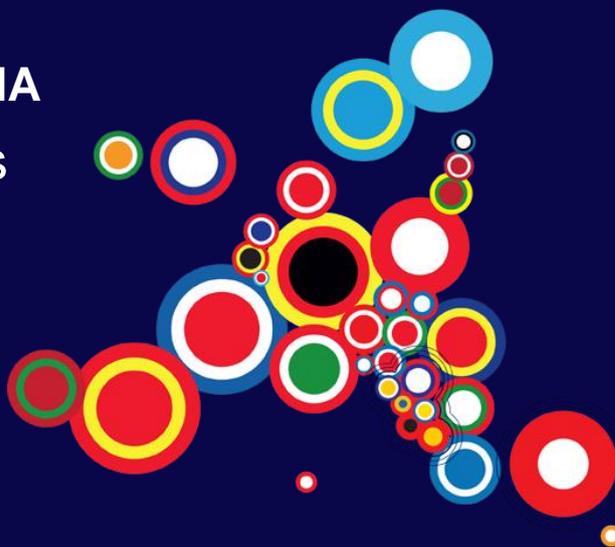




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

### BOSNIA AND HERZEGOVINA

EU support to home affairs  
to combat illegal acts



#### **Action summary**

This action will contribute to improved public safety and security in BiH and wider region allowing for more prosperous economy and society.

The action supports capacity development of competent institutions combating illegal acts in Bosnia and Herzegovina, in line with the EU and international standards. To combat illegal acts, three areas of intervention are planned to be supported: integrated border management, fight against organised crime, including trafficking in human beings (THB), and reduced irregular migration.

In each of the three envisaged areas, the planned interventions and capacity development will be twofold: 1) building and equipping priority facilities and infrastructure and 2) building the capacity of the competent staff, aiming to increase the effectiveness of the institutions that contribute to the fight against organised crime and other illegal acts in Bosnia and Herzegovina.

<b>Action Identification</b>	
<b>Action Programme Title</b>	Annual Action Programme for Bosnia and Herzegovina for the year 2017
<b>Action Title</b>	EU support to home affairs to combat illegal acts
<b>Action ID</b>	2017/040-524.03
<b>Sector Information</b>	
<b>IPA II Sector</b>	Rule of Law and Fundamental Rights
<b>DAC Sector</b>	15210 Security system management and reform
<b>Budget</b>	
<b>Total cost</b>	EUR 13 500 000
<b>EU contribution</b>	EUR 13 500 000
<b>Budget line(s)</b>	22.020101
<b>Management and Implementation</b>	
<b>Management mode</b>	Direct management
<i>Direct management:</i> <b>EU Delegation</b> <i>Indirect management:</i> <b>National authority or other entrusted entity</b>	EU Delegation to Bosnia and Herzegovina
<b>Implementation responsibilities</b>	EU Delegation to Bosnia and Herzegovina
<b>Location</b>	
<b>Zone benefiting from the action</b>	Bosnia and Herzegovina
<b>Specific implementation area(s)</b>	Bosnia and Herzegovina
<b>Timeline</b>	
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2018
<b>Final date for concluding delegation agreements under indirect management</b>	N/A
<b>Final date for concluding procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 189(2) of the Financial Regulation
<b>Final date for operational implementation</b>	6 years following the conclusion of the Financing Agreement
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement

<b>(date by which this programme should be de-committed and closed)</b>			
<b>Policy objectives / Markers (DAC form)</b>			
<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	x
Aid to environment	x	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	<input type="checkbox"/>	x	<input type="checkbox"/>
Trade Development	x	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	x	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	x	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	x	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	x	<input type="checkbox"/>	<input type="checkbox"/>

# 1. RATIONALE

## PROBLEM AND STAKEHOLDER ANALYSIS

In a globalised world, national security and stability encompasses a plethora of issues such as irregular migration, fight against drug abuse, money laundering, hi-tech and cyber-crime, organised crime including trafficking in human beings (THB), and terrorism. Combating all of these and strengthening the rule of law and law enforcement in general are priorities for the European integration process in Bosnia and Herzegovina.

Irregular migration and THB caused by the economic crisis and conflicts, the related human security aspects, and how this affects security, are at the top of the EU and international political agenda. Given the trans-national nature of the abovementioned issues, creating functional border management is of paramount importance in preventing, detecting and combating various forms of criminal activities as well as in managing the influx of irregular migrants and asylum seekers.

Many cross-border criminal activities and organised criminal groups compel Bosnia and Herzegovina (BiH) to define and take on more responsibilities regarding **Integrated Border Management (IBM)**. One of the crucial tasks of responsible institutions regarding implementation of the IBM Strategy is the development of technical and infrastructural capacities for the implementation of the IBM within the context of further preparation for the EU accession of BiH. The border management information system via the communication network is developed, used, administered and maintained by the Border Police of BiH. In addition to the Border Police of BiH, as the primary and largest user, the other agencies within the Ministry of Security of BiH have a right to use this communication network: State Investigation and Protection Agency (SIPA), Directorate for Coordination of Police Bodies of BiH, Service for Foreigners' Affairs of BiH, Police Support Agency of BiH, Agency for Forensic and Expert Examinations. The communication network spreads throughout BiH. The network connects 54 international cross-border points and 27 organisational Border Police units at the local and regional level. The cross-border points are open 24/7, 365 days a year. The current communication capacities are insufficient to ensure the transfer of data when the scope of data increases and they need to be upgraded.

BiH has 83 cross-border points, whereof 55 are international, and 28 are local cross-border points. Only 20 cross-border points, or 24.1% out of the total number of the cross-border points, meet the minimum criteria and standards to perform border control operations. This problem is particularly highlighted at cross-border points for local border traffic where most of them either lack operational facilities at all, or the facilities are in a very bad condition. As the infrastructural capacity development is one of the pre-conditions for an efficient control system for movement of goods and persons, it is necessary to provide proper equipment for these cross-border points in order to enable a normal operation course for the cross-border point officers. Moreover due to insufficiently equipped local cross-border points, the number of revealed criminal offences remains relatively low. Lack of capacities of the cross-border points will consequently cause a risk of the information system lagging behind the organised crime development.

