

СЕЛТЯ СЕЛТЯ СИЛИНИИ И ПОСІЈАТИ А ЦЕНТРИ ЦИВИЛНИХ ИНИЦИЈАТИВА

# Summary of the Report on monitoring performance of the **FBiH Government and Parliament**

## January 1 – September 30, 2017



#### INTRODUCTION

The intention of this report is to show and point to the principle results of monitoring performance of the Government and Parliament of the Federation of Bosnia and Herzegovina. Considering personal attendance of the members of the CCI's monitoring team and accessibility of all available documents (minutes, stenographs, reports), the Report was generated after careful analyses, while observing the practice of fair and correct reporting.

Permanent crisis in relations within the ruling coalition in the Federation of Bosnia and Herzegovina has culminated these days into a breakdown in which no words are chosen and which we have witnessed permanently in the federal part of the country, with elections approaching.

The pattern is very simple – how to pass the buck for poor government results onto coalition partners and how to relativize division on power and opposition and improve their ratings.

The consequence is blocking or stultification of the work of the institutions and a complete suppression of the citizens' interest at the expense of the narrow-party or even personal interests of political leaders.

This prevents Parliament from performing its projected social function, and as a result the work of the Government has been questioned to a great extent. Because, what is the purpose of working on laws and sometimes even working painstakingly on reaching consensus among interested social groups, if the laws will be overturned in the Parliament, or if the Parliament cannot agree on agenda and cannot conduct a session?

This reiterates all that we indicated on several occasions – the government shows lack of capacity to create a functional system, to ensure political stability as a foundation of any economic progress and to deal with solving more serious problems of the citizens and the society. All the discussion about the reforms, agendas and EU integration is being replaced by mutual accusations of the ones who are most responsible for this situation.

And we go back again to the discussion about fatal effects of the lack of mechanisms that would allow to eliminate the blockings in the system. Primarily this refers to "a snap election" on which the CCI has insisted for nearly a decade. And which would prevent from keeping the citizens of this country as hostages of political parties, their real or feigned conflicts and narrow political interests. And, we believe, this mechanism would force political actors to be more compromising, to show mutual respect and tolerance, which the entire country has been chronically lacking.

### THE FBIH PARLIAMENT I-IX 2017

INSTABILITY OF RULING COALITION IN THE FEDERATION OF BOSNIA AND HERZEGOVINA IN THE FIRST NINE MONTHS OF 2017 MOST DRAMATICALLY AFFECTED THE WORK OF THE PARLIAMENT -DISAGREEMENTS IN BOTH HOUSES OF THE PARLIAMENT WERE ALMOST PERMANENT, THE ONLY CHANGES WERE THE PARTIES IN THE CONFLICT AND WAYS IN WHICH THIS CONFLICT MANIFESTED.

The last session of the House of Representatives in the observed nine-month period, was held in July, and the next session happened three months later. The 21st session of the House of Peoples had four continuations and it ended five months after its beginning in April. The two sessions that were scheduled -- one in each House – did not take place at the time anticipated nor by the end of the observed period (As a note, the 22nd regular session of the

House of Peoples that was scheduled on July 6, 2017, did not take place even 4 and a half months later, on the rescheduled date -- on November 23). Four sessions of the House of Representatives and four sessions of the House of Peoples were interrupted at the proposal of the Houses' collegiums mainly because of disagreements between the coalition partners on certain legislative proposals. Not a single point out of seven discussed points of the agenda (including four laws and two conclusions regarding the implementation of the verdict of Constitutional court) was adopted during the continuation of the 23rd session of the House of Representatives, due to insufficient support within the ruling majority.

FOUR THEMATIC SESSIONS IN THE HOUSE OF REPRESENTATIVES MARK A POSITIVE MOMENT IN REGARD TO THE SESSIONS HELD IN THE FIRST NINE MONTHS OF 2017. Topics were extremely significant: Air pollution, emigration of people, situation and prospects of wood processing industry and situation in agriculture in the Federation. Unfortunately, representatives of the parties making up the ruling coalition disagreed on the proposed conclusions. This only verifies the hypothesis that the coalitions are not programmatic, instead they are mathematical – created only to take over and divide power, with an accent on division. And that they fail on almost all important issues. Also, the House of Peoples did not hold any thematic sessions to date, even though they were anticipated in the Work plan for this year.

#### PROBLEMS IN RELATIONS BETWEEN COALITION PARTNERS AFFECTED THE DYNAMICS OF

**ADOPTION OF THE LAWS.** 22 laws were adopted in the same text by both Houses -- only 38% of the total number of laws that were in parliamentary procedure during the first nine months of 2017. Another three laws were adopted in different texts in both Houses and are currently under the harmonization procedure. And as many as 11 laws were rejected in the observed period.

