

**Monitoring performance of the BiH CoM and the BiH PA**

**01.01 – 31.03.2015**

**INTRODUCTION**

The positive atmosphere between the parties of ruling coalition (or at least between the most of them) at the state level of authority is so far the largest value of the post-election period in BiH.

Furthermore, it is the only point at the domestic political scene that does not produce any conflicts and does not put forward narrow party and personal interests, but that exhibits seriousness and prudence, being focused on true interests of the citizens rather than on dangerous illusions, which are still used by certain centers of powers to threaten citizens and to stall this country on its Euro Atlantic path.

It is a huge shift from recent politics of conflicts and divisions, whereat the government was treated as something that has to be fragmented and then used as property of the parties. We now have a coalition, which has come to an agreement about the crucial issues with regard to the key interests of the citizens and the need to finally stop continuous deterioration of situation in the country. It seems to be a coalition that has reached a consensus based agreement not to contest about the issues on which they cannot agree (simply threating these as issues about which they think differently, without any tensions), and to jointly work on issues on which they have reached an agreement in order to attain objectives that are in interest of all citizens in BiH.

We can easily say that present experience indicates that the international community, which has shown utter generosity towards BiH and the intention to stabilize situation in the country by initiating reform process and solving some of the most serious problems of the BiH citizens, has a very constructive interlocutor in the current government at the State level.

Unfortunately, continuation of politics of conflicts and non-democratic tendencies exhibited by the ruling party in RS and inaptness of the ruling coalition in the BiH Federation to establish a democratic dialogue within itself and to solve problems through compromise, mutual respect, respecting the arguments and establishing confidence, which is necessary for the joint work, rather than by using blackmails and ultimatums, jeopardizes everything that has been attained at the State level. Occasionally such practice also threatens to generate complete destabilization, and it has to be condemned. The Centers for Civil Initiatives also make a plea to put a stop to the practice of maximalist objectives, as well as to placing narrow party interests before the interests of the citizens and the society in general, but also to the practice of blackmails and threats, which, even if unrealized, leave great consequences and traumatize the society that is in desperate need of positive energy and optimism and to see such practices abandoned.

The tardiness in establishment of the State authority after the last elections, and especially the tardiness in establishment of the Council of Ministers, which we have again completely unnecessary witnessed, is the consequence of the problems at the lower levels of authority and the fact that certain actors at the political scene still function in the old way – placing narrow party and personal interests before collective interests, whilst turning other actors and citizens into hostages aimed at attainment of their maximalist objectives.

Majority of the parties of ruling coalition at the State level have been so far exhibiting a respectable constructiveness, and commitment to interests of the citizens and the country, which raises the hopes that an alternative to former politics of conflicts, blockages and destruction is possible.

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**PA BiH I-III 2015**

**THE RESULTS OF THE BIH PA’S PERFORMANCE IN THE FIRST QUARTER OF 2015 BEST INDICATE THE IMPORTANCE OF SWIFT ESTABLISHMENT OF THE GOVERNMENT AFTER THE ELECTONS, IN ITS FULL CAPACITY.** The positive energy, which is evident in the relations of established ruling coalition, did not produce adequate results in the first quarter of 2015. The principle reason for such a situation is the fact that the State government was a collateral victim of the conflicts over establishment of the government in the BiH Federation, so its establishment was unnecessarily delayed, which has logically affected the results.

The new Parliament became fully operational in mid-February of 2015, when the House of Peoples was completed, and the new Council of Ministers was appointed on March 31.

The epilogue being that during the first quarter of 2015 the roof legislative institution of the State adopted only two laws, and that 10 laws were in the procedure at the end of the quarter i.e. the Parliament did not make a final decision about these laws.

**UNFORTUNATELY THE TREND BY WHICH THE BIH STATE PARLIAMENT IS QUITE SPECIFIC IN THE WORLD HAS BEEN CONTINUED – MORE LAWS ARE REJECTED THAN ADOPTED.** Besides the two laws that were adopted, the BIH PA considered additional four laws, which were rejected, and one law was withdrawn from the procedure.

