

СЕЛТКІ СІVILNІН ІЛІСІЈАТІVА ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА

# Monitoring performance of the Council of Ministers and the Parliamentary Assembly of Bosnia and Herzegovina during the October 12, 2014- June 30, 2018 term of office



#### INTRODUCTION

The intention of this report is to show and to point out the principal results of monitoring performance of the Council of Ministers and the Parliamentary Assembly of Bosnia and Herzegovina. 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), the *Report* was generated after careful analysis whilst observing past practices of fair and correct reporting

The systemic problem, which makes it almost impossible to establish programmatic coalitions in political surroundings with poor civilizational and democratic levels, repeatedly produces poor results.

The so-called "partnerships" or "mathematical coalitions" and division of power (in the literal sense), that imply establishment of party control over certain sectors and segments of life, rather than joining the efforts on the basis of common goals and interests of citizens, have ruined every possibility to improve the living in this country. And they sentence us to the continuing instability and the state of being a hostage in political games of local powerlords, whose only goal is to remain in power and to protect their acquired "privileges" (including the enormous wealth often obtained through illegal activity – as testified by the latest sanctions imposed by the US administration).

The government at the state level is in a strange situation. Its most significant successes are mainly the result of understanding and assistance from "outside", while its greatest failures are the consequence of the politics from within the country – the one that was mentioned by the High Representative in one of the UN's annual reports discussing the tendencies "shown by certain political actors who return to destructive plans from the past that lead to further divisions".

As much as we understand that the blockades from lower government levels impede faster movement towards the European Union, i.e. stronger and more comprehensive reforms that need to be undertaken (that being a justification for modest results), it is also clear that the results of the state government are minimal and that the progress during the observed period happened exclusively because of the pressure from the international community, on one hand, and because of the lowered criteria, on the other hand. Moreover, even the alterations to the law ordered by the Constitutional Court, the absence of which could have seriously affected the legal order in the country, could not have been done without the pressure coming from the international community.

However, one must be fair and emphasize the serious work (and results) and statesmanlike conduct shown by some ministers of the Council of Ministers during this term of office. And who, rather than being praised by community from which they come, were, due to their different party affiliation, labeled as traitors by the local authorities (which, in confronting political opponents, do not hesitate to engage in conduct totally unacceptable to decent, structured, democratic societies. And all that because they worked in the interests of all citizens of this country, not only for the interests of ethnic groups to which they belonged. Sad. But true.

Let us mention in the introduction that during the first half of this term of office the government at the state level was the most constructive part of BiH authorities. Focused on the common interests, the government at the state level avoided (through not always successfully) to participate in pointless conflicts and tensions and succeeded to complete some important things for the citizens of this country.

However, all positive trends stopped subsequently. The relations are disturbed even within the Presidency of this country as well as within the Parliament and the Council of Ministers of BiH. And the ruling coalition practically ceased to exist.

#### THE COUNCIL OF MINISTERS OF BIH 2014-2018

IN THE FIRST TWO YEARS OF THE TERM OF OFFICE, THE GOVERNMENT AT THE STATE LEVEL SHOWED THAT THE RESULTS BENEFICIAL TO ALL CITIZENS AND ALL PARTS OF THE COUNTRY COULD BE REACHED WITH THE RIGHT APPROACH. Let us remind of the recent results of the Ministry of Foreign Trade and Economic Relations of BiH in enabling exports of some BiH products and of the well-balanced, statesmanlike conduct in some contentious situations in the relations with the neighbors. Or of the harmonization of the criminal legislation in BiH with international law that resulted in taking the country off the Moneyval and FATF grey list. However... the situation in the country, the narrow partisan and personal interests and politics which success of others perceive as a threat and whose survival depends on generating conflicts stand as insurmountable obstacle to any significant progress.

