



**CENTRI CIVILNIH INICIJATIVA
ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА**

**Monitoring of the
Government of FBiH
2011-2014**

**-MANDATE REPORT-
SUMMARY**

THE BiH FEDERATION GOVERNMENT HAS BEEN MOST OF ITS MANDATE FUNCTIONING BY THE PRINCIPLE OF WORLD PECULIARITY. The changed parliamentary majority was not synchronized with the Government's composition from the mid 2012 until the end of 2013. Even though the BiH Federation Parliament issued a vote of no-confidence to the Government at the beginning of 2013, the Government had continued its work in the same composition – the cadre from the parties that did not belong to the newly-established parliamentary majority were still present in the Government, as well as the ministers, who in the meantime left the parties that actually appointed them to the Government. The government had literally functioned as a mini parliament for some time, having both ruling parties and opposition parties, which fought each other for predominance using all available means. Following decomposition of the parliamentary majority, which tried to remove it, the government had continued its work without having official parliamentary majority that supports it. Namely, it turned out that due to complicity of the political system and due to vagueness and the flaws in the Constitution and the Election Law, it is almost impossible to remove once appointed executive government. "On the eve" of new elections this imposes not only urgent necessity to change the Constitution and the Election Law, but also seeks greater attention in the post-election selection of coalition partners and the establishment of the government.

BESIDES THE TIME SPENT ON PARTY DISPUTES, SECOND SIGNIFICANT LOSS OF TIME RELATES TO GOVERNMENT'S ENGAGEMENT IN PERSONNEL POLICY, HENCE IN DISMISSALS AND APPOINTMENTS TO OFFICE IN DIFFERENT INSTITUTIONS, BOARDS OF DIRECTORS AND SUPERVISORY BOARDS, ETC. According to the area to which a measure refers the most realized measures at the BiH Federation Government's sessions in 2011, even by percentage, related to the "personnel policy" – almost a quarter of the measures realized. Subsequently the percentage, understandably, declined, but the partaking of these measures in the overall realization still kept the high level. So for example, at the middle of the mandate, only realization of measures regarding different financial transactions and approvals on budget spending were above dealing with the personnel policy. A total of 939 decisions regulating different personnel/staff positions regarding dismissing old personnel and appointing new one was recorded in the total sum for the entire (incomplete) mandate. In percentage it is 14% out of the total number of measures realized at the sessions of the BiH Federation Government during the analyzed mandate period. Here we are not only taking about time lost and distortion of the working focus from really important matters, but also about unacceptable spread of politics' (and parties') influences to the areas where they should not be present. In that context, it is high time to conduct a public discussion and to regulate by the law which functions and/or positions are "political" (i.e. changed as the government changes), to limit their number in accordance with the European standards, and that all other job positions in the country are to be occupied based on knowledge, professionalism and working references, and not based on party affiliation, loyalty or connections. Here special attention should be paid to protecting independence and professionalism of certain bodies, whose work under political influence would be senseless.

DURING THE PRESENT MANDATE THE BUDGET OF THE FEDERATION HAS NOT EVEN ONCE BEEN SUBMITTED TO THE PARLIAMENT ON TIME, IN ACCORDANCE WITH THE LAW, BUT

THEREFORE THE DEBT OF THE BIH FEDERATION HAS GROWN FOR OVER 600 MILLION KM IN THE FOUR YEARS. Rebalanced budget for the 2014 is higher for 670 million or almost 40% in comparison with the first budget that was adopted by the present Government in 2011. On the other hand, the present Government has increased the BiH Federation's debt parallel with the budget, and the debt had increased for 621 million in relation to the 2011. Of course, the main problem is that the money was not invested into development, but into public spending. The social peace was bought by new loans, and the budget grew without real security in the incomes.