**THE MOST SIGNIFICANT EVENTS IN THE BIH PA DURING THE FIRST QUARTER OF 2015 DID NOT RELATE TO THE PERFORMANCE OF MPS.** The most significant events in the first quarter of 2015 were the visits of the Ministers of foreign affairs of the Federal Republic of Germany and the United Kingdom (16.1) and the visit of the High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the European Commission Federica Mogherini (23.2). The both visits related to the new EU initiative for BiH by which the possibility to finally put the Stabilization and Accession Agreement into the force was opened, offering assistance to BiH in the reform process aimed at stabilization of the situation in the country and solving some of the most significant problems of its citizens. In this context the BiH PA on February 23, 2015 adopted the BiH Presidency’s Statement on commitment of the institutions at all levels of authority in BiH to conduct all necessary reforms under the accession process, as a key document that should determine work of the authorities in BiH at all levels in the forthcoming period.

**AT THE MOMEMENT THE MAIN TASK OF THE BIH AUTHORITIES IS TO DESIGN A PLAN FOR REFORMS AND THEIR REALIZATION.** Unfortunately we are still waiting for the 2015 Work programs of both Houses of the BiH. One can only hope that the current BiH PA will not repeat the inacceptable behavior of the previous BiH PA, which during its four-year term adopted the Work programs for both of its Houses in one year only (2013). The work program is actually the key tool to enhance performance efficiency of the institutions and to place their focus on the set goals. It is a tool without which the announced reform course of the BiH authorities is unthinkable.

**THERE WERE ALSO DELAYS IN THE PROCESS OF ADOPTING THE BUDGET.** The trend of adopting the budget of the BiH institutions on time i.e. before the beginning of the year to which it relates, has been stopped, and this was proved as possible during the last two years of the previous mandate under the strong IMF’s pressure (obviously the problem lies in motivation of our politicians – when credit tranches were jeopardized, everything what was impossible during the previous years they managed to solve on time). In this year the financing during the two quarters was regulated by the Decision on temporary financing due to the failure to adopt the Law on financing the BiH institutions and the international obligations of BiH on time.

**A KIND OF OBSTRUCTION, WHICH SO FAR DOES NOT CAUSE ANY MAJOR DAMAGE, HAS BEEN OBSERVED IN THE PERFORMANCE OF THE BIH PA DURING THE REPORTING PERIOD.** The House of Representatives of the BiH PA does not hold its session in the full composition, because the members of the SNSD caucus (i.e. members of parties SNSD and DNS) are regularly leaving the sessions after the proposal of their caucus to put on the agenda discussion on dismissal of Šefik Džaferović from the position of the Speaker of the BiH PA House of Representative is not adopted at the beginning of this House’s session. The failure of the same parties’ delegates to be present at a session has caused cancellation of one session of the BiH PA House of Peoples, and they also boycotted the planned joint session of both Houses at which the High Representative of the European Union for Foreign Affairs and Security Policy was to deliver a speech, turning it into the session of the House of Representatives that was attended by the remaining delegates of the House of Peoples.

**THE BIH INSTITUTION STILL CONTINUE TO CONDUCT SYSTEMIC DISCRIMINATION OF BIH CITIZENS AND TO VIOLATE THE INTERNATIONAL LAWS.** The BiH PA House of Peoples is still functioning without a representatives of “Others”. Even though the European Union is presently not insisting on implementation of the decision of the European Court for Human Rights in case “Sejdić-Finci” i.e. it does not use it to condition the BiH progress on the European path, such “flexibility” of the European Union cannot be an excuse for the domestic authorities to give up on implementation of the decision, since the reason for implementation of the decision is not given in any of the EU demands and it does not rest on the fact that we are to lose any benefits, primarily the financial ones, if we fail to implement the decision, but the reason for implementation of the decision should (and has to) rest on the fact that BiH does not want to be a country that violates human rights of its citizens.

