

**Summary of the Report on monitoring performance of the RS Government and the National Assembly**

**01.01 – 30.06.2017**

**INTRODUCTION**

The intention of this report is to show and to point out the principal results of monitoring performance of the Government and the National Assembly of Republika Srpska. Having in mind personal attendance of the members of the CCI’s monitoring team, as well as accessibility of all available documents from the sessions (minutes, stenographs, reports), given *Report* was generated after careful analysis whilst observing past practices of fair and correct reporting.

\* \* \*

**PROBABLY THE MOST IMPORTANT THING THAT HAD HAPPENED IN REPUBLIKA SRPSKA IN THE FIRST 6 MONTHS OF 2017 WAS STOPPING OF THE SALE OF THE IRON ORE MINE “LJUBIJA” AS IT WAS ENVISAGED BY THE RS GOVERNMENT.** This actually may be the first serious demonstration of power and self-consciousness of the National Assembly, which unfortunately has been mostly acting as a service and not as a supervisor and a reviser of the executive authority, which is in fact one of the constitutional functions.

First half of 2017 in Republika Srpska was marked by increasingly alarming continuance of young and capable people leaving the country, but also by alarming continuance of further borrowing, which still doesn’t have a developmental function, but is rather used to maintain excessive public spending and patch the holes in the budget.

Even besides persistent iteration of the Government that the budget is stable, the economic experts have been warning that the RS Government isn’t managing its budget and obligations that emanate therefrom and that the total debt has tendency of constant growth.

And instead having all potentials of the society involved in the process of solving accumulated problems, doing everything possible to stabilize the situation in the country, which is the main precondition for influx of foreign capital that is necessary to fire up the economy, more seriously increase the number of employed and to put a stop to the migration wave, the politicians are still using any opportunity to produce conflicts and to generate instability. They are constantly focusing on narrow-party and personal interested, instead of turning their focus on the citizens’ interests.

The public discourse is clogged with impassioned statements. And it seems that politeness, political correctness and even the basic logic have completely vanished under the gusts of arrogance and political egoism.

Meanwhile, entire parts of Republika Srpska are collapsing and getting empty. While the politicians are relentlessly generating conflicts, the population growth has become a constant just like the migration of young people who don’t see existence of a system and a government that is attempting to create conditions for decent living in this region. Number of first graders is one of the devastating results of the politics that isn’t concentrated on the interests of its citizens.

**RS NA I-VI 2017**

**THE NATIONAL ASSEMBLY OF REPUBLIKA SRPSKA HAS IN THE FIRST HALF OF 2017 RECORDED THE LOWEST DEGREE OF PRODUCTIVITY IN THE CURRENT TERM.** Only 79 considered measures represent roughly half the result from the second part of 2015.

**LOW REALIZATION OF THE LAWS IS PARTICULARLY WORRYING.** With 19 adopted laws the RS NA has achieved one of the worse results in the last seven years. It is two times worse than the result in the second half of 2015 and three times worse than the result in the second half of 2011 (when 62 laws were adopted in six months). Apart from 19 adopted laws, additional 11 draft laws were accepted and sent into further procedure.

Summatively, in the first two and a half years of the current term the RS National Assembly adopted 42 laws less than in the first two and a half years of the previous term.

**REALIZATION OF THE LAWS IN THE RS NA DURING THE FIRST HALF OF 2017 IS AT THE SAME LEVEL OF THE FBIH PARLIAMENT’S REALIZATION,** whereby the result of the other entity’s parliament was achieved in an atmosphere of permanent political crisis, complete dysfunctionality of the ruling coalition and obstructions in the work of the parliament, making the results of the RS National Assembly even more inacceptable.

**ONLY 37% OF THE ACTIVITIES PLANNED IN THE WORK PLAN FOR THE FIRST 6 MONTHS OF 2017 WERE REALIZED, WHILE NOT EVEN THE FIFTH PART OF THE ENTIRE ANNUAL PLAN WAS REALIZED.** Namely, only 19% of 171 planned measures and 16% of 97 planned laws were completely realized. The RS NA started the second half of the year with 86 laws that are waiting for adoption. If we are no to include August as the month of collective leave for the MPs, the RS National Assembly would have to realize each month as many laws as it did in the first part of the year in order to complete all activities planned in the 2017 Work Plan. Whereat...