Protection and exchange of **classified information** to a great extent equals protection of national security interests. The exchange of classified information is an integral part of mutual communication between law enforcement agencies, intelligence agencies, defence institutions and other relevant institutions in BiH. A method of protected data exchange by courier service is currently in use in BiH, causing a reduced volume of cases and information exchanged between competent authorities. The majority of classified information which are subject of exchange has classification level *confidential* or *secret*, so it is possible only to transfer such data in paper form, by courier, which is inefficient and unreliable. Due to the use of traditional courier service in the exchange of classified information, compared to the electronic system, which is faster and more efficient, law enforcement agencies in BiH have a reduced efficiency in the fight against organized crime. Additionally, a certain smaller number of institutions and agencies use out-dated systems for exchange of classified information in electronic forms which are incompatible with each other and do not meet basic safety standards of the EU and NATO. Therefore, investment into enhancing the system for the exchange of classified

information in electronic form to reach the levels *confidential* and higher is essential for efficient fight against organised and other forms of crime.

As far as cyber-crime is concerned, Bosnia and Herzegovina lacks a comprehensive overall strategic approach to address the issue of **cybercrime** and cyber security threats. Existing capacities to combat cybercrime and respond to cyber security threats need to be strengthened. Given the present threats with regards to unauthorised access to data, network and computers, the particular importance should be attached to combating and preventing criminal and irregular activities, such as cyber-crime. In order to respond to cyber security treats and risks, units for cybercrime were established in the several police agencies in BiH. Due to the lack of budget funds, lack of training strategy covering the areas of cybercrime investigation and digital forensics and lack of individual training plans for cybercrime specialists, the technical qualification level of these units suffers in terms of cybercrime treatment. Taking into consideration severity and frequency of cybercrime cases in BiH, as well as lack of capacities in the existing cybercrime units, it is obvious that urgent measures to strengthen this segment are needed. Otherwise, the information systems, information and their owners in BiH would be even more exposed and vulnerable.

A fully functional system for legal interception of communication is critical for effective detection and combating of crime. According to the signed Memorandum of Understanding on establishment of **System for legal interception of communication** for all relevant police bodies in Bosnia and Herzegovina, which is signed between Ministry of Security of BiH, State Investigation and Protection Agency (SIPA), Border Police of BiH, Entity and Cantonal Ministries of Interior and Brčko District Police, the System is located in SIPA who is responsible for its administration. All signatories of the memorandum have the right to use the System. Since 2008 until today, police structures have achieved immeasurable contribution in fight against corruption, crime, terrorism and other forms of crime by using existing System, thus showing that it is an essential tool in the detection of crime. In addition to the globalization and technological advancement of communication, the problem is the fact that the current version of the System for legal interception of communication has support from vendor only until the end of 2018. After that, the possibility of conducting special investigative action, surveillance and technical recording of communication will be in question, not mentioning the inability for law enforcement agencies to work proactively.

Additionally, taking into consideration the number of the law enforcement agencies in BiH, the limited capacities of the current version of System in SIPA and the practice in complex European countries which work with a support of several systems, it is of high importance for BiH to have a new system for effective police work. Furthermore, without having a new system for interception of telecommunication, future investigation work of the police authorities in BiH can be jeopardized and security situation for citizens diminished. The new System, which would be located in SIPA, is crucial for police and operational work in BiH.

Reduced efficiency in the fight against organised crime regarding the exchange of classified information in electronic form, vulnerability of information systems regarding cybercrime and insufficient capacities for detection of crime, jointly reflect in low percentage of filed charges in relation to the number of reported cases of organised crime.

Irregular migration and increasing number of asylum seekers continue to put pressure on the agencies responsible for dealing with asylum seekers and irregular migrants in BiH. Although the migration crisis has so far not directly affected Bosnia and Herzegovina, the country's preparedness to manage eventual sudden influxes should be enhanced. The development of an effective migration database is essential for any realistic efforts to responsibly manage migration.

The existing **information system on migration**, i.e. central database on foreigners, is a central record of personal data of foreign citizen and it contains all data on movement of foreign citizens - entering, staying in and leaving BiH. In accordance with the jurisdiction, the Service for Foreigners' Affairs of BiH, BiH Border Police, Ministry of Foreign Affairs of BiH, Department for Asylum at Ministry of Security of BiH and Department of Immigration at Ministry of Security of BiH perform entering, processing and deletion of these data. Intelligence-Security Agency of BiH and other police authorities in BiH have the right to review data, when executing their duties in accordance with their competencies.

The current situation is such that the migration information system does not have a biometric system, and therefore it is not possible for competent authorities to collect, analyse and process biometric data of foreigners, which is one of the conditions on the European path of Bosnia and Herzegovina. Also the lack of functionality and efficiency of existing migration information system directly reflects on the efficiency of monitoring of the situation in migration and asylum, the more effective fight against irregular migration, and to the security of BiH and its citizens. Due to the lack of biometric data, there is a low level of reliable identification of foreigners and frequently occurring problems with the identification of foreigners, especially irregular migrants from countries outside the region, most of whom do not have any identification documents. In addition, abuse of identity, often connected with other types of criminal activities, such as smuggling, money laundering, trafficking in human beings (THB), false representation and concealment of identity, is an increasingly frequent criminal activity.

The Migration Information System is the basis for the development of a truly intelligence-led approach to migration management. Therefore for the fully functioning system it is necessary to implement Biometric Module in Migration Information System.

Direct beneficiaries of the action are the Ministry of Security of Bosnia and Herzegovina, the State Investigation and Protection Agency (SIPA), the Border Police of Bosnia and Herzegovina, Directorate for Coordination of Police Bodies of Bosnia and Herzegovina, Service for Foreigners' Affairs of Bosnia and Herzegovina, the Ministry of Interior of Republika Srpska, the Ministry of Interior of Federation of Bosnia and Herzegovina, 10 Cantonal Ministries of Interior, the Brčko District Police, the Ministry of Defence of Bosnia and Herzegovina, the Intelligence-security agency of Bosnia and Herzegovina, the Ministry of Foreign Affairs of Bosnia and Herzegovina and the Indirect Taxation Authority of Bosnia and Herzegovina.