**IT WOULD BE VERY SIGNIFICANT IF THE NEW STATE GOVERNMENT WOULD AT THE VERY BEGINNING SHOW HIGHER DEGREE OF SOCIAL SENSIBILITY THAN ITS PREDECESSORS AND REDUCING ITS PRIVILEGES, WHICH ARE COMPLETELY IN DISACCORD WITH THE SITUATION IN THE SOCIETY.** It was actually the BiH PA that has through a combination of enormous wages and insignificant results of its work become a symbol of political extreme extravagance, impudence, losing of contact with the reality and social insensibility, which has led to the consensus amongst the public on the necessity of reducing or terminating privileges enjoyed by the politicians. Therefore the new composition is in the ideal position to “draw a line” in this symbolic manner, to show that it is being different than its predecessor and to bring everything under an acceptable framework. Therefore it is necessary to complete the legal procedure in the House of Peoples of the BiH PA that generates all necessary preconditions for termination of so-called “white bread” (termination payments), as well as payments made for work in temporary commissions.

**THE BIH PA’S TRANSPARENCY IS AT AN ENVIABLE LEVEL.** If we disregard the unnecessary scandal when the CCI’s monitors were not allowed to attend the Parliament’s sessions during the previous mandate, one can say that for a very long period of time the BiH PA represents an institution which has achieved a respectable level of transparency. This also relates to the PA web site, which by its functionality, available information and regularity of update represents an excellent example to all who wish to improve their performance in this context.

**RECAPITULATION**

**THE NEW STATE GOVERNMENT IS FACING AN INHERITED SITUATION WHICH IS UTTERLY WORRYING. THE EPILOGUE OF THE FOUR-YEAR MANDATE OF THE PREVIOUS GOVERNMENT AND THE LOST YEARS DURING WHICH THAT GOVERNMENT DID NOT DO ANYTHING SIGNIFICANT FOR ITS CITIZENS (INCLUDING FAILURE TO MEET INTERNATIONAL OBLIGATIONS) IS DEVASTATING:**

* The EU integration process of the country was not only stalled, but a lot of things were done to move BiH away from the Europe Union.
* BiH is characterized as the only country on the European continent that openly and systematically violates human rights of its citizens without doing anything to eliminate such discrimination.
* The country is now in the situation where sanctions are imposed, losing tens of millions Euros of very much needed “grants”.
* We are now threatened by exclusion from some European institutions and placement on the black lists.
* Due to negligence of the authorities the country was not prepared for accession of Croatia to the EU, whereby yet another blow was given to already stumbled economy.
* A large number of important laws and strategies that should have improved the quality of BiH citizens’ lives in many aspect remained not adopted.

**FOR A MOMENT THE NEW EU INITIATIVE RAISED SOME HOPES, AND EVEN SOME UNDUE EXPECTATIONS (WHICH ARE ALWAYS DANGEROUS), BUT BEHAVIOR OF CERTAIN ACTORS AT THE POLITICAL SCENE IN THE POST-ELECTION PERIOD BY WHICH THEY CLEARLY INDICATED THAT THEY DO NOT INTEND TO GIVE UP ON THE USUAL BEHAVIOR PATTERN HAVE “SOBERED UP” EVERYBODY. IT INDICATES THAT IMPROVEMENTS ARE NOT TO BE EASILY ACHIEVED AND THAT A LOT OF EFFORTS, KNOWLEDGE, PATIENCE AND ENERGY WILL HAVE TO BE INVESTED.**

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**CoM BiH I-III 2015**

**DURING THE REPORTING PERIOD THE CoM BiH WAS WORKING IN THE “TECHNICAL MANDATE”.** Even though in practice the new Council of Minister could have been established by the end of 2014, as it was optimistically announced, the use of the State government and threats to cause crisis and destabilization of the country as a tactic in negotiations on distribution of functions at the BiH Federation level, have yet again led to several months being lost for the citizens of BiH. However, the new Council of Ministers was appointed on March 31, and it held its first session on April 7.