NEGATIVE CONSEQUENCES CAME AS A RESULT OF THE UNACCEPTABLY LONG PROCESS OF DEFINING AND ADOPTING "MECHANISM OF COORDINATION", ESPECIALLY HAVING IN MIND THAT IT WAS ONE OF THE PRINCIPAL REQUIREMENTS FOR SUBMITTING A CREDIBLE APPLICATION FOR EU MEMBERSHIP. The harmonized approach in development of policies and coordination among different parts of administration are still largely missing. However, the long-awaited *Strategic framework for the public administration reform in BiH* has been adopted recently, which is an obligation emanating from the accession process, as pointed by the European Commission.

INTENSITY OF THE WORK OF THE COUNCIL OF MINISTERS DURING THE 2014-2018 TERM OF OFFICE WAS HIGHER THAN IN THE PREVIOUS TERM (BY MORE THAN 30%). BUT, STATISTICS REGARDING THE NUMBER OF THE SESSIONS HELD DURING THE TERM OF OFFICE SHOWS A SIGNIFICANT IMPACT OF THE PROBLEMS ON THE RELATIONS WITHIN THE RULING COALITION. Almost a continuous decline in the work intensity has been observed since the end of 2016. From 16 sessions in the Quarter 3 of 2016, the number dropped to 11 sessions in the Quarters 1 and 2 of 2018.

IT IS INTERESTING THAT THE SIGNIFICANT DECLINE IN THE WORK INTENSITY WAS COMPENSATED WITH INCREASED EFFICIENCY DURING SESSIONS, SO THE PRODUCTIVITY IN THE LAST THREE YEARS OF THE TERM REMAINED UNCHANGED. The Council of Ministers considered around 5,000 measures, which is slightly more than the number of measures considered during the previous term (by circ., 7%).

THE MOST SIGNIFICANT PROBLEM THE COUNCIL OF MINISTERS HAD IN THIS TERM OF OFFICE AND THE MOST SERIOUS DECLINE COMPARED TO THE PREVIOUS TERM CONCERNS THE REALIZATION OF LAWS. Only 77 laws were endorsed during the four years. This is by 27% less than the number of laws endorsed during the previous term, which was also full of serious political crises and instable relations between the coalition partners. Further on, only 20 out of 77 endorsed laws were new laws. The rest are only the amendments to the existing legislations.

LOW REALIZATION OF LAWS, ESPECIALLY OF THE NEW LAWS, IS SOMEWHAT COMPENSATED WITH A HIKE IN THE NUMBER OF ENDORSED STRATEGIES. 25 strategies were endorsed during the current term of office, which is by 10 more than in the previous term. Hard work and compromises (with the EU adhering to its principles and not allowing for its own money to be imposed the conditions of local powerlords) broke the long and irrational resistance from RS, which, in years behind us, cost the citizens of this country millions of Euros in EU pre-accession funds.

STRATEGY OF RURAL DEVELOPMENT WAS FINALLY ENDORSED BY THE COUNCIL OF MINISTERS AND ADOPTED BY THE PARLIAMENT IN EARLY 2018. BIH will no longer be the only country in the region that fails to draw the EU pre-accession funds intended for farmers, having in mind that in the previous years, BIH jeopardized its own agricultural production and almost one fifth of jobs in the agricultural sector, according to assessments.

**ENERGY SECTOR DEVELOPMENT STRATEGY WAS FINALLY ENDORSED AT THE VERY END OF THE TERM OF OFFICE (AUGUST 2018).** The Council of Ministers, as proposed by the Ministry of Foreign Trade and Economic Relations, passed a Decision on adopting the Framework Strategic Document for Development of Energy Sector in BiH through 2035, thereby creating conditions to draw IPA and WBIF funds and to attract other investors in energy sector in BiH.

ANOTHER STRATEGY THAT LEFT THE COUNTRY WITHOUT SUBSTANTIAL FUNDS WAS STRATEGY OF TRANSPORT. This strategy was adopted sometime in mid-2016, under the threat that unless the strategy is adopted by a certain date the country would lose initially 130 million euros as well as the opportunity to apply for any other project in the coming year.