THE BIH FEDERATION GOVERNMENT ADOPTED THE WORKING PROGRAM ON TIME ONLY IN THE LAST YEAR OF ITS PRESENT MANDATE. Two times had the BiH Federation Government completely time-wise made the procedure of adopting its annual working program senseless - it adopted the 2011 Program in May of that year, and for 2012 – on November 28, 2013, only a month before the end of the year that is covered by the program. In that way, it bluntly violated the Rules of Procedure, as well as the Regulation on the process of strategic planning, annual planning and reporting in the BiH Federation Ministries. On the other hand it is a kind of insult to the citizens of this country and their intelligence.

A LOT PROMISED, LITTLE DONE – THE DEGREE OF REALIZATION OF PLANNED ACTIVITIES, DURING THE PRESENT FOUR YEAR MANDATE, NAMELY THE NUMBER OF UNREALIZED MEASURES, UNDERLINES THE FACT THAT THE BIH FEDERATION GOVERNMENT WOULD NEED ADDITIONAL TWO YEARS TO REALIZE 4 ANNUAL WORKING PLANS. If summed up, the BiH Federation Government realized 2/3 of the measures it planned during its mandate. On average, more than 150 measures remained unrealized, amongst which the most significant were often found – the laws, strategies, rulebooks, etc. The result from 2011 was the best result since the CCI monitors work of the BiH Federation Government (2007) and even then less than 70% of the annual plan was realized.

DYSFUNCTIONALITY OF THE GOVERNMENT, NAMELY POOR RELATIONS BETWEEN THE GOVERNMENT AND THE PARLIAMENT, ADDITIONAL DIMINISHED ALREADY MODEST EFFECTS OF THE GOVERNMENT'S FOUR-YEAR WORK. Summing up drafts and law proposals we come to the information that the FBiH Government had, for four years (March 2011 – August 2014) determined 248 laws (whereof 207 were drafts), whereof only 120 (not even a half) went through complete parliamentary procedure, 54 were rejected/withdrawn, while 74 laws are still in active procedure. Also, less than half of the "Government's" laws adopted in the Parliament are main laws – only 52 of them, while the remaining laws are mere changes and addenda to already existing laws. If we review laws planned by the Government's working programs for the last 4 years we come up to a very slashing information that out of 233 different laws (whereof the Government determined 135) only 69 or 30% of the planned ones were adopted in the Parliament by August 2014. In this case only 32 laws were the main laws.

YET ANOTHER RARITY – THE LAWS OF MINISTERS WHOSE PARTIES WERE THE OPPOSITION IN THE PARLIAMENT WERE PASSED EASIER IN THE PARLIAMENT THAN THE LAWS OF A

SINGLE PARTY WHICH BELONGED TO A CERTAIN PARLIAMENTARY MAJORITY THROUGHOUT THE MANDATE. At the utterly devastating passing rate of the “Government’s” laws in the Parliament, the best result by political party have the ministers ,who became members of the Government from the HSP list, and who in the meantime left the party – almost 60% of the laws prepared by the ministries led by these persons had been adopted in the Parliament. The next is the SDA with 54% of adopted laws prepared by its four ministers (not including Desnica Radivojević). And at third place and only by 1% better passing rate from the People’s Party – working for betterment is the SDP, with its 7 ministers and prime minister, who together realized 11 laws more than remaining 9 members of the Government (128 laws), but only 56 of them or 45% were adopted in the Parliament. This is truly devastating for a party, which is the whole time part of the ruling majority.

In this context a very interesting information is that out of 27 laws adopted in the BiH Federation Parliament in 2012, 19 were adopted on proposal by ministers from three parties (SDA, HSP and People’s Party – working for betterment), which were not part of (new) majority in the Parliament.

THE PRESENT GOVERNMENT SIGNIFICANTLY INCREASED NUMBER OF REALIZED MEASURES BY SESSIONS IN COMPARISON TO THE PREVIOUS COMPOSITION, BUT EFFICIENCY OF CERTAIN MINISTRIES IS AT THE LEVEL OF AN ADMINISTRATION OR AGENCY.

