Supplemental Letter No. 2

BOSNIA AND HERZEGOVINA

September 10, 2014

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

Re: Credit No. 5444-BA
(Đrina Flood Protection Project)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

This refers to the provisions of Section II.A of Schedule 2 to the Financing Agreement of this date between the International Development Association (Association) and the Bosnia and Herzegovina (Recipient) for the above-captioned Project.

The Recipient hereby confirms to the Association that the indicators set forth in the attachment to this letter shall serve as a basis for the Recipient 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
attachment to supplemental letter no. 2

(Drina Flood Protection Project)
Performance Monitoring Indicators

Project Development Objectives

PDO Statement

The Project's objective is to provide increased protection from flood events to agricultural and commercial interests and communities in the project areas.

These results are at Project Level

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>YR1</th>
<th>YR2</th>
<th>YR3</th>
<th>YR4</th>
<th>End Target</th>
<th>Frequency</th>
<th>Data Source/ Method</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-urban and urban area protected from floods in project locations (2010) baseline</td>
<td></td>
<td>Hectare (Ha)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>54.00</td>
<td>54.00</td>
<td>54.00</td>
<td>Yearly</td>
<td>Local water authorities</td>
<td>RS Waters Institution, FBiH Sava River Water Agency</td>
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<tr>
<td>Rural/Agricultural land protected from floods in project locations (2010) baseline</td>
<td></td>
<td>Hectare (Ha)</td>
<td>0.00</td>
<td>0.00</td>
<td>118.00</td>
<td>5118.00</td>
<td>7318.00</td>
<td>8500.00</td>
<td>Yearly</td>
<td>Flood maps from local water authorities</td>
<td>RS Waters Institution, FBiH Sava River Water Agency</td>
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</tbody>
</table>
## Intermediate Results Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit Measure</th>
<th>Baseline</th>
<th>Cumulative Target Values</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct project beneficiaries</td>
<td>X</td>
<td>Number</td>
<td>0.00</td>
<td>5000.00 12000.00 20000.00 20000.00</td>
<td>By-annually</td>
<td>Project progress reports</td>
<td>PIU, APCU</td>
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<tr>
<td>Female beneficiaries</td>
<td>X</td>
<td>Percentage Sub-Type Supplemental</td>
<td>0.00</td>
<td>45.00 45.00 45.00 45.00</td>
<td>By-annually</td>
<td>Project progress reports</td>
<td>APCU, PIU</td>
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<tr>
<td>Length of river dikes constructed in RS</td>
<td></td>
<td>Kilometers</td>
<td>0.00 9.00 16.00 30.00 33.40</td>
<td>quarterly</td>
<td>Project reports</td>
<td>APCU</td>
<td></td>
</tr>
<tr>
<td>Length of river embankments/dikes rehabilitated and improved in FBiH</td>
<td></td>
<td>Kilometers</td>
<td>0.00 20.50 24.00 28.50 32.00</td>
<td>quarterly</td>
<td>Project progress reports</td>
<td>PIU</td>
<td></td>
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</tbody>
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