**EVEN THOUGH APPOINTMENT OF THE NEW COUNCIL OF MINISTERS WAS NOT AS FAST AS IT WAS EXPECTED AND EVEN THOUGH NOT ALL PARTIES EXHIBITED NECESSARY LEVEL OF CONSTRUCTIVENESS, THE PROCESS ITSELF, HOWEVER, HAS PASSED MUCH BETTER THAN AFTER THE 2010 GENERAL ELECTIONS.** A total of 170 days have passed from the Elections in October of 2014 until appointment of the new Council of Ministers (12.10.2014 – 31-.03.2015). It is 39 days more than it had taken to appoint the Council of Ministers after the 2007 Elections (01.10.2006 - 09.02.2007), but even 325 days less than it had taken to appoint the previous Council of Ministers after the 2010 Elections, which was appointed after one year and four months (03.10.2010 - 10.02.2012).

**ANALYSIS OF THE PERFORMANCE OF COUNCIL OF MINISTERS IN “TECHNICAL MANDATE” DURING THE LAST THREE MONTHS OF ITS WORK INDICATES WHY IT WAS IMPORTANT TO ESTABLISH THE NEW COUNCIL OF MINISTERS AS SOON AS POSSIBLE.** The number of realized measures in the first quarter of 2015 is the worst result of any first quarter in the last eight years, and the difference is not only in a few percent, but the results are two, three or even four(!) times worse than the results achieved during other years.

**THE COUNCIL OF MINISTERS DID NOT PASS ANY LAWS IN THE FIRST QUARTER OF 2015. ACTUALLY IT FAILED TO PASS ANY LAWS IN THE LAST SIX MONTHS OF ITS WORK – SINCE SEPTEMBER 2014.** Here considering the fact that until October 2014 the Council of Ministers adopted only 9 laws out of 46 laws that were planned by the 2014 Work Program, which means that 80% of planned laws remained unrealized, and its subsequent behavior is additionally puzzling. The “technical mandate” cannot be any excuse for such performance. Hereby we would like to underline behavior of the BiH Federation Government, which in “technical mandate” adopted a respectable number of laws, leaving up to the new Government and the new FBiH Parliament to decide whether they agree with the designed solutions or whether they can use them when developing their own, thus saving the precious time. It is actually a very positive approach, which means that it is always better to do something potential useful, than not to do a thing.

**THE NEW COUNCIL OF MINISTERS IS FACING THE BURDEN OF INHERITED OBLIGATIONS. EVEN IN THE LAST THREE MONTHS OF ITS WORK THE PREVIOUS COUNCIL OF MINISTERS DID NOT MEET ANY OF THE EARLIER ASSUMED OBLIGATIONS.** The earlier assumed obligations from the “Road Map” are still to be realized, and the deadlines for their realization, as promised to the EU, have passed a long time ago. These obligations, inter alia, include important strategies and laws, such as the BiH Social Inclusion Strategy, the single “BiH Law on Courts, BiH Law on free legal aid, Rural Development Strategy, aligning BiH Customs Law with the EU Customs Code, BiH Law on developing small and medium-sized enterprises and entrepreneurship, integrated Energy Strategy for BIH, as well as the new anti-corruption laws, aligned with the EU standards, and other important laws and strategies that can more significantly contribute to development of a positive environment for swifter employment and larger investments in BiH, as well as to more significant acceleration of the European integration.

**ADOPTION OF THE ANNUAL WORK PROGRAM WAS YET ANOTHER OBLIGATION THAT THE PREVIOUS COUNCIL OF MINISTERS FAILED TO MEET.** Actually it is a very interesting fact that during the previous four-year period the annual work program was adopted on time only in 2011 for 2012, and it was adopted by the government in “technical mandate” at the time. This government that was “in technical mandate” during the first quarter of 2015, which is in focus of our report, did not show any interest in developing a 2015 Work Program. Anyway, why should it be interested, since it turned out that it would need another four-year mandate to realize its last adopted 2014 Work program.