#### **OUTLINE OF IPA II ASSISTANCE**

In order to effectively deal with any sort of illegal acts and thus prevent possible, while at the same time combating on-going organised crime activities, this action will be implemented in three closely interconnected components: integrated border management, fight against organised crime including cyber-crime, irregular migrations including trafficking in human beings (THB).

The main problem in all three components addressed with the action is the low capacity level of the competent institutions (mostly material-technical, but also human resources and institutional settings) leading to, in the essence, insufficiently effective fight against organised crime in BiH. Should BiH not address this problem soon – and therefore this action is proposed – organised crime in all its diversified forms threatens to spread and strengthen and jeopardise significantly the public safety in BiH. Without means planned under this IPA II assistance, BiH would not be able to duly support the needed capacity building in Home Affairs sector.

In each of the three envisaged components, the proposed action will be implemented in two parallel interventions: a. building and equipping priority facilities and infrastructure (e.g. providing high-tech equipment for communication, detection and data processing and effective exchange; equipping necessary facilities for effective up-to-date work), and b. training, education and supporting professional development of relevant staff to be able to autonomously and sustainably deal with basic as well as most challenging illegal acts by using contemporary techniques and methods.

The three components are focused on achieving one result each within the action. Within the Integrated Border Management components, the quality of border control in BiH will be improved. This will be done by installing new communication links, software and hardware for management and monitoring functioning of the equipment and the network and other equipment for data processing and exchange; also, local cross-border points will be developed to meet the infrastructural requirements for unhindered and controlled passage of people and goods. The key staff will be trained where necessary to effectively use the new technologies provided by means of the action.

Within the component dealing with organised crime including cyber-crime, the action will further develop institutional system capacities. This will be done through three main activities with clearly defined tasks, each implemented in various specific areas dealing with organised crime: exchange of classified information, special investigative actions and cyber-crime. With the new System for legal interception of telecommunication nested in the State Investigation and Protection Agency (SIPA) the

continuation of effective implementation of special investigative actions – surveillance and technical recording of communication will be enabled for law enforcement agencies in BiH, as well as new opportunities according to global progress of ICT technologies ensured. In the past, the System has shown to be an essential tool in all investigations led by the competent police bodies in BiH and a new system is of great importance for further success in investigation work of the police authorities in BiH.

As far as the component of migration and asylum, the action will enable to upgrade the existing Migration Information System, which includes the development of biometric identification of foreigners. This new Biometric Module will be integrated into the current Migration Information System and enhanced to increase level of reliable identification of foreigners in BiH. Upgraded system as such will enable more effective irregular migration detection and identification of irregular migrants at the borders and within the country.

The EU and Bosnia and Herzegovina have jointly agreed, as a follow-up to the EU Senior Official's Mission on **counter-terrorism (CT) and prevention of violent extremism (PVE)** in April 2017, that several priorities should be integrated to the implementation of this action when relevant, in particular in relation to the Western Balkan Counter-Terrorism Initiative (WBCTi) and implementation of the BiH Strategy for Preventing and Combatting Terrorism 2015-2020 and its Action Plan.

Direct beneficiaries jointly identified priorities envisaged by the action and will closely and comprehensively cooperate in the implementation of the action in order to combat illegal acts within the country in an efficient and effective way.

#### **RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES**

**Europe 2020 Strategy** stresses the need for establishing efficient border management, appropriate asylum, migration and visa policies, which will together with combating various types of crimes (organised crime, THB) allow for more prosperous economy and society.

**South East Europe 2020** strategy is focused on achieving safety and security of citizens and state as indispensable condition for achieving growth. Regional co-operation between BiH and the neighbouring countries in the areas such as fighting organised crime is already well established.

**The Stabilisation and Association Agreement (SAA)** binds BiH to continue with and promote cooperation and good neighbourly relationships, as well as project developments of common interest, especially the ones related to the fight against organised crime, money laundering, irregular migration and smuggling, especially of people with small arms and light weapons, as well as illegal drugs.

**The EC Report for BiH 2015** stresses the need for upgraded integrated system for controlling State border crossings, which should be more effective in detecting invalid documents; the general lack of coordination and cooperation between law enforcement agencies hampers the ability of the police to deliver a full range of services and a regulation setting out access rights to data and databases needs to be adopted. Also, the **EC Report for BiH 2016** highlights the need to further improve the implementation of IBM policy, especially by strengthening the Joint Risk Analysis Centre, border control capacity and migration management capacities, particularly in dealing with vulnerable groups.

**The Indicative Strategy Paper for BiH (2014-2017) (ISP)** states that BiH integrated border management system requires further development, support to the implementation of asylum and migration policies. in terms of infrastructure, equipment, comprehensive institutional co-operation and capacity building. The ISP places strong emphasis on combating organised crime and corruption. It stresses that cooperation and coordination on the exchange of criminal information and intelligence within the country are considered to be insufficient, thus intelligence led policing is not fully achieved. Implicitly, maintaining and further upgrading of the Police-Prosecution Data Exchange System, as well as other forms of national and international cooperation (i.e. with EUROPOL and EUROJUST channels, etc.) are vital. To curb organised crime and corruption, it is necessary to reinforce the system of assets recovery and to strengthen the law enforcement agencies in tackling, in particular, financial crimes and cybercrime.

With regard to the aforementioned challenges in ISP and other key reference documents, this IPA II assistance will address the issues related to further development of integrated border management, asylum and migration system and fight against organised crime including trafficking in human beings (THB), in terms of infrastructure, equipment, comprehensive institutional co-operation and capacity building.

### **Other Relevant Strategies**

The implementation of the action directly contributes to the implementation of the Integrated Border Management Strategy for the Period 2015-2018 and its accompanying Action Plan. Also, the action is aligned with the Strategy in the Area of Migrations and Asylum (2016-2020), the Strategy for Prevention and Counter Terrorism and the Strategy to Combat Organised Crime.