The present members of the government have adopted 6.794 different measures for 4 years, which is almost 2000 measures more in comparison to achievements of the former composition. The Ministry of finance led by minister Anto Krajina (“independent”) prepared the most documents for the BiH Federation Government’s held sessions in the last four years, a total of 1.141. The next is the Ministry of energy, mining and industry led by Minister Erdal Trhulj (SDA), with 862 realized measures, and the Ministry of transport and communications and minister Enver Bijedić (SDP), a total of 597 measures. Four ministries did not propose anything in four years; actually the Government did not adopt their proposals or their 100 measures in total. The least number of measures during this mandate for the purpose of discussion at the Government’s session was prepared by the Ministry of displaced persons and refugees led by minister Adil Osmanović (SDA) – only 69 measures for 42 months of mandate, which is not even two measures per month on average. Other two ministries with the lowest degree of achievement by realized measures during the mandate should actually be among the drivers of economy in the BiH Federation: Ministry of trade led by minister Milorad Bahilj (People’s Party – working for betterment) and Ministry of development, entrepreneurship and crafts, minister Sanjin Halimović (SDA).

BY MANY PARAMETERS, THE PRESENT GOVERNMENT OF THE BIH FEDERATION WAS WORST THAN THE FORMER BIH FEDERATION GOVERNMENT. The BiH Federation Government in the previous mandate held 26 regular sessions more than the Government of Prime Minister Nikšić. The former BiH Federation Government did indeed determine less measures, including the laws, during its mandate, but at that period the passing rate of “government’s” law in the BiH Federation Parliament was higher, so the final result was better – in the mandate period 2007–2011 the BiH Federation Parliament adopted 20% more “government’s” laws than in the present mandate. Also, less personnel policy engagement was registered

during the work of the Government in the former mandate, and more attention was paid to the true problems of the citizens – if we compare the first years of the Governments' work, difference is: 7% in 2007 in comparison to 24% of the total number of realized measures in 2011. The percentage of measures that in the long-term can significantly influence solving of the most important citizens' problems (unemployment, corruption, insufficiently effective health, pension and social policy, youth problems, unprofitable public companies, lack of business opportunities and foreign investments, etc.) is two times lower in the present mandate than in the previous mandate and represent only 2,2% out of the total realized measures. This means that the work of the BiH Federation Government each year corresponds less with the dramatic economic and social situation in the Federation.

THE WORK OF THE BIH FEDERATION GOVERNMENT EACH YEAR CORRELATES LESS WITH THE DRAMATIC ECONOMIC AND SOCIAL SITUATION IN THE BIH FEDERATION AND WITH THE CITIZENS' NEEDS. Due to lack of development strategies, together with inefficient implementation of the existing ones, and due to the low rate of adopted laws, it is not surprising that almost 2/3 realized measures at the sessions of the 5th composition of the Federation Government do not have any contact points with the priority problems of the citizens (unemployment, corruption, insufficiently effective health, pension and social policy, youth problems, unprofitable public companies, lack of business opportunities and foreign investments, etc.). Number of measures that in the long-term can affect solving of these problems is negligible – the percentage of these is two times lower than in the previous mandate and represent only 2,2% out of the total number of realized measures in that period. Out of 96 laws that we have included in the measures that might have long-term significance a total of 21 were rejected or withdrawn as on August 31, 2014, while so far half of them were adopted. This fact additionally minimalizes effect of the present Government regarding solving priority problems of the BiH Federation citizens.

CONTRIBUTION OF THE MINISTRIES TO THE WORKING RESULTS OF THE GOVERNMENT WAS RATHER UNBALANCED. Only two ministries – justice and finance – led by ministers Zoran Mikulić and Anto Krajinina, realized as many laws as the remaining 15 members of the Government – 121. Additional 4 ministries – Ministry of interior, Ministry of energy, mining and industry, Ministry of health, and Ministry of labor and social policy – determined together 66 laws. Remaining 11 members of the Government determined 55 laws or only 22% of the laws determined by the Government, the results of the last ones is additionally devastating since only 16 out of their 55 laws were adopted in the Assembly, which represents only 13% out of all “government's” laws adopted in the Parliament.