**ALL ADOPTED LAWS ARE BACKLOGS FROM PREVIOUS YEARS – LAWS THAT WERE PLANNED, BUT NOT REALIZED, AND WERE JUST TRANSFERRED AS AN OBLIGATION INTO THIS YEAR’S PLAN.** None of 53 new laws from the 2017 Work Plan were adopted. (Only two were accepted as draft)

**THE BACKLOG IN REALIZATION OF THE STRATEGIES IS ALSO SIGNIFICANT.** Only 3 out of 19 strategies, which were planned in the RS NA Work Plan for 2017, were adopted (whereof 10 should have been adopted in the first part of this year), while four strategies were accepted as drafts and forwarded into procedure.

On the other hand, the BiH Federation Parliament neither did plan nor realize a single strategy in this year. Anyway…

**THE NATIONAL ASSEMBLY OF REPUBLIKA SRPSKA DIDN’T FIND THE SOLUTION TO THE CONSTANT DELAY IN ADOPTION OF ITS ANNUAL WORK PLAN – WHICH THE CCI HAS BEEN CONSTANTLY POINTING OUT – IN IMPROVING ITS EFFICIENCY, TIMELY START OF THE REALIZATION, INCREASING RESPONSIBILITY AND INTRODUCING SANCTIONS FOR LATE EXECUTION OF THE OBLIGATIONS, BUT IN ADOPTION OF A REGULATION WHICH WILL PUT THIS EASYGOING PRACTICE INTO A LEGAL FRAMEWORK.** Instead of the end of the year the new RS NA’s Rules of Procedure has actually set the end of first quarter of the year to which the Plan relates as the deadline by which the Work Plan has to be adopted. So the National Assembly has enabled itself to work first three months of a year without an adopted annual(!) Work Plan and to do it “according to the regulations” (as our politicians like to say). But.... Annual work plan has to be adopted before the year to which it relates. All other solutions, including the existing one, don’t have a stronghold in the logic and also have additional negative impact on the RS NA’s results.

**NOT EVEN IN THE FIRST HALF OF 2017 DID THE RS NA HOLD A SPECIAL SESSION AT WHICH IT WOULD DISCUSS ISSUE OF KEY IMPORTANCE FOR THE RS CITIZENS.** There is no special, thematic session dedicated to exceptionally difficult situation in the healthcare sector. There are no special sessions on the situation in the economy, on protection of domestic production, on the situation in the real sector, on corruption, on collapse of the banking system in RS, on education, population growth and youth migration...

As a comparison, four thematic sessions were held in the House of Representatives of the FBiH Parliament in the first half of 2017 – on air pollution, on population migration, on the situation and perspectives of the wood processing industry and on the situation in agriculture in FBiH.

**ALTHOUGH THE LEVEL OF REALIZATION OF THE LAWS IS VERY LOW, SOME VERY SIGNIFICANT LAWS WERE ADOPTED IN THE FIRST HALF OF 2017.** We would like to point out: Law on protection of whistleblowers, RS Criminal Code, Law on taxation system, Law of higher education, Law on insurance agencies, Law on general product safety in RS, and the Law amending the Law on protection of producers.

**UNLIKE THE STATE PARLIAMENT, WHOSE MEMBERS PROPOSE THE SAME NUMBER OF LAWS AS THE MINISTRIES OF THE BiH COUNCIL OF MINISTERS, PERFORMANCE OF THE RS NA’S MEMBERS IN THIS SEGMENT IS QUITE MODEST.** One law proposed by the opposition is the only contribution made by the RS NA’s members in the first half of 2017.

**ACCORDING TO THE INFORMATION FROM THE CONSTITUTIONAL COURT OF BOSNIA AND HERZEGOVINA, THE NATIONAL ASSEMBLY OF REPUBLIKA SRPSKA IS ON THE LIST OF THE INSTITUTIONS THAT STILL HAVEN’T IMPLEMENTED ALL THE DECISIONS PASSED BY THIS COURT ON THE BASIS OF REQUESTS FOR ASSESSMENT OF CONSTITUTIONALITY.** But, contrary to a widespread belief, RS government institutions are no exception in this respect and according to the information at the end of last year, only one decision wasn’t implemented.

**THE EPILOGUE OF LOW REALIZATION OF PLANNED RS NA’S OBLIGATION IS EXCEPTIONALLY HIGH NUMBER OF IMPORTANT MEASURES THAT WERE NOT REALIZED AND THAT POTENTIALLY COULD HAVE HAD POSITIVE EFFECT ON CITIZENS’ QUALITY OF LIFE.** Cause?

The Government prepares most of the measures that are found on the agenda of the National Assembly. Therefore, results of the National Assembly directly correlate with the capability of the Government to provide the National Assembly with the necessary material for work and decision-making.

Insufficient efficiency of the Government during the first half of 2017 both in preparation of the documents and their transposition from a draft to a proposal has resulted in insufficient realization of planned obligations of both the Government and the National Assembly of Republika Srpska.

