

СЕNTRI CIVILNIH INICIJATIVA ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА

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

January 1 - September 30, 2016

#### INTRODUCTION

The intention of this report is to show and to point out the principal results of monitoring performance of the Republika Srpska Government and National Assembly. 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..

In the Republika Srpska, the first nine months of 2016 saw some serious conflicts between two political blocks, which did not lack insults and attempts to disqualify publicly the opposing side.

Two events marked this period. The event 1 - the first protests against the RS government, organized by the opposition in mid 2016, to which the government responded with counter-protests. The event 2 is local election campaign that had negative impacts on the government performance results in this period.

While in the background there has been a serious financial crisis and budget insolvency, further impoverishment of citizens, extreme unemployment, polarization of society, obedient fulfillment of IMF requirements and waiting for approval of new loans, whereby the RS, according to many economic analysts, is shortsightedly entering some rather dangerous waters.

### THE REPUBLIKA SRPSKA NATIONAL ASSEMBLY I-IX 2016

THE NATIONAL ASSEMBLY, TO SOME EXTENT, (AFTER CITIZENS, OF COURSE) HAS BEEN THE BIGGEST VICTIM OF THE LOCAL ELECTION CAMPAIGN, BECAUSE FOR SEVERAL MONTHS POLITICAL ESTABLISHMENT IN THE REPUBLIKA SRPSKA FOCUSED EXCLUSIVELY ON LOCAL ELECTIONS, PUTTING IN JEOPARDY THE NORMAL FUNCTIONING OF GOVERNMENT INSTITUTIONS. Practically, three months without work; holidays were intertwined with party obligations in local election campaign, regularly neglecting MPs' obligations, for which they have been elected and paid.

AN EPILOG IS A SERIOUS DECLINE OF INTENSITY AND PRODUCTIVITY IN THIRD QUARTER OF 2016. A number of sessions was reduced down to one-fourth of the number of the previous quarter (from 15 in the second quarter to four in the third quarter), and the number of considered measures dropped down to one-sixth (from 59 measures in the second quarter to 10 measures in the third quarter). Still...

CONSEQUENCES OF NEGLECTING THE PRINCIPAL OBLIGATIONS ARE BY FAR THE MOST SERIOUS IN THE AREA OF LEGISLATIVE ACTIVITY, KEY OBLIGATIONS OF THE NATIONAL ASSEMBLY, AS THE HIGHEST LEGISLATIVE BODY IN THE REPUBLIKA SRPSKA. With 20 approved laws and additional 11 draft laws, which was the Assembly's result in the second quarter, the activity in the third quarter dropped down to only one law.

DUE TO THE FAILURE TO CONVENE A SINGLE SESSION FOR THREE MONTHS, THE OVERALL RESULT OF THE NATIONAL ASSEMBLY IN THE FIRST NINE MONTHS OF 2016 IS THE WORST RESULT IN THE PAST SIX YEARS. 102 measures were considered in the first nine months of 2016, which is by 70 measures less than last year and by 80 measures less than in the

first nine months of 2013. The number of enacted laws (29) is below any results of the previous government (for the purpose of comparison, 52 laws were enacted in the first nine months of 2013).

THE SEVERITY OF THE PROBLEM IS MOST VISIBLE IN DATA THAT SHOWS THE **REALIZATION OF OBLIGATIONS PLANNED IN THE WORK PLAN.** Of 95 laws that were planned for 2016, the National Assembly entered the fourth guarter of 2016 with 57 laws that were not considered in any form and another 15 laws that were only initially addressed. This means that in the first nine months of 2016, the Assembly failed to finalize as little as one-fourth of the laws planned for this year. While it is not easy to catch up on an accumulated backlog, regardless of any increase in activity. And this increase is needed, in fact, it is necessary, however, it can only have an impact on making sure that the number of unrealized and planned measures is not too high at the end of the year. DEGREE OF THE IMPORTANCE OF ENACTED LAWS VARIES. Of 29 enacted laws in the first nine months of 2016, as little as six of them may contribute to the improvement of citizens' lives. A special emphasis is on the Law on Bankruptcy Procedure and Law on Combating the most sever forms of Organized Crime and Corruption, which, in case of efficient enforcement, could restore hope that citizens might be protected in some processes that have been harmful to citizens and workers in the Republika Srpska. By looking at the overall number of measures realized by the Assembly, approximately 12% refers to the measures that may contribute significantly to finding solutions to real citizens' problems.

**A LARGE NUMBER OF UNREALIZED STRATEGIES RAISES SERIOUS CONCERNS.** This year's Work plan includes adoption of 16 strategies - 13 in the first nine months. And by September 30, 2016, the Assembly adopted fully only four strategies, and three draft strategies. However...

