



**CENTRI CIVILNIH INICIJATIVA
ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА**

**Summary of the report on monitoring performance of the FBiH Government
and the Parliament**

01.01 – 31.12.2016



INTRODUCTION

The intention of this report is to show and to point out the principal results of monitoring performance of the Government and the Parliament of the Federation 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), given *Report* was generated after careful analysis whilst observing past practices of fair and correct reporting.

The year of 2016 in the BiH Federation was marked by almost constant problems in the relations within the ruling coalition, which climaxed in a four-month blockage of the Parliament's work and was ultimately stopped as to provide for the salaries of the politicians and the apparatus serving them by taking on new loans and getting the country more in debts i.e. getting the citizens of this country more in debts.

The Government shows incompetence and lack of interest to create a functional system, to ensure political stability, as a foundation of every economic progress and to start solving serious problems of the citizens and the society.

Instead, the clashes between narrow-party and personal interests are still present, together with egoism of political elite, lack of social sensibility and the usage of blockages of the institutions as the method of political battle.

When faced to concrete consequences of domestic authority's irresponsibility, all the talking about reforms, agendas and EU integration gets its true measure. Namely, implementing any reform is not possible with this work intensity and the degree of realization of planned legislative activities and strategic documents, and thus the EU becomes a completely unattainable goal.

FBIH PARLIAMENT I-XII 2016

IN 2016 THE FBIH PARLIAMENT ONLY STARTED WORKING SERIOUSLY TWO MONTHS BEFORE THE END OF THE YEAR. In these two months the House of Representatives held more session than in the entire year and at these sessions it considered almost the same number of measures and adopted almost the same number of laws as in the previous nine-month period. The House of Peoples did not have such a dominant core, but it did consider more measures and adopt more laws in the last month of the year than in any of the three quarters of the year.

THE ATTEMPT TO PREVENT DISCUSSION AND ENDORSEMENT OF BINDING DECISIONS ABOUT CERTAIN DISPUTABLE MEASURES ON THE AGENDA LED TO HAVING SOME SESSIONS OR THEIR CONTINUANCE PROLONGED FOR MANY MONTHS DURING 2016. So the 14th regular session of the House of Peoples ended after 5 and a half months after it was first started,

and 10th regular session of the House of Representatives was held only 7 months after the date it was originally scheduled.

BLOCKAGES IN THE PARLIAMENT'S WORK AND POOR RESULTS DURING ALMOST THE ENTIRE YEAR MADE THE OVERALL RESULTS OF THE FBH PARLIAMENT IN 2016 ONLY BETTER THAN THE LAST YEAR'S RESULTS, AND WORSE THAN ANY OF THE YEARS OF PREVIOUS MANDATE. It primarily relates to the House of Representatives that held 20 sessions in 2016, which is 10 sessions less than the average of previous mandate. At these sessions in 2016 a total of 156 measures were considered and 29 laws were adopted, while the average of the previous mandate was 180 measures and 40 laws. The results of the House of Peoples are also below the average of the previous mandate by majority of parameters.

THE NUMBER OF LAWS ADOPTED IN THE FBH PARLIAMENT DURING 2016 (THE LAWS ADOPTED IN BOTH HOUSES AS PROPOSALS, WITH SAME TEXT) IS VERY MODEST. Only 26 laws were adopted in a year, which is below the level of some Cantonal Assemblies. This number is also two times smaller than the number of laws adopted in the other entity. At the same time, this is the worst Parliament's result in the last six years.

THE SERIOUSNESS OF THE PROBLEM IS PERHAPS PROMINENT THE MOST WHEN REVIEWING THE WORK PLAN OF THE HOUSE OF REPRESENTATIVES. As the House of Peoples failed to adopt its work plan in 2016, and the House of Representatives did adopted its own work plan (with a five-month delay) founding it on the Government's Work Plan, we can treat it as the work plan of the Parliament. Out of 144 laws envisaged in this Work Plan, the Parliament in 2016 adopted only 16 laws or 11%. It means that the Parliament, at this pace, would need two more four-year mandates to realite the annual(!) Work plan. Otherwise...