The Migration and Asylum Strategy foresees the development, upgrading and maintenance of the information and communication system that enables collection, archiving, processing and exchange of data among key relevant institutions.

BiH Strategy for Prevention and Counter Terrorism (2015-2020) envisages a significant number of measures aiming to improve the border protection. A pre-condition for the implementation of these measures, as the inter-linkage of all relevant systems and data bases referring to border safety, biometric data collection, establishment of the Automatic number plate recognition (ANPR) system and video surveillance at the cross-border points, is to increase the capacities of communication connections, improve the information system safety as well as Border police of BiH information management, which is planned by this action.

In addition, this action contributes to the achievement of two objectives planned within the Strategy to Combat Organised Crime in Bosnia and Herzegovina: 1. Strengthening of capacities (human, technical and financial) of all subjects in Bosnia and Herzegovina which participate in the fight against organised crime and 2. Development of new standardised and improvement, maintenance and update of the existing information systems and databases of the law enforcement agencies and a sustained information technology education of employees.

### **LESSONS LEARNED AND LINKS TO PREVIOUS FINANCIAL ASSISTANCE**

As there have been a number of interventions in the respective sector, there are several important key messages and lessons learnt for future projects: it is important to program the interventions mature enough for the implementation, maturity being reflected in the preparedness of strategic framework linked to development priorities and reform. Furthermore, existence of administrative structures to implement strategic priorities and commitment of policy decision-makers to pursue the agreed reforms is crucial. Given the complexity of the sector scope and the underlying institutional setup – the number and the variety of stakeholders which are the carriers of sub-sector policies - the success of any intervention is directly proportionate to the extent to which institutions cooperate, share and exchange information. Availability of up-to-date sector assessments and targeted analyses is essential as well as the awareness of sector stakeholders of the data and statistics contained therein. Finally, lesson learned from the programming and implementation of previous and on-going EU assistance is that political commitment and ownership of the reform process is an indispensable precondition for the success of EU interventions. In addition, a key lesson learned from the programming and implementation of the IPA I assistance, concluded in the Second Country Interim Programme evaluation of IPA assistance in Bosnia and Herzegovina, is that systematically devoting efforts in securing not only the consent but also the ownership and commitment of all stakeholders is an imperative before the action starts in the complex governmental and administrative framework of BiH. These lessons learned from the evaluations have been taken into account while the programme was designed.

The lesson learned from the implementation of IPA financed projects related to the construction of border crossings, is that only locations which have resolved property issues (or whose issues are expected to be easily resolved) shall be chosen for the construction of border crossings

In one of the previous actions, problems were encountered in relation to utilization and sharing of information for which the Directorate for coordination of police bodies provides the host. Although

10 million entries of the “police- related-data” were entered in the first few months in those databases, still the complete utilization of the system appeared to be a problem, since some of the police institutions objected the location of the databases and the institution that should run and maintain them. Recommended mitigation measures for future similar projects that are aimed to support establishment and functioning of the databases in which a number of police institutions from several level of authorities that are answering to different supreme authority would be obliged to provide rather sensitive police or security data to be entered in databases, is the following precondition: the entire needed legal framework is in place that will insure entering and exchange of data from and within the databases; Memorandum of Understanding (MoU) is signed by all the parties who are providing data to the databases, and in which for every single beneficiary all the duties and obligations in regards of utilizing the databases are enumerated; the MoU is to be adopted by all the appropriate levels of authority. Each beneficiary institution has reserved a staff to be trained to work on the databases; the appropriate funds in the budget of the each beneficiary institution are planned to support maintaining of these databases.

In the context of the ongoing IPA twinning project "*Support to the area to law enforcement*", experts supporting the police force and the police sector have found that the police force is under-equipped, and did not take advantage of applying scientific methods in their line of work. They also stressed that the police force did not develop its capacities to use advanced investigation techniques.

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To improve the public safety and security in Bosnia and Herzegovina	Progress made towards meeting the accession criteria (fight against corruption and organised crime, border management)	EC Reports on BiH	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
To improve the effectiveness of institutions that contribute to the fight against organised crime, including trafficking in human beings (THB), and other illegal acts in BiH	<p>1. Number of detected illegal acts (criminal offence and offence) on the border including false passports.</p> <p>2. Percentage of filed charges in relation to the number of reported cases of organised crime and leading to prosecution.</p> <p>3. Percentage of biometric data about the foreigners entered in Bosnia and Herzegovina in the upgraded Migration Information System in accordance with legal requirements</p>	<p>The Border Police Reports</p> <p>Indirect Taxation Authority Reports</p> <p>High Judicial and Prosecutorial Council Annual Report</p> <p>Bosnia and Herzegovina Annual Migration Profile</p>	Political and economic stability of BiH and the region remains at the same level
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Result 1: Capacity of cross-border points improved (facilities and equipment)</p> <p>Result 2: Capacities of the institutions dealing with organised crime are further developed (staff and equipment) to enable detection and identification of crimes</p> <p>Result 3: Capacities for biometric identification in the area of migration and asylum are strengthened</p>	<p>1.2. Number of cross-border points reconstructed and equipped</p> <p>1.1.-1.5 Number of communication links of higher throughput, highly powered UPS including UPS devices and batteries to upgrade the capacity of existing and new licensed firewalls installed, including purchase and instalment of the hardware and software</p> <p>2.1. Tailored-made system for exchange of classified information in electronic form</p> <p>2.2. Number of police units dealing with cyber-crime cases trained</p> <p>2.3 New system for legal interception of telecommunication</p> <p>3.1.Migration Information System (MIS) upgraded by foreigners' biometric data</p>	<p>Indirect Taxation Authority Reports</p> <p>Reconstruction Supervision Report</p> <p>Final Implementation Report</p> <p>Ministry of Security Report</p> <p>Action reports</p> <p>Twining Implementation Report</p> <p>Final Implementation Report</p> <p>SIPA Report</p> <p>Final Implementation Report</p>	<p>Adequate implementation of asylum and migration policies in the region.</p> <p>Relevant staff continues to regularly use new IT tools, instruments, knowledge and skills in everyday operations.</p> <p>Effective cooperation and coordination between all relevant institutions in BiH and the region.</p>

## **DESCRIPTION OF ACTIVITIES**

### **Activities related to Result 1: Capacity of cross-border points is improved (facilities, equipment)**

#### **Activity 1.1. Improve BiH Border Police information system**

Beneficiaries for these activities are: Ministry of Security of Bosnia and Herzegovina, Border Police of Bosnia and Herzegovina and Indirect Taxation Authority of Bosnia and Herzegovina.