**RS GOVERNMENT I-VI 2017**

**THE WORK OF THE RS GOVERNMENT IN THE FIRST 6 MONTHS OF 2017 WASN’T INTENSIVE AS BEFORE IN TERMS OF NUMBER OF SESSIONS HELD.** A total of 29 sessions were held – 25 regular, 3 working-consultative and 1 phone session. By comparison, the highest intensity was noted in the second half of 2015 when 51 sessions were held. But

**EVEN WITH THE SMALLER NUMBER OF HELD SESSIONS, THE CONTINUOUS DECLINE OF GOVERNMENT’S PRODUCTIVITY, WHICH MARKED THE PREVIOUS YEAR, WAS STOPPED.** The number of measures considered in the reporting period (1411 measures) is still below the average of the current term, but it is also above the average of the previous term.

**THE NUMBER OF CONSIDERED MEASURES THAT SYSTEMATICALLY REGULATE CERTAIN AREAS AND SOLVE SOME OF THE PROBLEMS IN A LONG-TERM IS VERY LOW.** Different decisions, approvals and conclusions make up 56% of all measures considered in the first half of 2017. Information, reports, plans and programs make up 31%. On the other hand, the share of laws in the total volume of measures considered in the reporting period is only 2%. Strategies make up 0.7%

**NUMBER OF LAWS VERIFIED IN THE FIRST HALF OF 2017 IS ONE OF THE LOWEST THAT THE RS GOVERNMENT HAS REACHED IN THE LAST 7 YEARS.** The number of 25 verified laws (18 as proposal and 7 as draft) is two times below the result achieved in the second half of 2016. It is also below (for approximately 20%) the number of laws that the BiH Federation Government had verified in the reporting period. On the other hand….

**THE RS GOVERNMENT TAKES THE LEAD IN REALIZATION OF THE STRATEGIES.** With 7 strategies (6 as proposal and one as draft)verified in the first six months of 2017 the RS Government has achieved two times better result than the FBiH Government in the same period. But,

**ONE GETS THE REAL IMPRESSION ABOUT THE WORK DONE IN THE FIRST HALF OF 2017 BY LOOKING AT THE WORK PLAN AND ITS REALIZATION.** Only 169 out of 439 planned measures were realized (38.5%).

**REALIZATION OF THE MOST SIGNIFICANT MEASURES IS STILL VERY POOR.** Only 22 out of 83 planned laws were verified (26.5%), while 6 out of 22 strategies were verified (28.6%). Comparison with the results in realization of planned legislative obligations from previous years reveals that the results achieved in the first 6 months of 2017 are both nominally and percentage-wise the poorest results in the last seven years.

**(TIMELY) REALIZATION OF AN ARRAY OF VERY SIGNIFICANT DIDN’T HAPPEN DUE TO POOR REALIZATION OF PLANNED OBLIGATIONS.** The following strategies/laws should, but haven’t been realized, in the first half of the year: Strategy of improving and developing support to families in RS 2017 – 2022, RS Strategy to combat cybercrime, Strategy of public administration reform in BiH, Action plan for implementation of the Republika Srpska Youth Policy in 2017, the Law on strike, Law on civil servants, Law on electric energy, Law on mediation in employment and rights during unemployment, etc.

**THE RS GOVERNMENT’S WORK PLAN WAS ADOPTED WITH SERIOUS DELAY – 11.4.2017 – THEREBY VIOLATING THE GOVERNMENT’S RULES OF PROCEDURE THAT PRECISELY DEFINE THE OBLIGATION TO ADOPT THE WORK PLAN FOR A CERTAIN YEAR BEFORE THE END OF THE PREVIOUS YEAR.** The failure to adapt the contents of the Work plan to the fact that there has been serious delay in its adoption, resulted in structural error in the Government’s Work Plan, as it was the case with the RS NA, which inter alia, brought into the question authenticity of the statistical data on its realization. Namely, although adopted in April, the RS Government’s Work Plan for 2017 contains the plan for 1st quarter with 145 different measures. It means that “plan” for that period, which was already in the past at the moment the Work Plan was adopted, contains one third of all measures contained in the Work Plan. One of the bigger problems is the fact that Work Plan, which is by the definition a work plan for the forthcoming period, encompasses the measures that were realized before the Work Plan was adopted. So actually, almost 20% of the Work Plan was already realized at the time of its adoption.

**THE GOVERNMENT MET ITS OBLIGATIONS CONCERNING ADOPTION OF THE 2017 BUDGET WITH A DELAY AND VIOLATING THE LAW ON BUDGET SYSTEM OF RS, THUS CAUSING THE RS NA TO BE LATE WITH MEETING ITS OBLIGATIONS.** The Government didn’t at all consider the 2017 budget as a draft, as it is prescribed by the Law, but it had determined as a proposal under urgent procedure on December 13, 2016 instead of doing it by the end of December 1.

