



**CENTRI CIVILNIH INICIJATIVA
ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА**

**Monitoring the performance of the Government and
National Assembly of the Republika Srpska
January 1 - March 31, 2016**

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.

Radicalization of political conflicts in Republika Srpska continues. In fighting for partisan and personal interests some utterly inappropriate means have been used - political opponents are turned into enemies and the vocabulary used is inappropriate for one democratic society.

And in such atmosphere filled with political conflicts, on one hand, there is financial uncertainty hanging over Republika Srpska, because we have been brought into situation that budget stability now depends on international loans, and on the other hand, according to performance results in early 2016, the Republika Srpska Government and National Assembly show some serious problems.

At the same time, after last year's downfall of Bobar bank and inspection of Pavlovic bank by the SIPA and Prosecutor's Office, Bank of Srpska has also irreversibly collapsed in early 2016, and the leadership of the RS Banking Agency and Investment Development Bank has been under investigation.

The RS citizens' dissatisfaction with the general situation in the society has become more and more obvious. The Government has found it more difficult to maintain social peace, given that funds from privatization are spent; and constant taking of loans has led to the situation where repayment installments have become disturbingly high; the debt, according to opposition, has exceeded the legal limit and budget stability has been seriously undermined.

To the extension that both entities' government, so to speak, without any reservation, follow the IMF's orders. Asking for a life-saving loan to close enormous "holes" in the budgets.

AFTER SOME EXCEPTIONALLY SOUND RESULTS ACHIEVED IN THE LAST QUARTER OF 2015, THE GOVERNMENT OF THE REPUBLIKA SRPSKA HAS EXPERIENCED DECLINE PRACTICALLY ON ALL PARAMETERES IN THE FIRST QUARTER OF 2016. Productivity dropped by almost 30% - from 981 measures in the 4th quarter down to 698 measures in the 1st quarter. And the number of endorsed laws declined from 41 to 27 (20 endorsed as proposal and 7 as drafts).

WORK INTENSITY IS LOWER THAN IN ANY OTHER QUARTER OF LAST YEAR. While the number of sessions in 2015 was never below 20 (in the 4th quarter there were as many as 30 sessions) - in the first quarter of 2016 the Government held only 13 sessions.

A DECLINE IN WORK INTENSITY IS EVEN MORE UNACCEPTABLE GIVEN THERE ARE SOME SERIOUS BACKLOGS FROM 2015. The Republika Srpska Government ended 2015 with 149 uncompleted measures from its Annual Work plan, and of the total number of laws, as many as 39 laws were not considered in any form, while another 11 laws ended the year as drafts. This means that as many as 50 laws, that is, more than a half of the laws planned for last year failed to be realized according to the plan. And of 15 planned strategies, 7 were not completed in any form. Nevertheless, these are rather important documents that may potentially have a strong impact on the quality of citizens' lives.

THE RS GOVERNMENT WORK PLAN WAS NOT ADOPTED ON TIME. Despite the fact that the RS Government Rules of Procedure clearly defines the obligation to adopt the Work plan before the year to which it relates, the RS Government failed to adopt its 2016 Work plan both before the end of 2015 and end of the first quarter of 2016. This is clearly a failure to comply with the obligation, which is partly caused by the National Assembly's irresponsible conduct in this context. It is particularly disturbing that this government's obligation, which had never been fulfilled in past 10 years, has registered in the last two years the longest delays to date, with the adoption of the plan taking place in April and May of the year to which it relates.

THE RS GOVERNMENT CONTINUALLY VIOLATES THE OBLIGATIONS LAID DOWN BY THE LAW ON BUDGETARY SYSTEM OF THE RS, ALTHOUGH A TIMELY ADOPTION OF THE BUDGET HAS NOT BEEN BROUGHT UNDER QUESTION. Even though the National Assembly timely adopted the budget, before the year to which it relates, the Government persistently misses the deadlines and completes its part of the job after December 1, as the final deadline for endorsing the RS Budget proposal for the upcoming year. This waiting until the last minute to do something, or missing the deadlines, is simply a matter of manners used by all governments in BiH, and the Republika Srpska is not an exemption.

