

PROJECT FACTSHEET

WATER AND SANITATION SERVICES MODERNIZATION PROJECT

Bosnia and Herzegovina – February 2022



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Embassy of Switzerland in Bosnia and Herzegovina



HOW TO IMPROVE ACCESS AND EFFICIENCY OF WATER SERVICES IN BIH?

Authorities at all levels in Bosnia and Herzegovina and international donors share a vision to reform the water services sector (water supply, drainage, and wastewater treatment).

The World Bank has launched Water and Sanitation Services Modernization Project (WSS) in Bosnia and Herzegovina to improve the water services sector, through the strengthening of institutional capacities, increase of access and quality of water services and improvement of efficiency of the service providers.

The project is co-financed by the State Secretariat for Economic Affairs SECO. The SECO donor initiative is the continuation of the Swiss support to Bosnia and Herzegovina, which have made a significant contribution to the systematic improvements of the water services sector in BH. This project thematically draws on MEG project initiatives supported by the Government of Switzerland, which provide a reasonable basis for performance-based funding.

The Water Services Modernization Project in BH fully complements the identified priorities within the FP16-FG20 Partnership (CPF) jointly agreed by the World Bank and the BH authorities. Also, the WSS significantly contributes to meeting the United Nations Sustainable Development Goals (SDGs) related to the availability of clean water and sanitation (SDG 6), strengthening industry, innovation, and infrastructure (SDG 9) and sustainable cities and communities (SDG 11).

Regarding EU integration, water services are a strategically important area vital to the BH National

Strategy (2017) for meeting EU environmental regulations. On the other hand, the project brings improvements to the life of BH residents who will have access to better quality of water and sanitary conditions.

The project will mobilize relevant institutions responsible for water services at all government levels in BH and motivate additional international partners to support sector reform.

The key entity partners for implementing the project are the Federal Ministry of Agriculture, Water Management and Forestry, and the Ministry of Agriculture, Forestry and Water Management of Republika Srpska.

Entity representatives will work with the World Bank experts' support and monitoring and advisory support by the Swiss Embassy in BH.

PROJECT OBJECTIVES

The goal of the WSS project is to support the process of modernization of the water services sector in BiH through:

- Strengthen the institutional capacity at the Republika Srpska (RS), Federation of Bosnia and Herzegovina (FBiH), and local level and creation of enabling environment for WSS development,
- Improve access to safely managed WSS services, and
- Improve the efficiency of WSS service providers in participating local governments.

WSS Project will provide benefits to 200.000 citizens of BiH

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PROJECT IMPLEMENTATION THROUGH THREE KEY COMPONENTS

The project will be implemented through three key components in a way that strengthening of institutional capacities will create enabling environment for gradual improvement of the service providers towards reaching operational and financial sustainability. Institutional strengthening will be based on already piloted instruments in BiH, while infrastructure measures will be implemented through a demand-driven performance-based approach.

THE IMPORTANCE OF REFORM AND INVESTMENT IN THE WATER SECTOR

Previous investments in water infrastructure were not adequately accompanied by measures to modernize the water sector necessary to ensure their sustainability and meet citizens' expectations, EU requirements, and adequate response to the crisis caused by the COVID 19 pandemic and climate change challenges.

The Federation of BH and the Republika Srpska have successfully begun modernization of the water services sector.

Entity governments establish a regulatory framework and model for setting uniform tariffs for water services.

The strategic six-year Project for Modernization of Water Services in BH (WSS) supports the systematic reform of this sector with the necessary authorities' cooperation at all levels.

The project will provide technical support to the entity government-led sector reform process.

In addition to mitigating the effects of the COVID 19 pandemic and the impact of climate change and global warming, the WSS seeks to make a cumulative positive impact on BH's economic development and prosperity.

PROJECT IN BRIEF

NAME:

Water and Sanitation Services Modernization Project – WSS

DOMAIN:

Local governance and municipal services

LAND/REGION:

Bosnia and Herzegovina

PARTNERS:

Federal Ministry of Agriculture, Water Management and Forestry and the Ministry of Agriculture, Forestry and Water Management of Republika Srpska.

STARTING POINT / BACKGROUND INFORMATION:

The project is particularly important and caused by the socio-economic conditions in BH, infrastructure sustainability and quality of water services, coping with the consequences of the COVID 19 pandemic, rising unemployment and general conditions for the economy and household life.

PROJECT OBJECTIVE:

The goal of the WSS project is to strengthen institutional capacities in the water sector, both at the entity level of the Republic of Srpska and the Federation of Bosnia and Herzegovina, and at the local level with the active participation of local governments.

TARGET GROUP:

The project is aimed at BH authorities at the entity RS / FBH level, as well as at the local level.

COSTS:

USD 69,7 million
(of which Swiss participation is USD 7 million)

DURATION: November 2021 – November 2027

Together, we move forward