This activity will be conducted with following sub-activities:

##### **1.1.1. Purchase and install communication links**

These are links between two locations on the telecommunication network. The communication links with higher throughput will widen the capacities of the network in order to fulfil future needs. The existing network, consisting of 30 hubs integrated with 33 links spreads throughout BiH and towards 81 end locations (cross-border points and organisational units). It is necessary to replace the access equipment at the end points. The communication links of higher throughput will widen the capacities of the network in order to fulfil future needs. It is necessary to replace the access equipment at the end points.

1.1.2. Purchase and install the highly powered UPS for the Border Police of BiH (BP) server room with specifically designed voltage lines with fuses for each power supply source and UPS devices and batteries for upgrading capacities of existing UPS devices.

1.1.3 Purchase and install the Firewall in the Border Police of BiH server room to prevent foreign body intrusions in the BiH BP Information system and the Firewalls (approx. 80 pcs) on the Border Crossings, together with the licence and provide training for the employees of the BP.

1.1.4. Purchase and install software and hardware for management and monitoring functioning of the equipment and the network.

1.1.5. Supply of IT equipment: 100 computers with monitors and licenses for the Windows operating system; 15 pieces of a multifunctional high capacity network printers/devices (printer, copier and scanner).

#### **Activity 1.2. Develop local cross-border points to meet the infrastructural requirements for unhindered and controlled passage of people and goods**

Beneficiaries for these activities are: Border Police of Bosnia and Herzegovina and Indirect Taxation Authority of Bosnia and Herzegovina.

This activity will be conducted with following sub-activities:

1.2.1. Purchase equipment and build the infrastructure for 13 cross-border points for local cross-border traffic.

The infrastructure includes: Equipped accommodation booths for employees; Awning; Car stop barriers; Aggregates; Water reservoirs; Computers.

1.2.2. Provide supervising of the construction works.

The supervision will be in line with the relevant provisions, record keeping, reporting on the mentioned construction works, and reporting together with the Contractor on the work performed.

The Indirect Taxation Authority will do all the preparatory work for activities 1.2.1 and 1.2.2 regarding providing location, required documentation and fulfilment of necessary pre-conditions referring to electrical, telecommunication, water and sewage installations. The state of play of border crossing points will be available upon request.

### **Activities related to Result 2: The capacities of institutional system dealing with organised crime are further developed (staff and equipment)**

#### **Activity 2.1. Develop the system for exchange of classified information in electronic form in BiH in accordance with existing regulation**

Beneficiaries for this activity are law enforcement agencies, judicial and prosecutor institutions, intelligence institutions, defence institutions in Bosnia and Herzegovina: Ministry of Security of BiH, State Investigation

and Protection Agency of BiH, Directorate for Coordination of Police Bodies of BiH, Border Police of BiH, Service for Foreigners' Affairs of BiH, Intelligence – Security Agency of BiH, Prosecutor's Office of BiH, Court of BiH, Ministry of Interior of Federation of BiH, Ministry of Interior of Republika Srpska, Brčko District Police, 10 Cantonal Ministries of Interior in the Federation of BiH, judicial and prosecutor institutions on lower level in the Federation of BiH and Republika Srpska and Ministry of Defence of BiH.

This activity will be conducted with following sub-activities:

2.1.1. Design the system for exchange of classified information in electronic form.

In cooperation with the Ministry of Security of Bosnia and Herzegovina, the needs will be precisely defined as well as institutions by priority of implementation and the technical specifications.

2.1.2. Purchase, install and configure the equipment needed for establishing of the system for exchange of classified information in electronic form.

This sub-activity is to establish a system for electronic exchange of classified information up to the classification level “SECRET” in accordance with EU and NATO standards and regulations in force in Bosnia and Herzegovina. The system will connect locations belonging to law enforcement agencies, judicial and prosecutors institutions, intelligence institutions, defence institutions of Bosnia and Herzegovina, as well as other relevant agencies and institutions in Bosnia and Herzegovina with the mandate to exchange classified information. Through this sub-activity a core system will be created and efficient exchange of classified information at the state and entity level in Bosnia and Herzegovina in the area covered by Home Affairs enabled. The installation of equipment will be followed by training and other related activities needed to make the relevant staff competent in using and maintaining the system. It is envisaged to equip up to 22 sites for exchange of classified information.

### **Activity 2.2. Develop capacities of cyber-crime units in police agencies**

Beneficiaries for these activities are: Ministry of Security of Bosnia and Herzegovina, State investigation and protection agency of Bosnia and Herzegovina, Border Police of Bosnia and Herzegovina, Ministry of Interior of the Republika Srpska, Police Support Agency of Bosnia and Herzegovina, Forensic Examinations and Expertise Agency of Bosnia and Herzegovina, the Ministry of Interior of the Federation of Bosnia and Herzegovina, the Brčko District Police, the Cantonal Ministries of Interior.

This activity will provide specialised training programme and courses for staff designated to work on cybercrime cases. The specialised training courses will be related to following domains: dealing with electronic devices and devices for recognition which may contain evidence of crime; search of computers and other electronic equipment; analysis of digital evidence and its presentation; use of the Internet as a tool in investigation; interception of electronic messages; prevention of the use of ICT for crimes of paedophilia; ICT system protection and security, as well as many other current and relevant domains for which representatives of units for cybercrime express their interest and need.

Activities will build on and coordination and complementarily will be ensured with other interventions in this field such as interventions through regional projects.

