

**Monitoring report on performance**

**of the FBiH Government and Parliament**

**January 1 – June 30, 2015**

**INTRODUCTION**

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After the Centers for Civic Initiatives published the report on performance of the FBiH Parliament and Government in the first quarter, the results of the second quarter are not more productive in the context of improving the citizens’ lives.

The citizens of Bosnia and Herzegovina are fully entitled to again feel betrayed by their politicians.

Instead of being concentrated on the announced reform processes that is to bring to the country and its citizens the final end of economic deterioration, i.e. the development and generation of new jobs, the political establishment in both entities of BiH are yet again producing political crisis.

In the BiH Federation the crisis is reflected in excruciatingly reliving something that we hoped would never happen again – a remake of the previous mandate that was characterized by party conflicts, instability and relations within and between the institutions, which are not know to the normal democratic societies.

Furthermore, as if the tragedy of the factual situation is not sufficient, the intelligence of the BiH Federation citizens is being constantly assaulted with the attempts to convince them that everything is okay and that absence of Parliament’s support to the Government is not a problem at all.

The system error to which the CCI has been warning and requesting its correction for many years now is being abused in order to have the government working again without democratic legitimacy and contrary to tradition and unwritten laws of developed democratic societies.

Again the power of authority and the high status it provides represent the main motives of the parties. The citizens and the promised reform processes are neglected and turned into an unconvincing promise, which is being even more questionable because it is hidden from the public that should and must take a stance on the reforms, since these relate to them and directly affect them.

**FBiH GOVERNMENT I-VI 2015**

**THE BIH FEDERATION GOVERNMENT, WHICH WAS APPOINTED ON MARCH 31, 2015, WAS NOT EVEN CAPABLE OF WORKING 100 DAYS IN THE SAME COMPOSITION.** Reciprocated disbelief and non-conformed objectives that have caused conflicts within the three-member ruling coalition that was established after the elections and that also caused a long delay in establishment of the Government, have been continued even after the Government was appointed and started working. The differences have proved to be irreconcilable and have led to obstructions in the work of the Government and subsequently also to dissolution of the ruling coalition, resignations of the ministers from a party of the coalition and loss of the parliamentary majority that supported the Government.

**THE RESULTS OF THE FBIH GOVERNMENT’S PERFORMANCE IN THE REPORTING PERIOD ARE IN LINE WITH THE INSTABILITY IT HAD FACED.** The Government’s productivity in the second quarter was actually a bit below the productivity in the first quarter, when the government in technical mandate was still active. It is the result of misplaced Government’s focus on the so-called “distribution of the electoral pray” instead of placing its focus on the accumulated problems of the citizens and on the necessary reform processes. The focus has led to the conflicts about control over the “managing positions” in the public enterprises, and at the very beginning to obstructions in the work of the Government and to the failure to hold sessions, aimed at avoiding the decisions to be made by an incomplete composition i.e. waiting for the coalition partners to reach an agreement. But, as we all know, instead of coalition partners reaching the agreement, the coalition’s dissolution happened.

**THE FINAL RESULTS OF THE FBIH GOVERNMENT IN THE FIRST HALF OF 2015 IN TERMS OF ENACTMENT OF THE LAWS IS SIGNIFICANTLY BELOW THE AVERAGE ACHIEVED IN THE PREVIOUS MANDATE.** Namely in the first half of 2015 the Government in “technical mandate” verified 13 laws, and the Government appointed on March 31, 2915 verified ten laws. Furthermore, the new government, once appointed, has withdrawn all laws verified by the government in “technical mandate” to be reconsidered, and so far it has returned only four laws into the procedure, and the fate of the remaining laws is still uncertain.

It is additionally disappointing that only two out of the total number of laws verified in the first half of 2015 are so-called basic (main) laws. All others are purely changes and addenda to the already existing laws.