BUDGET STRUCTURE RAISES CONCERNS AND FINANCIAL STABILITY DEPENDS ON LOANS. Most of the budget funds in the 2016 RS Budget have been planned for item "Income expenses" - more than 720 million KM. And the amount planned for repayment of debts in 2016 is as high as 668 million KM, which, compared to 2015, is an increase by more than 140 million KM. The Government has a growing problem with public spending and revenue collections. In waiting the outcome of the negotiations with the International Monetary Fund on a new standby agreement, budget allocations to many categories are already delayed, and particularly disturbing is the delay in allocating the incentives to agricultural workers in RS.

IN THE FIRST QUARTER OF 2016, THE GOVERNMENT ENDORSED SEVERAL IMPORTANT MEASURES. This primarily refers to 6 strategies - 2 endorsed as proposals and 4 as drafts. Among them are documents such as proposal of Strategy for development of education 2015-202, draft Employment strategy 2016-2020, draft Strategy and policy for industry development 2015-2020 and draft Strategy for development of small and midsize companies 2015-2020. Unfortunately, the Government has not yet commenced the activities on realization of the RS Development strategy for the upcoming period.

THE RS GOVERNMENT RESULTS IN THE FIRST QUARTER OF 2016 ARE FAR BELOW THE FBiH GOVERNMENT RESULTS. Even though the FBiH Government has worked under constant pressure amid conflict within the ruling coalition, its work intensity and productivity in the first quarter of 2016 were substantially higher than the RS government results. While the RS Government held 13 sessions, the FBiH Government held 21 sessions. The FBiH Government endorsed 827 different measures, and the RS Government endorsed only 694.

The RS Government achieved better results only in terms of the number of endorsed laws - endorsing - along with equal number of law proposals - three draft laws more than the FBiH Government over the course of the observed time period.

Let us mention that the FBiH Government, even though it failed to adopt its Work plan for 2016 in a timely manner, adopted it in the first quarter of this year, which the RS Government did not.

ROOM FOR IMPROVING TRANSPARENCY IS ENORMOUS. Transparency of the RS Government's work is at an acceptable level; however, there is much room for improvement. The RS Government should allow download of the materials discussed at sessions; it should publish minutes and transcripts from sessions on its web portal (regularly and with no delays), which should, undoubtedly, along with making available some reports and materials that are currently unavailable, help the RS Government improve the level of its transparency. CCI particularly expresses its dissatisfaction with the time required to receive minutes from government sessions - the Government submits them after months of delays.

AUDIT SHOWED ARROGANCE OF GOVERNMENT EMPLOYEES AND LACK OF THE MINISTERS' INTEREST FOR IRRATIONAL AND IMPROPER SPENDING OF PUBLIC FUNDS. In recently published report, the Supreme Office for the Republika Srpska Public Auditing pointed to many oversights regarding the use of government vehicles. Auditors, among other things, conclude that unofficial use of government has become a common practice, and that the number of available vehicles and costs are much higher than they should be. Every fifth government vehicle has not been used to the extent that would justify having it; fuel costs in many cases were misrepresented, and it was established that in 2014 mileage of at least 750,000 kilometers was made for unofficial purposes, that is, 12 percent of the total mileage of institutions subject to audit. All this is just an example of government's negligence towards public funds, which is much deeper, has many serious repercussions and requires decisive steps to change the current situation, which call for rationalization of spending and sanctions against abuse of official position.

Financial problems have a good side too. Finally, we can see representatives of both entities' governments and representatives of the Council of Ministers in a constructive dialogue and collaborative work for mutual interest.

CCI WELCOMES COOPERATION OF THE GOVERNMENT OF REPUBLIKA SRPSKA WITH THE BIH FEDERATION GOVERNMENT AND THE BIH COUNCIL OF MINISTERS, AS WELL AS ITS COOPERATIVE EFFORTS ALONG THOSE LINES.

A joint session of the governments of BiH Federation and Republika Srpska should be held very soon, as it was announced after the recent meeting of the entities' prime ministers and the chairman of the BiH Council of Ministers. The topic of the session will be harmonization of the economy related laws in both entities. The CCI has been pointing out the need for such meetings for a long time and we find them to be manifoldly beneficial.

Same as we find production of negative energy in the society and senseless conflicts that certain spheres in the country practice as a model to achieve narrow-party and personal gain, detrimental to the entire society.

We can only prosper together by directing all available social energy to development and by offering this country's youth a reason to stay here.

Therefore, further development of cooperation between different levels of authorities in BiH and between institutions in different administrative-territorial units is very desirable.

Budgets' inflow, the state of economy and of banking sector, corruption, along with high unemployment rates and growing poverty, are the most serious problems to which the Government and the NA, together with all other government institutions in BiH, should pay much more attention.

