1: “Improved targeting methodology implemented (min in 80% of CSWs) in RS and BiH with respect to the last resort social assistance program and for benefits for families with children.”

This becomes a Yes/No indicator.

2. Original PDI No 2: “Evidence of improved application processing time (Average application processing time for non-insurance cash transfers decline from 7 months to 2.5 months)”

Revised PDI No 2: “Average application processing time for last resort social assistance program, and benefits for families with children declines from 7 to 3.5 months.”

The end target is revised as 3.5 months as opposed to 2.5 months. Since the estimates for application processing time are very different between the two entities, separation of baselines and targets by entity is proposed for this indicator. The two will be reported separately and as an aggregate.

3. Original PDI No 3: “Total Number of Annual reports detailing benefits, beneficiaries, duplications, fraud/errors, and other relevant information, published and made available to the general public. (Evidence of improved transparency about the benefits and beneficiaries of the three cash transfer programs as per above indicators)”.

Revised PDI No 3: “Total Number of Annual reports detailing benefits, beneficiaries, duplications, and other relevant information, published and made available to the general public.”

“Fraud and error” is removed from the formulation as it does not relate to the activities of the project. The annual targets have been revised such that the total (cumulative) number of reports at Year 5 (end of project) will be 3.

4. Original PDI No 4: “Percentage of non-insurance cash transfer beneficiaries satisfied with services received at CSWs.”

Revised PDI No 4: “Percentage of last resort social assistance program, and families with children program beneficiaries satisfied with services received at CSWs (to be measured as
a composite of satisfaction on physical appearance, professionalism of CSW workers, expertise of CSW workers and waiting time during visit

The end project (Year 5) target is revised as 5 percent of the baseline. Baselines and end targets will be reported separately for each entity and as an aggregate since they do differ considerably.

5. Original PDI No.5: “Percentage of job brokerage service beneficiaries (approximately 10,000 targeted) who find a job after the service or stay employed 1 year after the completion service”.

Revised PDI No. 5: “Percentage of (i) employment subsidy and (ii) training beneficiaries who find a job and stay employed (a) 6 months and (b) 1 year after the subsidy or the training ends”

The indicator will be calculated as a weighted average of the four different sub-elements; (iia), (ib), (iia), and (iib). The end project target is revised as 30%.

Component 1


Revised Intermediate Indicator No. 1: “An improved targeting methodology is developed using the Extended Household Budget Survey 2011”.

The target is revised to year 4.

7. Intermediate Indicator No. 2: “Grievance redressal system strengthened to address claims in a transparent and standardized manner”.

To be dropped as the project does not directly support related activities.

8. Intermediate Indicator No. 3: “Percentage of participating CSWs, applying new targeting approach”.

This indicator is formulated as the revised Project Outcome Indicator 1 hence to be removed from the list of intermediate outcome indicators.

9. Intermediate Indicator No. 4: “New approaches to disability certification/ verification are being applied by the Institute for Medical Examinations in FBH and the relevant Medical Examination Boards in RS”.

To be dropped as there are no substantial direct activities in this area.

10. New intermediate indicator to be added:
“Social protection laws incorporating improved targeting methodology adopted.”

The target year is 5.

**Component 2**

11. **Original Intermediate Indicator No.1** (benefit administration and oversight):  "Entity level integrated management information system, integrating all social protection programs’ databases, established."

Revised Intermediate Indicator No. 1: “SOTAC information system is upgraded integrating of last resort social assistance program, and families with children program beneficiaries’ databases”

Target year is 5.

12. **Original Intermediate Indicator No.2**:  “Percentage of Centers of Social Work using SOTAC database for entering information on non-insurance cash transfers.”

Revised Intermediate Indicator No. 2: “Percentage of Centers of Social Work using SOTAC database for entering benefits and beneficiary information for the last resort social assistance program, and families with children program”

Target is changed from 100 percent to 80 percent in year 5.

13. **Intermediate Indicator No 3**: No change. Already achieved

14. **Original Intermediate Indicator No 4**:  “Number of quarterly progress reports produced by MIS (M&E) Implementation Units according to agreed reporting standards.”

Revised Intermediate Indicator No 4: “Number of quarterly progress reports produced by Implementation Units according to agreed reporting standards.”

The targets are revised as cumulative numbers per year; i.e. Yr 1: 1; Yr 2: 5; Yr 3: 9; Yr 4: 13; Yr 5: 17

15. **Intermediate Indicator No 5**: “Monitoring and evaluation information regarding non-insurance cash transfers (from administrative data in addition to other sources) used for policy formulation by MLSW in FBH; and MoLVA and MHSW in RS.”

To be dropped due to difficulties in measuring and attribution.

16. **Intermediate Indicator No. 6**:  “Percentage of participating CSWs in which beneficiary lists are publicly available”.

To be dropped as it contradicts the principle of confidentiality that the CSWs need to follow.
Component 3

17. Intermediate Indicator No. 1: “Number of persons who ineligible to receive cash transfers or who are vulnerable (e.g. poor, disabled but able to work, hard-to-serve, demobilized soldiers, etc) that receive job brokerage.

No change; remains as is.

Component 4

18. Intermediate Indicator No. 1: “Public communication campaign developed, approved and implemented”

No change; remains as is.

19. Original Intermediate Indicator No. 2: “Percentage of (non-insurance cash transfer) beneficiary population aware of eligibility criteria for (or reform of) non-insurance cash transfers.”

Revised Intermediate Indicator No. 2: “Percentage of last resort social assistance program, and families with children program beneficiary population aware of eligibility criteria for these programs”

Year 5 target to be revised as 20% increase (to be measured as an increase as a percentage of the baseline).

20. Original Intermediate Indicator No 3: “Percentage of general population aware of eligibility criteria for (or reform of) non-insurance cash transfers.”

Revised Intermediate Indicator No. 3: “Percentage of general population aware of eligibility criteria for the last resort social assistance program, and families with children program.”

Year 5 (end project) target to be revised as 20% increase (to be measured as an increase as a percentage of the baseline).