### **Activity 2.3. Develop capacities of law enforcement agencies in the area of special investigative measures**

Beneficiaries for these activities are: Ministry of Security of Bosnia and Herzegovina, State investigation and protection agency of Bosnia and Herzegovina, the Ministry of Interior of the Federation of Bosnia and Herzegovina, Ministry of Interior of the Republika Srpska, the Brčko District Police, the Cantonal Ministries of Interior, Border Police of Bosnia and Herzegovina.

This activity is to establish a new system for legal interception of telecommunications in SIPA, for usage by law enforcement agencies in BiH.

The System will be of the required capacity to provide for efficient and effective utilisation by all relevant law enforcement agencies in BiH and of the required scope.

The System and its functioning, utilisation and oversight will continue to be regulated by a number of legal acts and procedures, including the Memorandum of Understanding on establishment of the System for legal interception of communication for all relevant police bodies in Bosnia and Herzegovina.

### **Activities related to Result 3: BiH capacities for biometric identification in the area of migration and asylum are strengthened**

Beneficiaries for these activities are: Ministry of Security of Bosnia and Herzegovina, Service for Foreigners' Affairs of Bosnia and Herzegovina, Border Police of Bosnia and Herzegovina, Ministry of Foreign Affairs of Bosnia and Herzegovina.

Activity 3. Upgrade the existing Migration Information System.

This activity will be conducted with following sub-activities:

3.1. Purchase hardware and software for obtaining, archiving and processing foreigners' biometric data.

Purchase and install hardware and software at all sites where it is required by the law to obtain biometric data (Diplomatic and consular offices of BiH, Border Police of BiH, Service for Foreigners Affairs and migration and asylum centres).

Purchase and install hardware and software for archiving and processing biometric data in the central database regarding foreigners.

3.2. Upgrade the Migration Information System by integrating the equipment purchased and installed within the activity 3.1.

Upgrade the application part of the existing Migration Information System to effectively relate biometric data with other data of foreigners.

Activities 3.1 and 3.2 will be implemented through a supply contract and will include the necessary training sessions for system administrators and users. There is no direct link between Migration information system, i.e. Central database on foreigners and Interpol database, nor is it planned. According to the BiH legal regulation in the area of asylum and migration, entering, processing and deleting of the data in the central database on foreigners, in accordance with their duties is done by: the Service for Foreigners, the Border Police of BiH, Ministry of Foreign Affairs of BiH, Sector for Asylum and Sector for Migration within the Ministry of Security BiH. The Intelligence-security agency of Bosnia and Herzegovina and other police agencies in BiH do have an access to the central database on foreigners. All police bodies in BiH have an access to Interpol database, independent from the access to the Migration information system.

### **RISKS**

The main risk for implementation of the action is lack of cooperation between the beneficiary institutions. As a mitigation measure, already early in the programming process the Ministry of Security of BiH organised regular meetings and consultations with representatives of all beneficiary institutions or of working groups per each result of the action. The further institutional cooperation will be vital to the implementation of the action and proactive approach of the Ministry of Security of BiH in this respect will continue.

The planned activities within the action, referring to the Border Police of BiH information and communication system, are mutually and closely connected. Lack of effective communication and coordination can hinder the implementation and reduce the success of achievements. Therefore, measures will be undertaken to ensure a coordinated and parallel implementation of all planned tasks for successful implementation, by organising regular meetings and consultations with representatives of all beneficiary institutions or of working groups per each result of the action.

Activities related to setting up of cross-border points for the local cross-border trade carry the potential risk of land expropriation issues. The mitigation measure is to select for construction only locations which have resolved (or expect to easily resolve) property issues.

The emergence of new types of migration is a medium risk and depends on global political crises. Maintaining and strengthening regional cooperation, through actions supported at regional level, between competent institutions will mitigate this risk.

The main assumptions related with proposed objectives and results are generally associated with the policy level in BiH and include continued political support to reforms in the home affairs sector and the commitment of the governments to their fulfilment in line with the EU integration process. At the level of the action, the assumptions are linked to the commitment and smooth coordination among all the sector institutions and objective assessment of their capacities for the implementation of planned interventions.

### **CONDITIONS FOR IMPLEMENTATION**

Any property and legal activities related to setting up of cross-border points for the local border traffic will be completed by ITA before the beginning of purchase of the required equipment for the cross-border points. Before the construction works start the ITA will: develop project design, provide power and water supply and wastewater management, publish a public procurement notice, make traffic infrastructure (vertical and horizontal construction), construct the eaves and set up a control booth. The beneficiary institutions will be responsible for ensuring maintenance and upgrades, as well as training of their staff on the new equipment, with their own financial means.

## **3. IMPLEMENTATION ARRANGEMENTS**

### **ROLES AND RESPONSIBILITIES**

Due to the fact that this action has numerous beneficiaries active in the law enforcement sector, it is important that they take on strategic, operational and structural responsibility and accountability for implementing the action related activities from the very beginning. The Ministry of Security of Bosnia and Herzegovina will coordinate all beneficiaries including preparation and approval of terms of reference and technical specifications that have to be prepared for the procurement.

Full commitment of all involved LEAs which was already established during programming of this action will be indispensable for achieving the action results, therefore it will continue throughout the whole duration of the action implementation. Steering Committees will be established for individual contracts and with relevant beneficiaries. Steering Committees will guide the implementation of the action and they will include representatives from the main stakeholders/beneficiaries of the action. The composition of the Steering Committee(s) will depend on equal representation of the interest of all LEAs while bearing in mind effectiveness and efficiency of such bodies.

The main institutional stakeholders involved in the implementation of the action include the Border Police of BiH and Indirect Tax Authority of BiH as well as Ministry of Security of BiH for the Result 1 relating to capacity of cross-border points. The Border Police of BiH will ensure necessary conditions for the Border Police Information system implementation, while the Indirect Tax Authority of BiH will ensure necessary pre-conditions for border crossing point's development.