RS NA I-III 2016

AFTER ACHIEVING GOOD RESULTS AT THE END OF LAST YEAR, THE NATIONAL ASSEMBLY OF REPUBLIKA SRPSKA HAS LIKE THE GOVERNMENT EXPERIENCED A DECLINE OF WORK INTENSITY AND PRODUCTIVITY IN THE FIRST QUARTER OF 2016. It went from 21 days in session during 4th quarter of 2015 to only 12 days in session during the first quarter of 2016. Number of discussed measures declined from 87 to only 33 measures, and number of adopted laws went from 26 to 8 laws.

ONE OF THE REASONS FOR THE POOR RESULTS IS MOST CERTAINLY THE LACK OF WORK DURING THE ENTIRE FIRST MONTH. Such nonchalance is quite disturbing if we consider outstanding obligations from the previous period. Namely, the RS NA did not even complete 50% of the obligations planned in its 2015 Work Plan. The uncompleted measures include 40 laws, together with 15 more laws that were accepted as drafts, but their endorsement procedure was not completed by the end of 2015. Hence, there has been plenty to do.

HOWEVER, EXISTENCE OF OTHER REASONS FOR POOR RESULTS, APART FROM THE LACK OF WORK IN JANUARY, IS SUBSTANTIATED BY THE FACT THAT THE RESULT IN FIRST QUARTER OF 2016 IS THE WORST ONE IN LAST 5 YEARS IN TERMS OF NUMBER OF ENDORSED MEASURES. A total of 18 measures endorsed as final proposals is a result that is two times worse than the result of the same period last year, and the result worse than this one in 1st quarter of 2016 has not been achieved since the first quarter of 2011, when 12 measures were fully completed.

Then again, besides 18 measures that were realized as proposals, the RS NA also endorsed 13 other measures as drafts and forwarded them into further procedure.

AGAIN, THE RS NA WORK PLAN WAS NOT ADOPTED BEFORE THE YEAR TO WHICH IT RELATES – EVEN 10 FULL YEARS OF EMPHASIZING IRRATIONALITY OF SUCH BEHAVIOR DID NOT CHANGE NONCHALANCE OF THE RS NA’S WORK IN THIS CONTEXT. The RS NA Work Plan for 2016 was adopted on March 15, 2016. The CCI has been for years now emphasizing the fact that oversights depicted in the RS NA’s Rules of Procedures concerning non-existence of a precise deadline for adoption of the Plan, cannot be an excuse to ignore fundamental logic and universal practice of having a work plan adopted before the period to which it relates. Unfortunately, the RS NA, namely its management, has been consistently ignoring this recommendation for reasons unknown to us, using its own Rules of Procedures as an excuse, instead of amending the Rules of Procedure if a precise deadline has to be laid down by the latter (even though we think it is absurd to write provisions for things that should be generally understood).

QUALITY OF THE WORK PLAN’S STRUCTURE IS SOUND, BUT LACK OF GOOD REALIZATION MAKES THE STRUCTURE IRRELEVANT. In structure of planned activities the RS NA is committed to work on adoption of 95 laws, 34 reports, 16 strategies and 12 information documents. These four groups of activities represent 89% of planned activities. But, only 10 (37%) out of 27 measures, which according to the Work Plan are to be realized in first quarter, have been fully completed. Two more measures (7%) have been partially completed, namely they were adopted as proposals and forwarded into further procedure. It is very interesting that the Assembly in this period also dealt with some measures that the Work Plan has set for the second part of the year instead of working on the measures that were planned, but not completed in the 1st quarter. So the Assembly accepted 7 draft measures from that period. Viewing the entire work plan – in the first quarter the RS NA fully completed only 6% of the plan – 10 out of 176 measures, and it partially completed 6% more – as draft. It means that it has practically only cut into its obligations and that serious work is still to come.

IN THE FIRST QUARTER THE NATIONAL ASSEMBLY WAS PREDOMINANTLY ENGAGED WITH THE LAWS, BUT THE FINAL RESULT IS RELATIVELY MODEST. Analysis of the measures that the RS NA considered in this period indicates that laws represent 61% of all considered measures. However, only seven out of 96 laws that are planned in the 2016 Work Plan have been adopted as proposals, while 9 more laws were adopted as drafts and forwarded into further procedure.