IN ADDITION TO SERIOUS STANDSTILL IN REALIZING THE STRATEGIES, IT NEEDS TO BE EMPHASIZED THAT AMONG ADOPTED STRATEGIES THERE ARE SOME THAT ARE CRITICAL. They include a Strategy for stimulating foreign investment, Strategy for education of RS, Strategy for development of small and mid-size businesses and Strategy for control of narcotics. ANYWAY, THE ASSEMBLY STILL IGNORES THE NEED TO APPROVE ITS WORK PLAN BEFORE THE START OF THE YEAR TO WHICH IT REFERS, CITING A "HOLE IN THE RULES OF PROCEDURE". The National Assembly's Rules of Procedure do not define precisely the deadline for adoption of a work plan. Instead of taking this in a sense that there is no need to prescribe deadline for development of a Work plan, because it is normal that it should be adopted before the start of the year to which it refers, the National Assembly sees it as an excuse to adopt it after serious delays. Not once in the last 10 year was the Work plan adopted before the start of the year (on three occasions it was adopted as late as April).

ALREADY A CONSTANT POLITICAL CRISIS WITHIN RULING COALITION IN OTHER BIH ENTITY, WHICH ALWAYS AND MOST CLEARLY REFLECTS ON THE WORK OF THE PARLIAMENT, HAS MADE THESE MODEST RESULTS OF THE RS NATIONAL ASSEMBLY SEEM BETTER THAN THE FBIH PARLIAMENT'S RESULTS. MPs in the RS National Assembly spent twice as much time in session than MPs of both Houses of the FBiH Parliament together, and during that time they enacted almost twice as many laws - 29 as opposed to 15 that were enacted in the FBiH Parliament in the first nine months of 2016. And while MPs in the FBIH Parliament failed to consider a single strategy, MPs in the National Assembly adopted four strategies and that many draft strategies.

**THE ENTITY'S BUDGET WAS ADOPTED AFTER A SHORT DELAY.** Instead by December 15, the RS budget was adopted by the National Assembly on December 22. The Assembly's budget for 2016 is 10,840, 600 KM. The structure of the budget is such where 6,700,000 KM were intended for personal incomes of MPs and employees of the National Assembly on annual level, or 62% of the total budget funds intended for the National Assembly.

**TWO THIRDS OF MPS IN THE RS NATIONAL ASSEMBLY HAVE PROFESSIONALIZED THEIR MANDATE.** The National Assembly has 83 MPs, where 53 MPs have professionalized their mandate, i.e. they have a status of employees and receive full salary (the average salary is 3,000 KM). While other MPs receive monthly compensation in the amount of 1,785 KM, plus they receive full salaries from their employers, hence most of MPs who did not professionalize their mandate practically generate double incomes.

# THE NATIONAL ASSEMBLY HAS CONTINUED TO VIOLATE ITS RULES OF PROCEDURES IN THE FIRST NINE MONTHS.

During sessions, MPs continually violate the Assembly's Rules of Procedure that imply compliance with dignity, focus on issues that are on the agenda, mutual respect, absence of insults and derogatory statements regarding personal lives of other individuals, interruptions of speakers or conduct that undermines freedom of speech. Nevertheless, despite the fact that this and last year's plan includes the adoption of a Code of Conduct, this document has not yet been adopted.

IN THE OBSERVED PERIOD, THERE WERE VIOLATIONS OF BIH CONSTITUTION, I.E. FAILURE TO COMPLY WITH THE DECISIONS OF THE CONSTITUTIONAL COURT. Contrary to the BiH Constitutional Court's decision, the National Assembly passed a decision to hold referendum in the RS.

WITH REGARDS TO FINANCIAL OPERATIONS OF THE NATIONAL ASSEMBLY, THE SUPREME OFFICE FOR THE RS PUBLIC SECTOR AUDITING GAVE QUALIFIED OPINION FOR FINANCIAL OPERATIONS IN 2015. This is a good indicator that the National Assembly works in line with financial and accounting standards and that it adheres to procedures, which cannot be said for many other institutions in the Republika Srpska. RS.

**IMMEDIATELY AFTER THE LOCAL ELECTIONS IN OCTOBER THE RS NA STARTED TO WORK INTENSIVELY.** It expeditiously started realization of the materials that have piled up in the meantime (because the Government was not on break) thus achieving the best monthly result in this year by holding 7 sessions at which it considered 42 measures and adopted 12 laws.

One of the most significant measures is certainly the Declaration condemning hate speech, which the RS NA adopted upon proposal of the Committee for European integration and regional cooperation of the RS National Assembly, as a document that covers an area of extreme importance both for RS and BiH, and primarily for the citizens of this country, who are (too) often victims of inacceptable behavior in the public space, from the Internet to the statements of highest ranking officials.

The Declaration urges bodies at all levels of authority, as well as all public officials, being aware of their influence, to combat the hate speech.