THE PROBLEM WITH THE INDIRECT REASON OF THE MONTHS-LONG BLOCKAGE OF THE PARLIAMENT WAS NOT EVEN SOLVED BY THE END OF THE YEAR. The Law amending the Law on games of changes was still "in procedure" at the end of 2016, as it was the Law amending the Law on controlling legitimate exercise of the rights in the area of veteran–invalid care.

NUMEROUS LAWS ARE NOT BEING ADOPTED FOR YEARS KNOW, ALTHOUGH THE NEED FOR THEM DOES EXIST. Here we will just mention the Law on forests, which is being in the procedure three mandates already without any success.

BESIDES THE LAWS, THE PARLIAMENT OF THE BIH FEDERATION HAS UTTERLY MODEST REALIZATION OF STRATEGIES. Only two strategies were adopted at the very end of 2016 – Transport Strategy of the BiH Federation and Debt Management Strategy. The last one was adopted a year after it was settled by the Government.

IN RELATION TO THE 2017 WORK PLAN BOTH HOUSES OF THE FBH PARLIAMENT VIOLATED THE PROVISIONS OF THE RULES OF PROCEDURE THAT RELATE TO PREPARATION OF THE WORK PLAN. Both Houses of the BiH Federation Parliament started the year 2017 without the work

plan for this year. This only maintains an unacceptable attitude towards their obligation from the Rules of Procedures, but also towards their work obligations in general.

The Work Plan is actually a key mechanism to increase efficiency and to boost the focus on the projected goals, which the BiH Federation Parliament really does need.

THE 2017 BUDGET WAS ADOPTED ON TIME, BEFORE THE YEAR TO WHICH IT RELATES.

However, it was adopted under urgent procedure and without a public discussion, where even the members of the FBiH Parliament could not affect its contents.

ONLY ONE THIRD OF THE LAWS THAT THE GOVERNMENT HAD SETTLED IN THIS YEAR HAD COMPLETELY PASSED PARLIAMENTARY PROCEDURE BY THE END OF 2016.

This is one of the most serious problems in the work of the FBiH Parliament, which has been lasting for years now and which is quite specific to the BiH legislatures. Already low degree of Government's legislative activities is additionally lowered by inadequate reaction and insufficient Parliament's performance.

If we analyze adopted laws we can see that the result of legislative cooperation between the FBiH Government and the Parliament in 2016 comes down to only 9 finalized primary laws, 3 laws for which serious amendments were done, and 9 laws in which only a few articles were amended (for example, in the "Law amending the Law on settlement of liabilities for foreign currency saving accounts in FBiH" and the "Law amending the Law on contributions" the validity period of the laws, which was in force till then, was changed)

EVEN BESIDES EXTREMELY POOR RESULTS AND MONTHS-LONG INACTIVITY, MEMBERS OF THE FBiH PARLIAMENT REGULARLY RECEIVE THEIR SALARIES AND ENJOY ALL AVAILABLE PRIVILEGES.

There are 83 out of 98 members of the House of Representatives and 47 out of 54 delegates of the House of Peoples on the FBiH Parliament's payroll. At the same time, contrary to the need to express higher social sensibility, news decisions on increasing budget allocations for compensations to the MPs were passed in 2016 – decision to increase the compensation for living away from home (to 800 KM) and decision on monthly remuneration for work in joint working body of the both House of the FBiH Parliament.

PARLIAMENT AVOIDS ABOLISHING OF CERTAIN PRIVILEGES ON WHICH THERE IS SOCIAL CONSENSUS AS BEING INACCEPTABLE.

The law amending the Law on salaries that is to abolish so-called "white bread" is in the procedure since January of 2015, but despite the fact that Government's opinion about the law was positive, it still has not been adopted.

THE HOUSE OF REPRESENTATIVES IS DEMONSTRATED CERTAIN LACK OF TRANSPARENCY.

Unlike the House of Peoples, the House of Representatives has been ignoring the requests to publish the information of MPs' salaries and privileges. The House of Peoples had kept this information in its website for some time, the in the House of Representatives such information is no way available since the beginning of work of the current mandate convocation.