HOWEVER, OBSTACLES AND PROBLEMS THAT POLITICAL RELATIONS CREATE FOR THE STATE AND ITS CITIZENS REMAIN. FAILURE TO ADOPT CERTAIN DOCUMENTS LEAD TO VIOLATIONS OF THE OBLIGATIONS TOWARD VARIOUS INTERNATIONAL ORGANIZATIONS. BiH, for example, has not yet fulfilled its obligations emanating from the Treaty on Energy Community – adoption of laws (at the state level) concerning the Regulatory authority for electricity and gas, transmission and electricity market and establishment of the Regulatory authority at the level of BiH for gas market. BiH is the first country member of the Energy Community that was imposed sanctions due to failures to fulfill its obligations from the Treaty. Also...

DUE TO INTERNAL POLITICAL PROBLEMS, THE COUNTRY PARTICIPATED IN THE INTERNATIONAL SCANDAL IN JULY 2017 WHEN AS THE ONLY COUNTRY DID NOT SIGN THE TREATY ON JOINING THE TRANSPORT COMMUNITY AT THE SUMMIT OF THE WESTERN BALKANS COUNTRIES IN TRIESTE. After the Council of Ministers of BiH endorsed the Proposal of the Treaty in September 2017 and after its approval by the BIH Presidency, the Treaty on Transport Community was signed in mid-September. This was the condition for utilization of the already approved and substantial funds for several important infrastructural projects.

THE ALREADY MODEST RESULTS OF THE COUNCIL OF MINISTERS IN THE FIELD OF REALIZATION OF LAWS ARE ADDITIONALLY STULTIFIED BY ACTIONS OF THE PARLIAMENT. Out of 77 laws that were endorsed by the Council of Ministers of BiH during the current term of office, the Parliament approved less than a half- only 35! 22 laws were overturned, discontinued, withdrawn and returned for revision. While 17 of the laws endorsed by the Council of Ministers were not considered by the Parliament (as of June 30, 2018).

THE COUNCIL OF MINISTERS OF BIH DURING THE CURRENT TERM OF OFFICE WAS PERSISTENTLY LATE IN FULFILLING THE OBLIGATIONS EMANATING FROM THE RULES OF PROCEDURES REGARDING THE ADOPTION OF TWO KEY DOCUMENTS. Not a single Work plan was endorsed before the beginning of the year to which it related. And not a single draft budget of the institutions and international obligations of BiH for any of the year of the current term of office was endorsed by October 15, which prevented the Presidency from fulfilling its obligations regarding the prescribed deadline for endorsement of the budget.

PROBLEMS IN COORDINATION AMONG VARIOUS LEVELS OF GOVERNMENT, OBSTRUCTIONS MOTIVATED BY NARROW PARTISAN INTERESTS AND A SLOW ALIGNMENT OF DECISIONS THROUGH THE COORDINATION MECHANISM BECAME HIGHLY VISIBLE DURING THE CREATION OF ANSWERS TO THE EUROPEAN COMMISSION'S QUESTIONNAIRE.

Let us remind that the work which Macedonia, Albania and Montenegro completed in four months, Croatia completed in three months, and Serbia completed in two months, BiH managed to complete only after 15 months.

## **REALIZATION OF THE ACTION PLAN OF THE REFORM AGENDA IS IMPLEMENTED AT A MUCH LOWER INTENSITY THAN PLANNED.** Instead of slowly completing the work on this matter and creating a new Action plan for a new round of reforms, not a single level of government is anywhere close to reaching the goals set forth. More than a quarter of the plan remains unrealized at the state level.

## STRATEGY FOR THE FIGHT AGAINST DISCRIMINATION IN BIH IS AMONG THE UNREALIZED STRATEGIES THAT WERE ANTICIPATED IN THE ANNUAL WORK PLANS OF THE COUNCIL OF MINISTERS DURING THIS TERM OF OFFICE.

And it is, without any doubt, interesting that the strategy needs to be adopted by the institutions that discriminate – the Council of Ministers discriminate on gender basis and the Parliamentary Assembly discriminate on ethnic basis, and they are not doing anything to eliminate it.

Let us remind that the Council of Ministers of BiH has violated the Law on Gender Equality which sets forth that equal representation of genders exists when one of the genders is represented in at least 40%, and the Parliamentary Assembly is still violating the verdict of the International Court for Human Rights, as there is still no room in the House of People for representatives of the so called "Others".