**IT IS AN INTERESTING FACT THAT THE GOVERNMENT PASSED ITS WORK PROGRAM FOR THE TERM OF THE OFFICE (AND SUBSEQUENTLY THE ANNUAL OPERATIONAL PROGRAM FOR 2015) AFTER LOSING THE MAJORITY IN THE ASSEMBLY AND AFTER DISSOLUTION OF THE RULING COALITION. IT THUS SHOWED THAT IT DOES NOT HAVE ANY DOUBTS IN ITS SURVIVAL.** The strategic objectives of the “BiH Federation work program for the term of the office”, which was adopted on June 18, 2015, include reduction and control of public spending, labor market reform, enhancement of the business environment, activation of economic resources and support to the economic activities, fight against the corruption and the development of social sector. The objectives themselves are not questionable but this is not the first (and probably not the last) time such objectives are set, and that the quality of this (or any other) government is not to be measured against pretty promises, but against successfulness of their realization. And so far we have not seen much of that.

**BESIDES THE NICELY LISTED OBJECTIVES, THE WORK PROGRAM OF THE BIH FEDERATION GOVERNMENT ALSO CONTAINS CERTAIN SHORTCOMINGS OR VAGUENESS.** This document also contains a list of legislative plan for the term of the office, but the list is definitely not complete. In line with the plan, the BiH Federation Government plans to verify only 99 laws in the next four years, while a total of 84 laws were included into the Work program for 2014.

Furthermore, out of 25 laws that the Government verified in the first quarter of 2015, only one is found on the list for the mandate. And as a curiosity we would like to underline that the responsibility for realization of the highest number of laws in 2015 according to this plan rests on the Ministry of labor and social policy, led by Minister Milan Mandilović from the DF Party that left the ruling coalition.

**DYSFUNCTIONALITY OF THE GOVERNMENT IN THE FBIH, WHICH IS REFLECTED IN LACK OF COORDINATION IN THE WORK OF BOTH THE GOVERNMENT AND THE PARLIAMENT, WAS EVIDENT DURING THE FIRST HALF OF 2015.** During the three months of the second quarter of 2015 the FBiH Parliament did not consider any law verified by the current FBiH Government. Out of 25 laws, verified by both Governments that were active in this period, the Parliament completely realized i.e. adopted only one Proposal of the Law during the six months. That was the “Law one execution of the FBiH Budget for 2015”, and the FBIH Parliament did not consider any of the remaining 24 laws.

This information, together with the information the CCI presented during the previous mandate, clearly indicate that the Government without support of the parliamentary majority (due to complexity of the system that practically disables any changes) can function, but the results are in general catastrophic and such a Government brings nothing good to its citizens and to the country as while.

**COMPARISON AGAINST THE RESULTS OF RS GOVERNMENT’S PERFORMANCE IN THE FIRST HALF OF 2015 IS COMPLETELY DEVASTATING.** In the first half of 2015 the FBiH Government considered 864 measures in total, while the Government of Republika Srpska considered more than 1.400 measures in the same period. It means that the RS Government considered as many measures as the FBIH Government in the first half of 2014 when the citizens’ protests stimulated the FBiH Government’s productivity.

**THE BIG “EUROPEAN” CHANCE FOR BIH WAS LOST, BUT THE CURRENT BIH FEDERATION GOVERNMENT BEARS NO RESPONSIBILITY FOR THIS FACT.** The “Stabilization and Accession Agreement (SAA) between the EU and BiH” entered into force on June 1, 2015, eight years after its ratification. This represents the first step to the EU membership and the document establishes close partnership between the EU and BiH, deepening political, economic and trade relations between the two parties. Before the Agreement entered into the force, all leaders of the parliamentary political parties signed the “Statement on readiness of the authorities in Bosnia and Herzegovina to implement reforms”. The so-called “Reform agenda” ensued from the Statement – it is a specific document that contains a set of economic and social reforms such as recovery, development and modernization of BiH aimed at bolstering sustainable, efficient, social, just and stable economic development, generating new jobs, increasing competitiveness, improving economic and business environment, improving fiscal and financial sustainability, completing judicial reform, as well as at restructuring of public enterprises.