ONLY 4 OUT OF 48 AUDIT REPORTS FOR 16 MINISTRIES OF THE FBiH GOVERNMENT FOR THE FIRST THREE YEARS OF THE GOVERNMENT'S WORK ARE POSITIVE. The Audit Office has given 37 “opinions with reserve”, 7 “negative opinions” and only 4 positive opinions to the ministries of the FBiH Government. The ministry of agriculture, water management and forestry led by Minister Jerko

Ivanković – Lijanović (People's party-working for betterment) received negative opinion from the BiH Federation Audit Office for all three years. The auditor investigated that in all three years the financial reports of the BiH Federation Ministry of agriculture, water management and forestry do not correctly and objectively report state of the property and obligations, nor do they objectively report results of business activities and execution of the annual budgets – as set forth by the legislation. Negative opinions for financial management were also given to the Minister of labor and social policy Vjekoslav Čamber (at that time a member of HSP) two years in a row, and Minister for issues of the veterans and disabled veterans of the defensive-liberation war Zukan Helez (SDP), for financial management in 2012, and the Minister of justice Zoran Mikulić (SDP) also for financial management in 2012. Only ministries that in this period got positive opinions for financial management are Ministry of education and science, led by Damir Mašić (SDP) – two times (2012 and 2013), while Minister for refugees and displaced persons Adil Osmanović (SDA) and Minister of development, entrepreneurship and crafts Sanjin Halimović (SDA), got one positive report respectively (2013).

ANALYSIS OF THE RESULTS OF GOVERNMENT'S WORK IN CHARACTERISTIC PERIODS, DURING PRESENT MANDATE, INDICATES A LOST OPPORTUNITY FOR A POSITIVE STEP FORWARD, WHICH BECAME A SITUATION OF "1 STEP FORWARD – 2 STEPS BACK". Results of the BiH Federation Government's work in the period when it was supported by parliamentary majority – its appointment in March of 2011 until decomposition of the ruling coalition mid 2012 –were by all parameters better than the results achieved in any of the years of the previous mandate (more work was done, effects of the work were more significant, more efficiency and responsibility was showed, and true citizens' problems were even more in focus). Most importantly the tendency of further improvement was also shown. Actually, until mid-2012 decomposition of coalition these results were so good that even besides the subsequent political crisis and dramatic drop of all indicators in the period to come, the results at the end of the year were still better than the ones recorded during the previous mandate. But, the subsequent crisis and created situation of political absurd, in which no one knew who the government is truly, and who is opposition anymore, and how everything that is happening is even possible, led to the situation where the best Government's results became the worst results so far. All of this is a serious reminder in this pre-election time both for the citizens and for the political parties. It is a reminder that one has to be additionally responsible when voting and when selecting coalition partners in a system which has many shortcomings within its legal framework, because the price of errors is very high. In order to make the problem really serious the politicians are not the ones paying for the errors, the citizens are.

UNFUNCTIONALITY OF GOVERNMENT INSTITUTIONS DUE TO FIGHT BETWEEN POLITICAL PARTIES FOR CONTROL OVER THESE INSTITUTIONS ADDITIONALLY DETERIORATED LIVING CONDITIONS IN THE COUNTRY. At the end of the mandate of the present FBiH Government, the situation is such that the success report in fight against the unemployment problem is reflected in the data that during last four years 5 persons lost their jobs on every newly employed person. Since the day

the present BiH Federation Government was constituted the number of employed persons in the BiH Federation has increased for 3.803 persons of working age. At the same time the number of unemployed increased for above 20.000, to be more accurate for 20.150 persons. According to the data of Federation Statistics Institute since the beginning of present Government's mandate on average 480 new persons are found on the unemployment lists each.

At the same time the average net wages in the Federation of BiH have been increased for 16 KM while in the last 4 years the living costs have enormously raised.