And, there was no need to change the Constitution or to negotiate the modality with the entities and party leaders to eliminate the first discrimination -- the only requirement was to respect the state of law i.e. for political parties to respect and for the institutions to enforce the laws that they themselves adopted.

And the violations of international laws and norms of civilized behavior and persistence on the solutions that put this country in an embarrassing position of being the only European country with open, constitutionally-enabled and systemic discrimination on the basis of ethnic background, already say it all. And this also says it all about the political establishment that locks such situation.

THE CENTERS FOR CIVIC INITIATIVES CALL, ONCE AGAIN, FOR RESPECT OF THE STATE OF LAW AND RULE OF LAW. We live in a country in which government institutions disregard laws, the Constitution or the court decisions. Many verdicts of the Constitutional Courts have for decades remained unimplemented at various levels of government, without any consequences for those that are responsible.

And the scandal regarding the amendments to the Law on Criminal Procedure of BiH and government's indolence in this matter shows once again that representatives of the international community often care much more about this country and its citizens than BIH politicians whose constitutional duty and expensive business obligation is to do so.

Exceeding the deadlines set by the Constitutional Court and misalignment of the respective ministry's proposal with the European standards, compromising the functioning of the judiciary and ability to process serious cases of crime and corruption, postponing the adoption of the law (and its final adoption at the last session of this composition of the parliament) are simply condemnable. And it seems justified to wonder what kind and whose interests are in the background of these scandals.

Instead of building a state of law, some local politicians seem to do everything to stop it from coming to life, to undermine and break that which has been achieved to date.

POLITICAL CONFLICTS BETWEEN THE PARTIES OF THE RULING COALITION HAVE LEFT MOST SERIOUS CONSEQUENCES ON THE RESULTS OF THE WORK OF THE PARLIAMENTARY ASSEMBLY. THE CURRENT COMPOSITION OF THE PARLIAMENTARY ASSEMBLY IS THE MOST INEFFICIENT ONE OUT OF THE FOUR LAST ONES IN TERMS OF REALIZATION OF LAWS. 59 laws adopted in the current terms is four times less than the number of laws realized during the 2002-2006 term. During which the laws were adopted also with assistance from OHR. However, it is also by 30% less than in the previous term of office, which was full of political problems too.

PARLIAMENTARY MAJORITY IN THE HOUSE OF PEOPLE OF BIH PARLIAMENT CEASED TO EXIST IN THE FINAL YEAR OF THE TERM OF OFFICE. The ratio between the MPs of the ruling coalition and the opposition went down to 50:50 with the dissolution of the SDA Caucus, and then, with a continuing dissolution, the parliamentary majority turned into minority. Yet, the conflicts between the parties of what used to be the ruling coalition (between SDA and HDZ, announcements of SBB's withdrawal from the coalition, SBB's and some other parties' in the coalition assuming the opposite positions on some important strategic issues) already raised a question of whether there really were the parliamentary majority and the ruling coalition at the state level.

PARLIAMENTARY MAJORITY IN THE HOUSE OF REPRESENTATIVES HAS FOR A LONG TIME FAILED TO EXIST AS A FORMALLY ORGANIZED GROUP OF MPS; INSTEAD IT IS FORMED FROM ONE SESSION TO ANOTHER, FROM ONE POINT OF THE AGENDA TO ANOTHER. The most visible case in this context is the adoption of the laws on excise, which was key requirement for continuing the agreement with the International Monetary Fund. MPs from the Alliance for Change, who are part of the ruling coalition, did not support this set of laws. However, it was adopted because of the votes from SNSD MPs and one HDZ 1990 MP, who have acted as the opposition from the beginning of the term. Nevertheless...

LOW NUMBER OF THE ADOPTED NEW LAWS ADDITIONALLY UNDERLINES THE POOR RESULTS OF THE LEGISLATIVE ACTIVITIES OF THE PARLIAMENTARY ASSEMBLY DURING THE TERM OF OFFICE. Of 59 adopted laws, only 14 are the new laws. And the rest are only amendments to the existing laws.