In this context we underline unacceptability of the RS National Assembly's gesture to honor convicted war criminals not only because it caused tensions in the country again, but it also damaged reputation of Republika Srpska, which was evident from the international officials' undivided disapproval of such an action. CURRENT RELATION BETWEEN THE GOVERNMENT AND RS NA IS ACTUALLY NOT THE MOST RESPONSIBLE ONE, ALTHOUGH UNLIKE IN THE FEDERATION THERE ARE NO PROBLEMS IN THE RULING COALITION, WHICH WOULD LEAD TO OBSTRUCTIONS IN THE INSTITUTION'S WORK AND DISTURB ENACTMENT OF MEASURES. In certain segments the Government and the Assembly have mutual negative effect on each other's work results.

#### **RS GOVERNMENT I-IX 2016**

UNLIKE THE NATIONAL ASSEMBLY, THE RS GOVERNMENT REGULARLY HELD SESSIONS IN THE **PRE-ELECTION PERIOD, NAMELY ITS WORK INTENSITY WAS ALMOST USUAL.** The average of one regular session per week was kept in the third quarter.

THERE WAS A DECLINE IN GOVERNMENT' S PRODUCTIVITY IN THE THIRD QUARTER, ALTHOUGH IT WAS NOT AS SERIOUS AS THE ONE IN THE ASSEMBLY. A total of 567 measures considered in the third quarter of 2016 is this Government's worse result since its constitution. In the previous two quarters the number was around 700 measures.

ALL TOGETHER, THE RESULTS OF FIRST 9 MONTHS OF 2016 ARE NOT SATISFACTORY BY MANY PARAMETERS. If we are to omit a slight variance from the trend in 2015, we can witness a continuous decline of work intensity since 2011, when the Government spent 192 hours in session, compared with only 102 hours spent in session during the first 9 months of 2016. But, a more serious problem is the fact that the continuous growth of efficiency and productivity was discontinued in 2016 by 12.5% decline in number of considered measures compared to the first nine months of previous year, because the Government was getting better results regardless of constant reduction of time spent in session. But, only 1963 measures were considered in 2016, while in the first 9 months of 2015 that number was 2243 measures.

**MOST MEASURES THAT WERE REALIZED AT THE SESSIONS OF THE RS GOVERNMENT IN THE REPORTING PERIOD ARE EXPECTEDLY OPERATIONAL IN NATURE.** Various information documents, decisions, approvals and reports make up 78% of all measures that the Government considered in this period. The laws, as particularly important measures that systematically regulate certain areas and that can have long-term effects on citizens' quality of life, were considered only 67 times, i.e. they make up 3.4% of the total number of measures that the RS Government considered in sessions. The strategies make only 0.6% of the total number of considered measures.

THE RS GOVERNMENT SPENDS TOO MUCH TIME IN SESSIONS TO ENACT DOCUMENTS THAT HAVE NO SIGNIFICANCE FOR THE CITIZENS AND THAT SHOULD ACTUALLY BE CONSIDERED AT A LOWER LEVEL, WHICH IS IN TURN CAUSED BY A CENTRALIZED DECISION MAKING PROCESS. Review of the decisions' structure indicates that the most decisions were made for the purpose of approving business trips – 106 or 28.4% of the total number of decisions, and at the same time, the Government adopted 80 decisions on reallocation of funds. The number of decisions concerning personnel policy is quite high – 80. Only 25 decisions relate to economic flows and these are mostly contracts concerning economy related concessions. Amongst 197 reports discussed at the RS Government's session there were 57 reports from business trips or 29%. It means that 8.3% of the measures considered in the reporting period deal with the business trips.

IT IS QUITE INTERESTING THAT NUMBER OF MEASURES RELATING TO BUSINESS TRIPS IS ALMOST THE SAME AS THE NUMBER OF MEASURES THAT CAN POSITIVELY AFFECT CITIZENS' **QUALITY OF LIFE.** Measures that can affect citizens' quality of life make up 8.6% (166 measures) of all measures that were realized in the first 9 months of 2016, whereof 16 of them or 0.8% can be considered very important. The important ones are: RS Industry Development Strategy and Policy for the period 2015-2020, Employment Strategy, Education Development Strategy, Strategy to boost foreign investments, RS Youth Policy, Employment Action Plan. Some laws that the RS Government adopted in the first 9 months of 2016 take a very significant place. These are Law on local self-government, Law on high education, Law on student organization, Law on food, and other laws. Anyhow...

**REALIZATION OF THE LAWS IN THE FIRST 9 MONTHS OF 2016 IS NOT SATISFACTORY.** A total of 54 laws adopted by the RS Government in the first 9 months of 2016 is an improvement in relation to 48 laws adopted in the previous year, but it is worse than the nine-month results in every year of the past four year mandate.