As far as the Result 2 relating to the capacities for combating organised crime, Ministry of Security of BiH will be the main stakeholder as far as the development of the system for exchange of classified information, together with other beneficiaries for this activity: law enforcement agencies, judicial and prosecutor institutions, intelligence and defence institutions in Bosnia and Herzegovina. As far as development of capacities of cyber-crime units, Ministry of Security of BiH will be involved together with other law enforcement agencies beneficiaries of this activity. The new system for legal interception of telecommunications will be located in SIPA that will be responsible for its administration and enabling efficient usage of the system to all relevant police bodies in BiH, according to the signed MoU on its establishment (signatories: Ministry of Security of BiH, SIPA, Border Police of BiH, Entity and Cantonal Ministries of Interior and Brčko District Police).

As far as the Result 3, the Ministry of Security of BiH, will be the main stakeholder of the activities related to migration and asylum and Migration Information System, together with other beneficiaries of these activities: Service for Foreigners' Affairs of BiH, Border Police of BiH and Ministry of Foreign Affairs of BiH.

### **IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING**

The EU Delegation to Bosnia and Herzegovina will be responsible for the overall management and implementation of the action under the direct management mode.

The Result 1 related to improvement of capacity of cross-border points (facilities, equipment) in BiH will be implemented through two main contracts: supply, works and service contract.

Activity related to purchase of Border Police information system will be materialised through one supply contract. Development of local cross-border points to meet the infrastructural requirements for unhindered and controlled passage of people and goods will be achieved through works contract since majority of the activity is connected to (re)construction of cross-border points. In line with compulsory practice the supervision for reconstruction work will be engaged through service contract too.

The Result 2 related to further developments of capacities of institutional system dealing with organised crime (staff and equipment) will be implemented by two supply contracts. A new system for legal interception of telecommunications in SIPA will be purchased and installed through one supply contract. The second supply contract is planned for procurement of the system for exchange of classified information in electronic form. In line with the EU (PRAG) tendering rules, prior approval for the use of negotiated procedure on the basis of confidentiality/secrecy may be requested only when duly justified and demonstrated.

With regard to capacity building in relation to combating cyber-crime the most appropriate contract is Twining contract. This activity refers to specific transfer of hands-on knowledge and skills for staff designated to work on cyber-crime cases. The cyber-crime units in Police Agencies need to develop their capacity in human resources and management skills to the required standard in order to successfully process and solve various cyber-crime cases.

Activities related to the Result 3: establishment of biometric identification module in the area of migration and asylum will be implemented through supply contract since the purchase of hardware and software for processing foreigners' biometric data in the central database will be needed.

#### **4. PERFORMANCE MEASUREMENT**

##### **METHODOLOGY FOR MONITORING (AND EVALUATION)**

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines on linking planning/programming, monitoring and evaluation<sup>1</sup>. In addition, the action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

The action will be regularly monitored by EU Delegation to Bosnia and Herzegovina. Internal monitoring will be implemented through steering committees meetings, EU Delegation quarterly Implementation reviews, on-the-spot checks, meetings with beneficiaries and consultant companies/contractors, while the external monitoring will be implemented through Result-oriented Monitoring (ROM).

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<sup>1</sup>[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial\\_assistance/phare/evaluation/2016/20160831-dg-near-guidelines-on-linking-planning-programming-vol-1-v0.4.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/phare/evaluation/2016/20160831-dg-near-guidelines-on-linking-planning-programming-vol-1-v0.4.pdf)

### INDICATOR MEASUREMENT

Indicator	Baseline (value + year) (2)	Target 2020 (3)	Final Target (2021) (4)	Source of information
Progress made towards meeting accession criteria (Fight against corruption and organised crime, border management).	Some level of preparation (2016)	Moderately prepared	Moderately prepared	EC Report on BiH
<b>Indicator for the Specific objective</b>				
1. Number of detected illegal acts (criminal offence and offence) on the border including false passports.	1.896 (254 criminal offense and 1642 offence) (2015)	2.000 (280 criminal offense and 1720 offence)	2.000 (280 criminal offense and 1720 offence) (2020)	Reports of BP BiH ITA Reports
2. Percentage of filed charges in relation to the number of reported cases of organised crime leading to prosecution	(2015) 40%	55%	55%	HJPC Annual Report
3. Percentage of biometric data about the foreigners entered in the upgraded Migration Information System in accordance with legal requirements	(2015) 0%	100%	100 %	Bosnia and Herzegovina Annual Migration Profile
<b>Results indicators</b>				
1.2. Number of cross-border points reconstructed and equipped	0	13 cross-border points reconstructed	13 cross-border points reconstructed and equipped	ITA Report Reconstruction Supervision Report Final implementation report
1.1. – 1.5. Number of communication links of higher throughput, highly powered UPS including UPS devices and batteries to upgrade the capacity of existing, and new licensed firewalls installed, including	(2016) 0 communication links of higher throughput, 0 highly powered UPS, 0 new	Procurement procedures ongoing	33 communication links of higher throughput, 1 highly powered UPS including UPS	ITA Report Final implementation report

the purchase and instalment of the hardware and software	licensed firewalls		devices and batteries to upgrade the capacity of existing, 81 new licensed firewalls	
2.1. Tailored-made system for exchange of classified information in electronic form	0	System designed	New system fully functional	Ministry of security Report Action Reports
2.2. Number of police units dealing with cyber-crime cases trained	0 (2016)	15	15	Twining Implementation Report
2.3. New system for legal interception of telecommunication	(2015) Current system outdated	Design of new system prepared	New system established	Final Implementation Report SIPA Report
3.1. Migration Information System (MIS) upgraded by foreigners' biometric data	No foreigners' biometric data in MIS	Upgrading of MIS ongoing	MIS upgraded by biometric data	Final Implementation Report

## **5. SECTOR APPROACH ASSESSMENT**

This action falls under the Home Affairs sector. In terms of sector assessment, as there is no overarching sector strategy, Home Affairs is covered by sub-sector strategies. At the moment, strategies in the areas of trafficking in human beings (THB), organised crime, asylum and migrations, small arms and light weapons as well as anti-corruption are valid. Except for the strategy in the area of organised crime, currently valid strategies are all accompanied by Action Plans. However, a number of strategies have to be renewed (money laundering and financing of terrorist activities, terrorism and drug abuse). In other fields, the strategic framework still needs to be developed (cybercrime, personal data protection). In some areas, steps have already been undertaken such as forming of the working groups for the preparation of strategies, while in some other areas (money laundering) technical assistance is necessary to facilitate the strategy preparation, due to the complexity of the issue and the stakeholders involved. There are no plans to develop a country-wide strategy for the Home Affairs sector as such, but the sector is, to a certain extent, covered by a number of country level strategies and action plans.