A PROBLEM OF THE UNFAVORABLE RATIO BETWEEN THE ADOPTED AND OVERTURNED LAWS BECAME EVIDENT DURING THE CURRENT TERM OF OFFICE, AS IT IS SOMETHING THAT THE PARLIAMENTARY ASSEMBLY OF BIH IS SPECIFIC IN GLOBAL TERMS. The Parliamentary Assembly of BiH is known by having the number of overturned laws close to the number of the adopted laws, and that at some time, the number of overturned laws even exceeds the number of the adopted laws. During the current term of office, as many as 58 laws were overturned (42 in the House of Representatives and 16 in the House of People), which is by only 1 law less than the number of the adopted laws.

IN 2017 THE HOUSE OF REPRESENTATIVES OF THE PARLIAMENTARY ASSEMBLY OF BIH FAILED TO ADOPT THE REPORT ON THE WORK OF THE COUNCIL OF MINISTERS OF BIH FOR 2016 DUE TO CONFLICTS WITHIN THE RULING COALITION. And again, the situation is so characteristic of politics in BiH – the ruling parties act as both the position and the opposition, i.e. they criticize and demand resignation of government in which they participate and which they do not intend to leave.

NEITHER OF THE HOUSES OF THE PARLIAMENTARY ASSEMBLY ENDORSED THEIR ORIENTATIONAL WORK PLANS ON TIME DURING ANY YEAR OF THE CURRENT TERM– BEFORE THE BEGINNING OF THE YEAR TO WHICH IT RELATES. Delays were between 1 and 5 months. FOR A COUNTRY WITH THE AMBITION TO INTEGRATE INTO THE EU, THE NATIONAL PARLIAMENT ANTICIPATES FAR TOO FEW LAWS IN THE ANNUAL WORK PLANS. MOREOVER, THE DEGREE OF REALIZATION OF THESE MODESTLY CONCEIVED WORK PLANS POINT TO THE REASON WHY BIH IS INCREASINGLY LAGGING BEHIND ALL OTHERS. The situation with the 2017 Work plan is indicative as only 8 laws were adopted out of 49 laws programmed in the Work plan.

THE LAWS THAT WERE NOT REALIZED INCLUDE THE LAW ON FOREIGN AFFAIRS, SO BOSNIA AND HERZEGOVINA IS STILL THE ONLY COUNTRY IN THE REGION WITHOUT THE LAW ON FOREIGN AFFAIRS. Political establishment does not show much optimism with respect to imminent adoption of the law, which has been repeatedly programmed in the annual work plans of the Council of Ministries for about a decade.

THERE WAS NO READINESS WITHIN THE HOUSE OF REPRESENTATIVES OF THE PARLIAMENTARY ASSEMBLY TO PREPARE THE LAW ON INSPECTION OF THE BACKGROUND OF ASSETS OF PUBLIC OFFICIALS IN THE INSTITUTIONS OF BIH. Although the House of People of the Parliamentary Assembly of BiH adopted on May 4, 2017 the Conclusion on Forming the Interdepartmental Work Group for Preparation of the Law, the proposal of the Conclusion was rejected in the House of Representatives. Also...

THE PARLIAMENTARY ASSEMBLY HAS NOT YET ELIMINATED SERIOUS SHORTCOMINGS IN THE EXISTING CONFLICT OF INTEREST LAW. Almost a year ago, an informal group of 8 MPs of the House of People submitted to parliamentary procedure the text of the Law to eliminate the majority of the shortcomings in the law that was adopted by BIH Parliament in late 2013 despite the open disagreement of civil society organizations because the law, among other things, enabled representatives and delegates in Parliamentary Assembly to decide on the conflict of interest in the institutions of BiH instead of the Central Election Commission or some other completely independent and professional body.

**"PROGRAM OF INTEGRATION OF BIH INTO THE EU" HAS NOT BEEN ADOPTED YET.** Hence, BiH still does not have its strategic document for accessing the EU, which should provide an overview of all obligations of BiH, the dynamics of its realization, a plan for fulfilling EU membership criteria, a plan of harmonization of local legislation with the EU legislation and assessment of the costs of realizing the program.