In the period 01.01.2016-31.03.2016 the RS NA adopted 1 law that was not planned, and another one was accepted as draft. It means that in this period the work on 8 laws was fully completed. Besides completely or partially adopted laws, there were two laws that were rejected.

Very significant information is that the members of the Assembly discussed 4 strategies in the first quarter, while two of them were finalized.

THE WORK OF THE GOVERNMENT AND THE NATIONAL ASSEMBLY IN THE REPORTING PERIOD WAS RATHER NOT SYNCHRONIZED. It is best seen in realization of the laws. In the period 01.01.2016-31.03.2016, the RS Government had completely or partially realized 27 different laws, whereof 20 were adopted as proposals, and only 7 were adopted as drafts. However, the RS National Assembly had only realized 5 of these laws in the reporting period, 3 as proposals and 2 as drafts.

In the aforementioned period the Assembly endorsed 11 laws that the RS Government had confirmed in the previous period (3 as proposals and 8 as drafts), as well as 2 laws of other proposers (both as proposals).

EVEN THOUGH THE POLITICAL CRISIS IN THE FEDERATION, UNLIKE THE CRISIS IN RS, IS A CRISIS WITHIN THE RULING COALITION, WHICH MEANS WITHIN PARLIAMENTARY MAJORITY, THE FBiH PARLIAMENT HAD ACHIEVED BETTER RESULTS THAN RS IN SOME ASPECTS. In the 1st quarter of 2016 the RS NA adopted 8, and FBiH Parliament 10 laws, while both entity parliaments reject two laws each. On the other hand, the RS NA spent two times more time in session than both Houses of the FBiH Parliament together, and at the same time it adopted two strategies as proposals and accepted two draft strategies, while the FBiH Parliament did not adopt a single strategy in the same period.

ACTIVENESS OF THE RS NA'S MEMBERS HAS DIFFERENT INTENSITY. A significant number of RS NA's members did neither ask any questions nor put forward any initiatives in the first quarter. The highest number of questions and initiatives in the reporting period were asked or put forward by the MPs: Marinko Božović SDS - (4), Nedeljko Glamočak SDS - (3), Želimir Nešković SDS - (3), Nenad Stevandić independent MP - (2), Nedim Čivić SDA - (2), Zoran Pologoš PDP - (2).

In this period a significant number of MPs did not take part in discussions in the Assembly. The MPs who discussed most of the agenda items in the reporting period are: Adam Šukalo NS - (12), Milanko Mihajlića RSRS - (10), Vanja Bajić SNSD - (9), Zdravko Krsmanović NDP - (9), Dragan Čavić NDP - (8), Branislav Borenović PDP - (7).

THE TRANSPARENCY OF THE RS NA IS AT AN ENVIABLE LEVEL. The RS NA has in cooperation with the OSCE worked on designing a new web site. The web site is functional, has a respectable level of information and it is expected to be regularly updated with the new information. However, we notice that RS authorities do not mind foreign financial and expert assistance when it is directed towards them, but only when it is directed towards their critics.

At the end, let's take a look at current events:

As the freedom of thought and expression – including the protests against government – are foundation of democracy, we can satisfactorily conclude that the RS has successfully passed that lesson. Although some serious objections can be made.

We find the vocabulary used these days to be utterly negative, and would like to underline serious consequences that such an attitude and behavior produce.

In fact, there are no traitors, as there are no enemies in a democratic society, within a political system in which the politicians of different parliamentary parties represent democratically articulated will of the citizens. Besides not belonging to a democratic discourse, such vocabulary has potential of being socially dangerous, since it can lead to violence.

In the interest of the citizens and quality of their life the CCI, as an organization focused on development of a system and functionality of the government, has absolutely no interest in particular political parties and has no favorites, but we are genuinely interested in normal functioning of the system, strengthening of the rule of law and in observance of human rights and democratic freedoms.

The CCI finds all citizens' rallies (except the ones disseminating hate speech and religious and national intolerance) legitimate, protests are expression of society's democratic maturity, and the government has to provide the conditions for free expression of citizens' views, and in doing so, it has to guarantee citizens' safety, without attempting to suppress the protests.

At some point, those, exercising the power, must take care of their citizens and not only of their supporters and yes-men. They should listen more, and shout less. Most certainly, they should not threaten their citizens or offend them only because they disagree and protest against the problem they are facing, seeing the government as the problem-generating agent.

Those who cannot stand any kind of criticism for their actions – including the protests – should not be in the politics and in the government, since democratic society entails criticism of government and finds it constructive.