THE AUDIT OFFICE FINALLY ISSUED "AN UNQUALIFIED OPINION" FOR THE FBiH

PARLIAMENT (FOR 2015). But, despite of unqualified opinion, the Audit office for the institutions of FBiH is still warning of the fact that no proper attendance sheet was kept for professional MPs, according to which monthly salaries (flat rate) in the House of Representatives would be calculated and paid, in line with valid regulations (which was indicated by CCI for many years now).

THERE HAS BEEN A CONTINUOUS DECLINE OF PRODUCTIVITY IN THE WORK OF THE FBiH GOVERNMENT THROUGHOUT 2016 AT A QUARTERLY LEVEL. After excellent results in the first quarter (852 considered measures), which are the best since the beginning of mandate, there has been a decline. The decline was quite visible in the third quarter (from 793 to 567 measures) due to negative influence of pre-election campaign and annual leaves. It surprisingly was not stopped in the fourth quarter (in which only 556 measures were considered). Ultimately, the decline is almost 35%.

The hope for the return to better results in the future is given by the result from December, which is one of the best monthly results in this year.

UNUSUAL NUMBER OF EXTRAORDINARY SESSIONS IS CONSTANTLY VISIBLE, AND THESE SESSIONS WERE ALSO USED FOR INAPPROPRIATE PURPOSES. Out of 85 sessions during 2016, 40% were conference/telephone sessions at which the decisions about appointments and dismissals from managerial and governing positions in public companies and administrations were discussed. However, there were decisions taken by phone on measures whose adoption is particularly inappropriate for this type of sessions. The BiH Federation Transport Strategy for the period 2016-2030 was adopted at a telephone session, and a bit earlier it was also done for the Law amending the Law on executive procedure, which was adopted under urgent procedure.

In contrast, despite numerous serious economic-social problems in the BiH Federation, the Government held only 1 thematic session during the year – discussing agriculture in the BiH Federation.

THANKS TO GOOD PRODUCTIVITY IN THE FIRST HALF OF THE YEAR, THE BIH FEDERATION GOVERNMENT HAS WITH 2714 MEASURES ADOPTED IN 2016 ACHIEVED THE BEST RESULT IN THE LAST 6 YEARS. Considering the total result for the first half of the four-year mandate (2015-2016), current BiH Federation Government adopted 1259 measures more in relation to the achievement of the previous Government during its work in the first two years of the mandate (2011-2012).

ON THE OTHER SIDE, THE TYPES OF MEASURES THAT THE GOVERNMENT ADOPTED DURING 2016 INDICATE LACK OF FOCUS ON IMPORTANT MEASURES AND KEY CITIZENS' PROBLEMS. There are only 2% of documents amongst all documents that the FBiH Government adopted that we can characterize as being particularly important, i.e. those are the ones that once implemented can in a long-term solve priority FBiH citizens' problems– unemployment, corruption, social problems, etc. at the same time the laws make up 2.3% of the total number of measures adopted by the Government, the strategies make up only 0.3%, but the decisions and approvals for party-related appointments to the managerial and governing positions in public companies and administrations make up almost 10%. The situation similar to the one we had witnessed in 2015.

THE YEAR 2016 IS JUST ANOTHER YEAR DURING WHICH THE BIH FEDERATION GOVERNMENT HAS SHOWN HOW LOW ITS CAPACITIES ARE WHEN IT COMES TO PREPARATION AND ADOPTION OF THE MOST IMPORTANT DOCUMENTS – THE LAWS.

Only 63 different laws (drafts and proposals) were determined in a year, whereof only 29 were primary laws. By comparing number of laws realized in 2016 with appropriate time periods in previous years, we arrive to a conclusion that the previous Government determined 25 more laws in the second year of the mandate.

At the same time, 4 laws were rejected during 2016. Three of them were prepared by the BiH Federation Ministry of energy, mining and industry, while the fourth one was prepared by the Ministry of finance.

LACK OF CAPACITIES AND EFFORTS OR POORLY SET PRIORITIES LED TO THE SITUATION WHERE THE FBIH GOVERNMENT DID NOT REALIZE 44% OF THE MEASURES ENVISAGED IN THE 2016 WORK PLAN.