IN 2016 AND 2017 THE STATE BUDGET WAS ADOPTED ON TIME, AND IN THE FIRST AND LAST YEAR OF THE TERM OF OFFICE ITS ADOPTION WAS DELAYED. IT WAS OBSERVED THAT THE BUDGET DOES NOT RECOGNIZE SUFFICIENTLY SPECIFIC NEEDS OF WOMEN POPULATION. The Gender Committee of the House of People of the Parliamentary Assembly in cooperation with the Agency for Gender Equality and the Ministry of Human Rights and Refugees of BiH, with support from the UN Women Office in BiH in late 2017 organized a session "How to have a gender responsive: the role of parliaments". It was stated during the session that the underrepresented gender has been insufficiently covered, and that only small portions of funds are allocated for new jobs for women, education of women, new mothers, vitro fertilization, building of new safe houses... Something that should be taken into consideration in the upcoming period.

TOTAL INCOMES OF REPRESENTATIVES AND DELEGATES IN THE PARLIAMENT OF BIH ARE STILL DISPROPORTIONATE TO THE SOCIAL AND ECONOMIC SITUATION IN BIH AND THE RESULTS OF THIS INSTITUTION, AS THEY RANGE FROM 4,800 KM TO 6,500 KM. The CCI believes that even though certain benefits of BiH parliamentarians are significantly reduced or abolished, there is still a room for additional reduction, which implies alignment of MPs' salaries with the so-called EU standards – they should not exceed 3-3.5 average salaries in BiH. In a certain way, the salaries of politicians would be linked with the results of their work. In other words, they could be increased when BiH authorities ensure economic growth, higher investments, new jobs and higher salaries for workers. According to available information, total incomes of BiH parliamentarians during a term of office range between 230,000 and 290,000 KM.

**UNFORTUNATELY, SYSTEMIC DISCRIMINATION AGAINST BIH CITIZENS AND VIOLATIONS OF THE INTERNATIONAL LAWS CONTINUES.** The House of People continues to work without representatives of "Others" and there is still no indication of the agreement on how to implement the verdict of the Human Rights Court's verdict in the context of electing the members of the BiH Presidency.

SOME DECISIONS OF THE CONSTITUTIONAL COURT OF BIH HAVE FOR MANY YEARS REMAINED UNIMPLEMENTED BY THE INSTITUTIONS AT ALL GOVERNMENT LEVELS, INCLUDING THE LEVEL OF BIH. On July 17, 2018, seven (7) decisions of the Constitutional Court in the jurisdiction of the Parliamentary Assembly of BiH were not implemented; two decisions in the jurisdiction of the Parliament of FBIH, and one decision in the jurisdiction of the National Assembly of Republika Srpska.

### CONCLUSION

Our foreign friends, at some time, by inferring that we ourselves must develop into a normal and democratic country that cares about its interests and solves the problems of its citizens, have decided to abolish the protectorate and control over the local politicians.

Unfortunately, it did not result in improved accountability of local politicians, as expected (and as it would be normal); on the contrary – it resulted in systematic destruction of the state of law and democratic institutions. And the goal of taking political (and every other) power out of the institutions and putting it into the hands of political leaders and protecting the party leaders against their responsibility for wrongdoings is justified as national interest.

Well, it is said that "every people have the government they deserve". So, let's get out and vote and wait for the results and see if we want and deserve (anything) better or if we have exactly what we deserve.

The **CENTERS FOR CIVIC INITIATIVES** remind once again of its position that modifications of the election law should have two directions – to satisfy the verdict of the European Court for Human Rights (which has been entirely neglected) and to create mechanisms to eliminate blockades of the system to ensure normal functioning of the political life in line with the standards of developed democratic societies. And this implies primarily introduction of snap elections. It is simply not acceptable for the state institutions to be captives of conflicts between political parties and for citizens to be hostages and victims of all that, without any possibility to resolve the situation in a normal, democratic and legal way.