**THE CHRONIC INSOLVENCY OF THE BUDGET AND ITS DEPENDENCY ON BORROWING IS UTTERLY WORRYING AS ARE THE CONSEQUENCES THAT BORROWING HAS ON THE BUDGET AND REPUBLIKA SRPSKA IN GENERAL.** Even besides certain statements on necessity to cut down public spending, no serious steps have been made in that direction. The Government still rests all its hopes on new loans, while hardly managing to repay the old ones.

**THE RS GOVERNMENT’S TRANSPARENCY, UNLIKE THE TRANSPARENCY OF THE RS NA, IS NOT AT THE LEVEL IT SHOULD BE, HAVING IN MIND EXCELLENT TECHNICAL WORKING CONDITIONS OF THE RS GOVERNMENT.** The information are disseminated quite selectively (which is an objection made by a larger number of media outlets), and minutes and stenographs are not uploaded to the official Government’s website, although the “Open Government” project has been announced a couple of years ago.

**THE RS GOVERNMENT IS VIOLATING THE RS NA’S RULES OF PROCEDURES WHEN IT COMES TO ANSWERING MPS’ QUESTIONS WITHIN PRESCRIBED DEADLINE.** The opposition MPs have been continuously pointing out this phenomenon, and the speaker of the RS NA concluded that they are right and requested the RS Government to act in line with the Rules of Procedure. One should note that this phenomenon wasn’t occurring so frequently in some earlier periods.

**BESIDES THE RULES OF PROCEDURE AND THE LAW ON BUDGET SYSTEM THE RS GOVERNMENT IS STILL VIOLATING THE BIH GENDER EQUALITY LAW.** Women in the RS Government occupy less than one fourth of the seats (four of 17 members are women), thus violating the Law, which prescribes that equal representation of men and women exists when one sex is represented with at least 40 per cent and that everything else is considered discrimination that according to this law has to be eliminated.

**THE RS GOVERNMENT ISN’T MANAGING TO FIND ANSWERS TO THE CITIZENS’ KEY PROBLEMS – WHICH AT THE BASE HAVE LOW EMPLOYMENT RATE AND LOW LIVING STANDARD (THAT AFFECT BIRTH RATE AND MIGRATION, AS TWO CURRENTLY VERY ALARMING AREAS).** The average wage in RS for June 2017 was 828 BAM and covered only 44.5% of the trade union’s consumer basket, which was 1.860 BAM according to the information from the RS Trade Union Alliance. This information is a clear indicator that a significant number of citizens live at a very low level and that they have minimum subsistence funds. The situation is even worse if know that average wage in the real sector is lower than the average wage in Republika Srpska, and according to the information from the RS Tax Administration around 164.000 workers earn between 370 and 610 BAM, which actually puts them in the poor population category.

**CONCLUSION**

**AT THE END….IT IS IMPOSSIBLE TO AVOID THE LATEST EVENTS IN THE POLITICAL LIFE OF REPUBLIKA SRPSKA:**

**THE FINDING OF THE SUPREME OFFICE FOR THE RS PUBLIC SECTOR AUDITING HAS SHOWN SIGNIFICANT LACK OF FINANCIAL DISCIPLINE, WHICH ULTIMATELY LED TO RESIGNATIONS, JUST NOT THE RESIGNATIONS OF THE PERSONS RESPONSIBLE FOR THE DETECTED ERRORS.** Only three out of 16 ministries of the RS Government have worked in line with the financial rules. The RS Government hasn’t objectively shown the state of deficit, and after the Chief Auditor pointed out this inconsistency down came very strong political pressure that ultimately led to his resignation, which will be discussed in the RS National Assembly.

So instead of calling to account ministries and the Government, and having their resignations – which is common practice in developed democracy in these situation – we are seeing inappropriate, disturbing and inacceptable political pressure exerted on an institutions whose independence from political influences is of crucial importance.

The ones accused of malpractice and violation of regulations cannot defend themselves with accusations against the Auditor and him allegedly being manipulated by the opposition, but they should actually allow an independent foreign audit that wouldn’t be under anyone’s influence.

The RS National Assembly has to find the strength to protect the Chief Auditor and to condemn political pressures on the work of independent institutions whose task is to protect the system and the citizens of this country. And if the Government concludes that the Auditor is making a mistake, it should pass a decision to have a renowned international audit firm hired as soon as possible to check the findings of the RS Auditor i.e. the work of the Government of Republika Srpska.