The BiH Council of Ministers and two entity governments had to support the proposed Agenda in order to open many European doors and many funds. The BiH Federation Government was the first to adopt the “Reform Agenda” on June 10, 2015 and the BiH Council of Ministers adopted the document a day after. However, the Government of Republika Srpska failed to support the “EU Reform Agenda for BiH” within the agreed deadline, and such an attitude of certain domestic politicians and institutions will certainly have consequences – but the citizens are the ones to feel these consequences the most, and not the ones who are directly responsible for them.

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**FBiH PARLIAMENT I-VI 2015**

**THE BIH FEDERATION GOVERNMENT CAME INTO THE FIRST HALF OF 2015 WITHOUT THE PARLIAMENTARY MAJORITY.** After the DF left the coalition, the BiH Federation Government had the support of only 41 out of 98 members of the House of Representatives. At the same time, this led to a pause in work of this House – the last session of the HoR was held in May, and the last attempt to hold the session was on June 17, when the members did not manage to reach an agreement on the agenda, proving that the normal continuance of the Parliament’s work requires establishment of a new parliamentary majority.

**THE CURRENT CRISIS IN THE BIH FEDERATION ADDITIONALLY POSTPONED DISTRIBUTION OF THE POSITIONS ON 19 PERMANENT WORKING BODIES IN THE HOUSE OF PEOPLES OF THE FBIH PARLIAMENT – SO IT MEANS THAT EVEN NINE MONTHS AFTER THE ELECTIONS THE GOVERNMENT CONSTITUTING PROCESS IN THE BIH FEDERATION IS ACTUALLY STILL NOT COMPLETELY FINISHED.** This agenda item was included into the agenda of the sessions several times as a Proposal of Decision on election of the president, deputy president and members of the working bodies of the House of Peoples of the BiH Federation Parliament. However, due to fact that the Collegium of the House could not reach an agreement on this item, the latter has not been realized in the first six months of 2015. The deputy speaker of the House of People amongst the Serb people has not been elected yet.

**THE LEGISLATIVE ACTIVITY OF THE FBIH FEDERATION PARLIAMENT IN THE FIRST HALF OF 2015 WAS AT UNACCEPTABLY LOW LEVEL.** The institution, whose main function is to develop a legislative framework, realized only four laws during the reported period. The three laws were sent to parliamentary procedure years before, and in this period the BiH Federation Parliament adopted only one out of 25 laws, which the FBiH Government verified in 2015.

**THE BIH FEDERATION PARLIAMENT DID NOT EITHER DEVELOP OR ADOPT THE 2015 WORK PROGRAM IN THE FIRST SIX MONTHS OF 2015.** If it would fail to adopt the work program by the end of the year, it would be the third year in the row that the FBiH Parliament functions without a plan, thus violating the provisions of its own Rules of procedures. At the same time, it is the key mechanism to increase performance efficiency and Parliament’s focus on the target problems.

**THE FBIH PARLIAMENT DID NOT CONSIDER REVISION OF THE BUDGET FOR 2015 BY THE END OF JUNE 30, 2015, EVEN THOUGH IT HAS BEEN ANNOUNCED.** The deadline of 90 days in which preparation of the Changes and addenda to the FBiH budget for 2015 would be finished, has expired; and the changes were not prepared nor sent into the parliamentary procedure. It was also announced that changes and addenda to the two laws: the Labor Law and the Law on civil servants would be prepared before the Law on changes and addenda to the 2015 Budget of the BiH Federation. Neither of the laws was considered during the reporting period.

**THE PROBLEM OF MEMBERS’ ABSENCE FROM THE PLENARY SESSIONS IS STILL PRESENT IN THE HOUSE OF REPRESENTATIVES OF THE FBIH PARLIAMENT AND NO SANCTIONS ARE TAKEN AGAINST SUCH AN ATTITUDE TOWARDS THE MANDATE**. Excused absences of on average three members are recorded at the beginning of every session, while during the vote on the first agenda item it becomes evident that on average only 85 (out of 98) members are present at the session. This anomaly, to which the CCI has been warning for years, has been also depicted by the Audit office that therefore issued an Opinion with reserve to the FBiH Parliament due to shortcomings in the financial reports of the FBiH Parliament for 2014. One of the findings indicates the following: adequate record on the presence at work for professional MPs has not been kept. The records are used for calculation and payment of the employment related benefits (meal allowance in the House of Peoples and in the House of Representatives) and of the permanent monthly compensations (lump sum compensation in the House of Peoples) in line with the valid laws and other regulations.