Out of 435 planned measures, 192 were not realized. The BiH Federation Ministry of finance, led by Minister Jelka Milićević, can be taken as an example of good realization in 2016. The ministry planned 66 different measures, and had realized 55 measures or 83%. On the other hand, due to delays in adoption of the new Law on police officers of FBiH and the inability to pass planned by-laws, the BiH Federation Ministry of interior was the least efficient in realization of planned measures (it realized on 17% of the annual plan).

SITUATION IS QUITE DEPRESSING ONCE WE COMPARE PLAN AND REALIZATION OF LAWS AND STRATEGIES.

Out of 106 planned laws, the Government has determined only 33 or 31% of the laws in a year. The current FBiH Government did not manage to realize one third of its legislative work plan neither in first nor in the second year of the mandate. A total of 43 primary laws were not realized, and majority of those are very significant for the FBiH and BiH citizens.

A total of 9 also very important strategies of 11 that were planned for this year were not realized. At the same time 4 “not planned” strategies were adopted, amongst them “Anti-corruption strategy 2016-2019”, which indicates the problems that the Government has when planning its obligations. When it comes to realization of laws and strategies by the current FBiH Government, there are many questions to which logical answers can be hardly found. How is it possible to have an institution like BiH Federation Government so overestimate its capacities and plans 106 laws, but determines only 33? And plans 11 and only adopts 2 strategies, while it at the same time determines 30 unplanned laws and three strategies?

AGAIN THE GOVERNMENT DID NOT PLAN TO ADOPT THE EMPLOYMENT STRATEGY IN 2017.

Statistical data on employment have been positive for some time now – although they are still far away from the needs and significant progress. But, the number of employed in October 2016 was 463.731, which is the highest number since the CCI has been monitoring performance of the governments and parliaments. So it is the highest number in the last 9 years. Of course, this does not mean that the BiH Federation does not need employment strategy and a long-term strategic plan in this area. On the contrary...

THE 2017 BUDGET WAS ADOPTED IN UTTERLY NONTRANSPARENT WAY, VIOLATING THE LAW ON BUDGETS IN THE FBiH. The government has violated its obligations set forth in Article 15 of the Law on budgets in the FBiH, which reads that the Prime Minister delivers Draft budget and accompanying documents to the Parliament by November 5. The Government did not discuss the draft 2017 budget at all, but the budget proposal was determined under an urgent procedure two times – at sessions held on December 8, 2016 and December 23, 2016.

The Prime Minister of the BiH Federation said that the Budget is restrictive and developmental at the same time, but that it is primarily social. Of course it is a quite beautified story, to say the least, since the question is whether the budget's nature is any of the three.

PAYMENT OF THE DEBT AND SOCIAL BENEFITS REQUIRE MORE MONEY FROM THE BUDGET EVERY YEAR AND THERE IS LESS AND LESS MONEY FOR EMPLOYMENT POLICIES.

Approximately one billion and 290 million KM will be allocated from the BiH Federation 2017 budget for payment of a portion of the debts and the interest rates, which is almost half of the total budget. On the other side, there is 30 million KM planned in the budget for financing of first employment and self-employment in the BiH Federation, which is 20 million KM less than in 2016. Generally, the impact analysis of measures is missing at the BiH Federation level, so there are still dilemmas about the basis on which certain items are being so much reduced or increased.

NO PROGRESS WAS MADE IN TERMS OF THE LAW ON GENDER EQUALITY IN BIH IN 2016. The FBiH Government still violates this law, ignoring the obligation it sets forth statutory minimum of 40% quota of the less represented gender.

CONCLUSION

At the end we would like to emphasize the need for increasing efficiency of both institutions in the second half of their mandate, especially when it comes to realizations of laws and strategies.

We would also like to underline the need for both Houses of the Parliament to adopt their 2017 work plans as soon as possible, and that the both the Government and the Parliament pay more attention to realization of planned obligations in the future.

In their work both institutions must focus on key citizens' problems and the ways to solve them, and at the same time they should stop insisting on narrow-party and personal interests as blockages of institutions' work.

We warn of the obligation to respect and to implement the laws and the Constitution, as well as of unacceptability of authorities' actions that violate the laws and the Constitution.

We also accentuate the need for increasing social sensibility within the institutions, as well as for harmonizing politicians' incomes and privileges with the general situation in the society and the need for full transparency in that context as well.