**OCCASIONAL UNACCEPTABLY LONG PROCEDURE FOR ADOPTION OF LAW POSES A SPECIAL PROBLEM.** Of the 22 laws that were finalized in the first nine months of 2017, the procedure for adoption of seven laws lasted over a year. The longest procedure was in the case of the Energy Efficiency Law, which was adopted 4 years and 9 months after its first appearance i.e. after the Government's endorsement of the draft law and its introduction to parliamentary procedure.

COMPLEXITY OF POLITICAL RELATIONS IN THE FEDERATION OF BOSNIA AND HERZEGOVINA AND INABILITY TO FORM A STABLE RULING COALITION AND PARLIAMENTARY MAJORITY AND A RATHER ASYMMETRICAL SYSTEMATIC ORGANIZATION ARE KEY REASONS WHY THE RESULTS OF THE HIGHEST LEGISLATIVE BODY OF OTHER BIH ENTITY, ALTHOUGH STILL QUITE POOR, ARE STILL BETTER THAN THE RESULTS OF THE FBIH PARLIAMENT. While the FBiH Parliament adopted 22 laws and rejected 11 laws in the first nine months of 2017, the National Assembly of Republika Srpska adopted 30 laws and rejected only one law. At the same time, out of 19 anticipated strategies, the National Assembly RS adopted seven strategies, along with the one that was accepted in the form of a draft, whereby the FBiH Parliament did not plan to adopt any strategies. And the sessions of the National Assembly of RS lasted 100 hours longer than the sessions of both Houses of the FBiH Parliament altogether.

THE SIZE OF THE PROBLEM WITH LOW REALIZATION OF THE LAWS IN THE FBIH PARLIAMENT IS REFLECTED THE BEST IN THE DEGREE OF REALIZATION OF THE LAWS PLANNED IN THE WORK PLAN. Out 90 laws that according to the Work plan of the House of Representatives of the FBiH Parliament have to be adopted in 2017, only 11 laws were adopted in the first nine months of this year!

**UNREALIZED LAWS INCLUDE NUMEROUS LEGISLATIONS WHOSE REALIZATION HAS PENDED FOR YEARS AND WHICH ARE IN CLOSE CONNECTION WITH THE QUALITY OF THE CITIZENS' LIVES.** They are as follows: the Law on Whistleblower Protection, the Law on the Social Work Activity, the Law on the Protection of Families with Children in the FBiH, the Law on the Organizations of Persons with Invalidity in the FBiH, the Law on Workplace Safety and Health, the Law on Agriculture, Nutrition and Rural Development, the Law on the Protection of Environment in the FBiH, the Law on the Promotion of Development of Small Businesses... Anyhow... **BOTH HOUSES OF THE FBIH PARLIAMENT ADOPTED THE 2017 WORK PLANS WITH SERIOUS DELAYS, ESPECIALLY THE HOUSE OF PEOPLES**. Instead of adopting a Work plan before the beginning of the year to which it relates, the House of Representatives adopted its Work plan for this year on April 25, 2017. But the real absurdity is the adoption of the Annual (!) Work plan of the House of Peoples of the FBiH Parliament for 2017 on September 21, three months before the end of the year to which it relates. This points to the utter lack of seriousness and responsibility and a pure formalism of the work.

CONFLICTS WITHIN THE RULING COALITION RESULTED NOT ONLY IN SMALL NUMBER OF ADOPTED LAWS, BUT ALSO IN OVERTURN OF SOME SIGNIFICANT MEASURES IN THE FBIH PARLIAMENT IN THE FIRST NINE MONTHS OF 2017. The Law amending the Law on Games of Chance was overturned in the House of Peoples of the FBiH Parliament, as was the Law on Pension and Disability Insurance of the FBiH, which was overturned twice. Then, the Law on amendments to the Law on Prevention of Corruption and Organized Crime, the Law on amendments to the Law on Protection Against Fire and Fire Service, Law on amendments to the Law on Public Broadcast Service RTV FBiH.

**REALIZATION OF SOME MEASURES IS DELAYED UNTIL THE POINT WHERE THEY NO LONGER MAKE ANY SENSE.** For example, some reports on the work of public institutions in 2014 and 2015 were adopted in 2017, rather than at the beginning of 2015 and 2016.

**CONSTANT IRRESPONSIBLE ATTITUDE OF SOME MPS TOWARDS THE MANDATE ENTRUSTED TO THEM AS WELL AS TOWARDS CITIZENS' SUPPORT HAS BEEN OBSERVED**. The serious problem of unexcused MPs' absence at the plenary sessions of the House of Representatives has been present for many years now. In the previous report, the CCI welcomed the step taken by the FBiH Government, which amended the Law on Salaries and Remunerations in the bodies of authority setting forth that 10% from the MPs flat-rate allowance is to be reduced in case of unjustified absence from the session, but we don't have the information if this measure is being implemented.