Preparation of all strategies in the sector is always accompanied by stakeholder consultations. They include representatives of the relevant authorities and occasionally the representatives of the civil organisations. The objectives of the existing strategies are clearly identified. In the sector there are efforts to harmonise the strategies and action plans with the sector-relevant EU accession issues as much as possible. The strategies are not appropriately budgeted and there is lack of sufficient funding due to a difficult financial situation in the country. Moreover, implementation of strategies is often a problem due to poor monitoring and evaluation processes. Although there is an annual reporting per sub-sector, the quality of reports is uneven and the quality of indicators is average. Since 2013, there is a new approach in place with regards to monitoring; for example, in the case of the Strategy on Trafficking Human Beings there are monitoring tools and teams created. This approach is expected to be extended in the future to other strategies too.

The coordinating institution for the Home Affairs Sector is the Ministry of Security of BiH. The Ministry is coordinating policy and strategy making for the Home Affairs areas and also participating in the implementation in some areas. The police is characterised by a highly fragmented structure, as it mirrors police competences entrusted to state, entity, cantonal and Brčko District levels. As a result, policing is organized from cantonal ministries of interior in FBiH to ministries of interior of entities (FBiH and RS) and Brčko District as well as the state police.

## **6. CROSS-CUTTING ISSUES**

### **GENDER MAINSTREAMING**

Due attention will be given to gender aspect within action activities, including ensuring participation of both women and men, recognising different needs of women and men, ensuring benefits for both men and women, ensuring gender sensitive data.

In general, a gender perspective will be maintained ensuring that the results of the action impact positively on gender equality as well.

Regarding all capacity building activities, they will be available and accessible equally to men and women. Envisaged trainings will be equally available to men and women.

### **EQUAL OPPORTUNITIES**

Based on the fundamental principles of promoting equality and combating discrimination, participation in the action will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

The principles of equal opportunities are duly taken into account throughout the project cycle and the action will promote an environment that is conducive and enabling to gender equality ensuring equal participation of women and men in all action activities, as well as taking into account promotion and participation of people with disabilities.

### **MINORITIES AND VULNERABLE GROUPS**

During the implementation of activities anticipated in the action, full respect of minorities and vulnerable groups will be ensured. Thus, during the implementation of the action, there shall be no direct or indirect discrimination against any person based on gender, age, marital status, language, sexual orientation, political affiliation or conviction, ethnic origin, religion, social origin or any other status.

#### **ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)**

When it comes to the implementation of this specific action, envisaged activities will be open to cooperation and setting of synergies with interested non-state stakeholders as appropriate and to the extent possible, given the nature of the activities under the action. Whenever possible (non-confidential issues) CSOs will be informed about ongoing and planned activities, especially targeting the specialised CSOs working on human rights, IBM, migration and refugees, human/weapons/drug trafficking etc.

#### **ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)**

The action and the activities deriving from the action will not have any negative impact on the environment nor jeopardise environment, health and security in the future. The activities deriving from this action will be delivered in the most environmentally friendly possible way.

Climate action relevant budget allocation: 0

### **7. SUSTAINABILITY**

The Border Police of BiH is responsible for ensuring conditions referring to Result 1. implementation, while the Indirect Tax Authority is responsible for providing: a location and the required documents, as well as ensuring necessary pre-conditions referring to electrical, telecommunication, water and sewage installations. After the implementation of the action the Border Police of BiH will ensure financial resources for the software licences and for the maintenance of the purchased equipment. The BP has planned to invest in the following three years around 0.5 million EUR per year from the budget for the purchase of IT equipment, maintenance and spare parts. The Indirect Taxation Authority will ensure that the equipped local border crossings are well maintained after the completion of the action. Indirect Taxation Authority has planned to invest in the cross-border points the following amounts in EUR: Capital investments 9,5 million (2017), 2 million (2018), 0,5 million (2019); Investment maintenance 0,5 million (2017), 0,3 million (2018), 0,4 million (2019).

Regarding Result 2 the increased investigated and successfully solved crime cases, especially in the domains of organised crime and corruption contribute to generally improve the area of rule of law in BiH. Assuming that all predefined expected results will be achieved, law enforcement institutions, bodies and agencies could attain more trust and reputation in the society. Moreover such improved conditions could also attract international investments and foster the economic situation of the country.

Emphasis shall also be put on equipment maintenance and thereby support sustainability effects and promoting the ownership principle.

Regarding Result 3 the implementation of Biometric Module in Migration Information System will strengthen the institutions of BiH responsible for prevention of illegal migrations and also enable an effective fight against terrorism and organized crime, and contribute thus to the security system of Bosnia and Herzegovina and its citizens.

Any ICT development should respect the existing standards or needs for interoperability of IT systems. The necessary technical specifications shall be consulted with the relevant authorities and ensured before the launch of the tender.

Finally, trainings that involve a large number of representatives of different public administration institutions should preferably be organised in close cooperation with the relevant training institutions for the public administration.

## **8. COMMUNICATION AND VISIBILITY**

Communication and visibility will be given high importance during the implementation of the action. The implementation of the communication activities shall be funded from the amounts allocated to the action. In particular visibility will be given due attention as regards the activities of border crossings equipping and infrastructure. At the same time, there are sensitivities connected to some of the activities to be undertaken under the action that will need to be taken into account as far as visibility is concerned.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the European Commission (DG NEAR) will have to be followed.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process, as well as to demonstrate the benefits of the action for the general public. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.