**THERE IS STILL DIFFERENCE BETWEEN THE HOUSE OF REPRESENTATIVES AND THE HOUSE OF PEOPLES IN TERMS OF TRANSPARENCY CONCERNING AVAILABILITY OF DATA ON THE OFFICIAL WEBSITE OF THE FBIH PARLIAMENT.** The House of Peoples of the FBiH Parliament is still the only institution in BiH that transparently and in great detail publishes incomes of each and every delegate.

**IGNORING THE CITIZENS’ REQUESTS EXPRESSED AT THE FEBRUARY PROTEST, BUT ALSO ON MANY OTHER OCCASIONS AFTER THE PROTESTS, THE BIH PARLIAMENT STILL CONTINUES THE PRACTICE OF GIVING “WHITE BREAD” TO ITS FORMER MEMBERS.** Besides the constant initiatives to amend the Law on wages and benefits in the bodies of authority of the BiH Federation and to terminate politicians’ privileges that are incompatible with the social-economic situation in the country (and also with the results of their work), this resolute public stance is being constantly neglected. So there is lack of funds in the Budget for many important things, but not for this one – when elaborating the FBiH Budget for 2015 the current prime minister stressed that an increase of 3.7 millions is planned in the budget, since this is the year when the mandate of previous members expires and all of them who did not find a now job are entitled to receive the salary for one more year. According to the available data a total of 42 former members of the House of Representatives and a total of 12 former delegates of the House of Peoples requested payment of the salary in line with the above-mentioned Law.

**AT THE END OF FIRST QUARTER WE CONCLUDED THAT THE RESULTS OF THE NEW FBIH PARLIAMENT WERE DEVASTATING AND CAME MORE OR LESS DOWN TO WAITING FOR AN ARRANGEMENT BETWEEN THE PARTY LEADERS. UNFORTUNATELY, DISSOLUTION OF THE RULING COALITION HAS RETURNED US TO THE VERY BEGINNING. And having in mind experience from the former four-year period and the current behavior of certain political forces in BiH, it is evident that there are serious reasons for concern that yet another chance given to us by the international community will be gambled away.**

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**CONCLUSION**

**On several occasions before we have pointed out that this country needs optimism, but optimism that is not based on empty promises, but on real foundations and labor. And (it is now already evident) that the optimism has to be founded on the internal transformation of the political parties, where they would turn away from the narrow-party and personal interests to the interests of the citizens and the community.**

**The current political crisis in the BiH Federation yet again brings into focus two things to which the CCI has been warning for years:**

* **The need to change election related legislation, and**
* **The need to suppress partocracy, i.e. for the beginning at least limiting and legally regulating the influence of the parties on the employment process.**

The CCI has been for years now underling the necessity of amending the election related legislation of BiH aimed at introducing more precise deadlines for establishment of the government into the BiH Election Law, but also aimed at introducing a possibility for announcing extraordinary elections when deadlines are not observed, when work of the institutions is blocked and when political actors cannot reach an agreement within a “reasonable” deadline. The CCI has been also warning that a similar method should be used to solve the problem of obstructions and blockages in the work of the institutions, developing mechanisms that would make changing of the governments a less complicated and realistic option. It would prevent situations where certain political parties or even individuals obstruct work of an entire institution, turning the citizens into hostages of absurd political games and narrow-party interests.

The second CCI’s demand relates to the need to limit (and legally sanction) the influence of the parties on the employment process, i.e. to find a solution through the public and professional debate (and may be with the assistance of the “international community”). The solution would be then translated into a Law defining the positions to which the parties, election winners, can appoint their people after the elections (but that it has some sense and that it can be logically explained) and other people would get all other jobs in this country based on their expertise, knowledge and ability. The present situation, as well as the level of parties’ control and their interference in all spheres of the life, is utterly unacceptable, antidemocratic and in essence illegal and detrimental to the society.

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