THE GOVERNMENT OF FBIH JAN - SEPT 2011 REPORT SUMMARY

During the first nine months of 2011, the executive branch (Government of FBIH) addressed 1205 different measures. In terms of performance results of the current, fifth composition of the FBIH Government, the data indicates that the government adopted 944 measures since the day of its constitution until the end of Sept 2011, with 232 points being about the most significant problems of citizens (unemployment, low pensions, social and health care issues, etc).

There are 11 measures that are extremely significant. These measures include the Action plan for realization of the project "Development of FBIH's Industrial policy, Law On Changes To The Law On Improving Quality, Security, And Accreditation In Healthcare, Strategy and Action plan for equalization of opportunities for persons with disabilities in FBIH 2010 -2014. All of these 11 measures were prepared by the current government composition. CCI's assessment is that there is some progress in the work of the current government in relation to the previous compositions, however, this progress is insufficient and, instead of seeing positive results, the situation in some most important segments is even deteriorating.

By looking at the post-election period, until Aug 2011 (the time period for which there is official data), the number of unemployed in FBiH increased by 6.223 people, i.e., by 1,7% in relation to the total number of unemployed in this entity. Additional concern is a sharp increase in a number of the unemployed over the course of the recent months. Besides, the government's unproductive additional borrowing (only to cover budget holes) is still rising, the administration and public spending are not being reduced, there are no foreign direct investments, etc.

There is no doubt that the economic crisis is a complex problem, however, a part of the answer to the question regarding the current situation undoubtedly lies in government's foci and interests. If we look at the type of measures realized by the FBIH government during the first nine months of 2011, we see that the largest number of decisions and solutions are of different character - as much as 47,4% of the total number. Of the total of 571 measures and solutions realized, as many as 258 related to staffing decisions i.e., discharges and appointments in different institutions, boards of directors and supervisory boards. Hence 21,4%, i.e., more than one fifth of the total number of realized measures relate to staffing decisions. Should we look only at decision made by the new government, the percentage is even higher, almost 23%.

In order to make a comparison, over the course of the same period the previous composition had 5,7% of measures which we marked as "staffing decisions" in relation to the total number of realized measures.

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In terms of planned vs. realized during Jan-Sept 2011, the findings show that in nine months of 2011, the government should have realized 308 measures, however, it realized only 203. This is 66% of the work program for nine months, or 40,4% of the year's plan. Besides failing to realize over 100 of measures that should have been implemented by the end of Sept, there is also a problem of planned measures without any timelines or with extremely poorly set timelines, which means that the realization of circ. 40% of this year's plan is concentrated in the last quarter of the year, making the fulfillment of the plan completely unrealistic.

Upon the end of the third quarter of 2011, we can conclude that more than 50% of the annual plan has been realized by only six ministries: Ministry of Traffic and Communication, Ministry of Labor and Social Policy, Ministry of Finance, Ministry of Trade, Ministry of Interior, and Ministry of Education. The biggest backlog in terms of realization of the annual work plan was made by the Ministry for Environment and Tourism and Ministry of Justice.

The unfeasibility of fulfillment of the planned obligations by year's end is particularly notable with laws as they make up only 2.6% of the total number of measures realized so far.

In 2011, the Government of FBiH planned to adopt 90 laws. Three months before the year's end, the Government adopted only 23 laws from the plan, which is 44% of the nine-month plan, i.e. 26% f the annual plan.

Only 8 of these 23 laws are basic laws, while the remaining 15 represent changes and amendments to existing legislations. Three months before year's end, the government realized only 16% of laws planned in the work program.

In addition, from Jan to Sept 2011, the Federal government adopted eight laws that had not been planned. This brings us to a number of 31 laws that the government adopted in nine months.

In terms of planned vs. unplanned, the most productive is the Ministry of Finance - based on its proposals the government adopted total of nine laws over the course of nine months of 2011. Currently, the largest backlog is made by the Ministry of Energy, Coal and Industry (adopted only 4 out of 16 planned laws), the Ministry of Labor and Social Policy and Ministry of Justice - 11 laws behind (per 2 adopted laws out of 13 planned laws).

When comparing efficacy between the current and the previous government, the data indicates that in the first nine months of 2007, the government adopted 38 (planned and unplanned) laws, however, during the same number of months in 2011, the government realized 31 laws - 21% less.

Out of 31 laws adopted by the FBiH Government from Jan 1 to Sept 30, 2011, 16 laws were adopted in the form of proposal, and 15 draft laws. Out of 16 proposals, 13 laws completed thier passage

through Parliament. Considering that out of these 13 laws, four laws were not planned, hence, by the end of Sept only 9 out of 90 laws from the 2011 government work program completed parliamentary procedure. Only 10%!