**THE GOVERNMENT IN “TECHNICAL MANDATE” ALSO DID NOT PREPARE AND ADOPT THE 2015 BUDGET.** Even though the Draft Budget of the BiH institutions and international obligations of BiH for 2015 should have been adopted by the Council of Minister and forwarded to the BIH Presidency, which in turn would sent it as a proposal to the BiH PA to be adopted in both Houses by the end of 2014, nothing of the above was not done even by the end of first quarter of 2015. The new Council of Ministers had to prepare the draft budget. (The draft budget was prepared, and following the BiH Presidency’s decision the parliamentary procedure in terms of its adoption has been completed).

**OVER THE PAST EIGHT YEARS (ONLY IN TWO MANDATES) THE EXTERNAL DEBT OF BIH HAS DOUBLED WITH EXCESSIVE INDEBTEDNESS THAT WAS USED BY THE ENTITY GOVERNMENT TO FINANCE PUBLIC SPENDING INSTEAD OF FINANCING DEVELOPMENT OF REAL SECTOR AND EMPLOYMENT GROWTH, AND NOW IT AMOUNTS MORE THAN 8 BILLION KM. TOGETHER WITH THE DOMESTIC DEBT IT IS APPROXIMATELY 11.5 BILLION KM.** And it will continue to grow, since the authorities are desperately trying to maintain remains of already deeply shaken social peace, securing the budget liquidity by nervously taking on more debts. The long-term consequences of such irresponsible behavior and the failure to invest into the economy, generation of new jobs and self-sustainability, but investing into excessive public spending, are being felt for a long period of time. The citizens are to pay the price of irresponsible behavior of the politicians.

**THE TAX PAYERS’ MONEY HAS TO BE SPENT IN A TRANSPARENT MANNER; SUBJECT TO APPROVAL OF THE COMPLETE BIH COUNCIL OF MINISTERS**. The practice of so-called “discretional” budget spending by chair and deputy chair of the BiH Council of Ministers, who could spend the funds for emergencies, was established during the previous period. Spending of these funds without clear and transparent criteria is inadmissible. The decision on spending budget funds should be passed by the BiH Council of Ministers, without any “privileges” for anyone, which means that the Law on financing BiH institutions has to be amended in order to eliminate observed shortcomings.

**CONCLUSION**

The process of establishing the government at the level of BiH, but also at all other levels in our country, as well as significant delays in this process, confirmed yet again the need for implementation of the CCI’s initiative to improve election legislation of BiH, aimed at introducing precise deadlines for establishment of the government into the BiH Election Law and opening the possibility of announcing extraordinary elections in cases when deadlines are not observed, work of the institutions is obstructed and when it is impossible for political actors to reach an agreement within “a reasonable deadline”, which is, in CCI’s opinion, 90 days following official confirmation of the election results by the BiH CEC. The problem of obstruction and blockage of institutions’ performance has to be solved in a similar way by developing mechanisms, which will make dismissal of the government a less complicated and real option, in order to prevent situations we have previously witnessed, where certain parties or even individuals hold entire institutions under blockage, turning the citizens into hostages of absurd political games and narrow party interests.

One has to positively note constructiveness of the new BiH Parliamentary Assembly and efficiency of the newly-appointed Council of Ministers, which lead to Moneyval’s conditions being finally met, and our country’s name removed from the “Gray list” of this organization, thus eliminating the danger of turning our citizens’ external financial transactions into a “nightmare”.

The State level of authority exhibits a respectable constructiveness and dedication to the interests of the citizens and the country, which raises hopes that an alternative to former politics of conflicts, blockages and destruction is possible.

If it would just stay that way.

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