AND THAT REALIZATION OF THE LAWS IS NOT SATISFACTORY, ALTHOUGH 54 LAWS WERE ADOPTED IN THE FIRST NINE MONTHS, IS SEEN THE BEST BY VIEWING UNREALIZED LAWS FROM THE WORK PLAN. Namely, three months before the end of the year the Government has to realize a number of laws that is identical to the number of laws it adopted in 9 months - 54. We should mention that the 2016 Work Plan specifies that the Government has to discuss the laws 176 times, and it was done only 55 times in the reporting period.

THE GOVERNMENT'S WORK PLAN WAS ADOPTED SIGNIFICANTLY LATE – APRIL 11, 2016 – WHEREWITH VIOLATING THE GOVERNMENT'S RULES OF PROCEDURE, WHICH PRECISELY DEFINE THAT THE WORK PROGRAM FOR A SPECIFIC YEAR IS TO BE ADOPTED BEFORE THE END OF PREVIOUS YEAR. Since the adoption of the plan was significantly delayed, the failure to modify the Work Plan

accordingly resulted in a structural error in the Government's Work Plan, which *inter alia* compromised credibility of statistical data on its realization. Namely, although it was adopted in April, the RS Government's Work Plan contains the plan for 1<sup>st</sup> quarter with 145 different measures. It means that more than one third of the measures from the Work Plan were already in the past at the time the "plan" for that period was adopted. The fact that the Work Plan, which by its definition denotes a work plan for the forthcoming period, contained the measures that were realized before the Work Plan was adopted represents even a bigger problem. So in fact the program was already 20% realized at the time it was adopted. Anyhow...

CONSTANT REPETITION OF SAME MISTAKES AND VIOLATION OF THE RULES OF PROCEDURE PUTS THE MEANING OF RULES OF PROCEDURE'S EXISTENCE IN QUESTION. IT ALSO PUTS IN QUESTION THE WORK PLAN THAT IS DETERMINED UNDER EARLIER EXPLAINED PROCEDURE. It is obvious that authorities often view mechanisms whose purpose is to increase their performance efficiency as imposed obligations that they only formally meet.

THE RS GOVERNMENT HAD A SLIGHT DELAY IN ADOPTION OF THE 2016 BUDGET IN RELATION TO THE DEADLINES STIPULATED BY LAW. IN RELATION TO OBLIGATIONS SET FORTH IN THE SAME LAW, IT IS ALSO LATE IN ADOPTING THE 2017 BUDGET, WHICH THE GOVERNMENT HAD TO ADOPT

AS DRAFT BY NOVEMBER 5. But, even though it is inadmissible to have authorities violating the laws, more disturbing fact in this case is chronic insolvency of the budget and its dependence on borrowing as well as consequences that this borrowing has on the budget and Republika Srpska in general. Regardless of the situation, the authorities refuse to make serious cuts that will reduce public spending. Consolidated report of the Ministry of finance on execution of the budget shows that more than planned is being spent, and that only a small percentage of the funds is being directed to incentives for agricultural production, economic growth and employment in real sector, thus raising the question of how the loans will be repaid since the installments increase every year and take a bigger portion of the budget.

COMPARISON WITH THE BIH FEDERATION GOVERNMENT INDICATES LOWER WORK INTENSITY

AND PRODUCTIVITY OF THE RS GOVERNMENT IN THE FIRST 9 MONTHS OF 2016, AS WELL AS A HIGHER NUMBER OF SIGNIFICANT AND SYSTEMATIC MEASURES THAT THE RS GOVERNMENT PASSED IN THIS PERIOD. In the period 01.01.2016 - 30.09.2016 the RS Government considered 1937 different measures at 49 sessions, which lasted 104 hours in total, while the BiH Federation Government considered 2172 different measures at 64 sessions, which lasted 130 hours in total. On the other hand the RS Government considered and forwarded 54 different laws and 9 strategies in the reporting period, while the FBiH Government considered 48 different laws and 5 strategies.

**DYNAMIC OF THE REFORM AGENDA ACTION PLAN REALIZATION IS SLOWER THAN PLANNED.** Out of total 74 measures planned in 2015 and 2016, the Government of Republika Srpska had completely realized 38 measures (51.4%) until September 1, 2016, while realization of 35 measures (47.3%) is underway. One measure (1.4%) has not been realized in any form.

**CENTERS FOR CIVIC INITATIVES** urges the Government and primarily the RS NA to fully intensify their work in order to at least compensate for poor results in third quarter.

They are also urged to finally adopt their 2017 Work Plans on time, i.e. before the year to which they relate. The same goes for the budget.

Furthermore, while commending the RS National Assembly's Declaration condemning hate speech we also urge authorities at all levels, as well as all public officials (including party managements) to combat hate speech, regardless of who is using it and being specifically obligated to do so if it is coming from their own surrounding.