SOME PROGRESS IN TERMS OF TRANSPARENCY OF BOTH HOUSES OF THE FBIH PARLIAMENT HAS BEEN MADE IN REGARD TO THE PREVIOUS YEAR. Unfortunately, the website still doesn't contain basic information for all members of the House of Representatives. Here we must mention that initiatives to webcast the sessions of the House of Representative as it is done for the House of Peoples were launched several times in the House of Representatives. However, these initiatives were not accepted. Also, there should be a note of lack of transparency in regard to information on incomes of MPs in the FBiH Parliament. And a particularly significant problem in our opinion is non-transparent adoption of the Budget, without organizing a broad public hearing.

**THE FBIH PARLIAMENT HAS NOT YET TERMINATED INAPPROPRIATE PRIVILEGES FOR ITS MEMBERS.** The Law Proposal on the amendments to the Law on Salaries and Remunerations in the bodies of authority in the Federation of Bosnia and Herzegovina, which proposes termination of the "white bread" benefit i.e. the right to receive salary up to one year after the end of their term, has been in parliamentary procedure since January 2015. The FBiH Government that was in "technical mandate" gave positive stance in regard to this proposal, however, the Law has not yet been on the agenda of any of the Houses. Another law that tackled this issue was introduced by MP Dennis Gratz; however, it was rejected in early 2016.

MEMBERS OF BOTH HOUSES OF THE FBIH PARLIAMENT ON SEVERAL OCCASIONS WARNED OF VIOLATIONS OF RULES OF PROCEDURE BY THE HOUSES' LEADERSHIP THAT FAILED TO CONVENE SESSIONS WITHIN A CERTAIN TIME PERIOD OR TO INCLUDE CERTAIN DOCUMENTS IN THE AGENDA. A conclusion that it would make sense to have weekly sessions of the Parliament was based on the fact that many documents waited inappropriately long time to be discussed. And this same cause made the opposition parties threaten to file criminal charges against the Parliament's leadership. Rules of Procedures are violated by failing to adopt minutes from the session at the beginning of the first following session. During this observed period, we also documented the cases of stockpiling and then adopting six records at the same time. Since the records are not accessible to the public until they are adopted, this is lack of transparency in the work of the Parliament.

The problems in relations between the parties that make up ruling coalition in the Federation of BiH (or at least that made up the ruling coalition in the observed nine-month period) also manifested in the failure to adopt the Annual Work plan of the FBiH Government and the Report on the execution of the 2016 Budget, as well as in overturn or ignoring of the laws the Government introduces to parliamentary procedure.

However, it is interesting that at a time (mid-year) when the agenda included the initiative for vote of no confidence to the FBiH Government, members of the ruling coalition accepted the opposition's proposal to end hostilities, i.e. they found their own interests, keeping the status quo. Thus, the Government "survived ".

However, despite the expectation that this moment will, at least for a short period of time, subside political passions and conflicts within the coalition, it literally lasted only a moment. And the radicalization of the conflict continued. So the session during which all parties of the ruling coalition "closed ranks" and offered support to the Government, was the last regular session of the House of Representatives that took place during the subsequent four months..

On the other hand, the FBiH Government is under pressure due to a growing number of demands, protests, strikes of dissatisfied and disenfranchised workers... And even the laws on which the Government succeeds to agree with the interested stakeholders are being overturned in the Parliament.

Unfortunately, voting in Parliament still depends more on the instructions coming from political party centers and less on the quality and importance of the pending measures. So, it is possible that some bad and harmful anti-reform laws that are even in disharmony with the Constitution may be adopted at a time of the ruling coalition's stability, while some relatively good solutions on which all interested key actors agree may be rejected at a time of conflicts within the coalition. Or, on the other hand, it is possible for some legal solutions to cause a conflict within the coalition or to block the work of institutions because of narrow-party or private interests.

### FBiH GOVERNMENT I-IX 2017

THE FBIH GOVERNMENT HAS A SLIGHTLY LOWER INTENSITY OF WORK IN REGARD TO THE PREVIOUS YEAR, WITH AN EQUAL NUMBER OF URGENT AND TELEPHONE SESSIONS. Although it is a regular session that should be held once a week, not a single regular session was held in 7 out of 38 weeks of the observed nine-month period (18). On the other hand, the Government continues to hold a high number of urgent and telephone sessions – as many as 41% of held sessions.

ONE OF THE PROBLEM ASSOCIATED WITH THIS FREQUENT GOVERNMENT'S REACHING OUT FOR TELEPHONE SESSIONS IS THAT THE NATURE OF SOME MEASURES THAT ARE ADOPTED DURING SUCH SESSIONS IS UTTERLY INAPPROPRIATE FOR URGENT AND TELEPHONE DECISION MAKING. Some of them are: Agreement on cooperation in the field of environment protection and certification and reduction of greenhouse gasses, Statement on the request from the FBIH Vice-president on the constitutionality of the Law on Profit Tax, Information about the Request from the Insolvency Practitioner of Dita Tuzla or Prior approval of the Proposal of solution regarding allocation of funds from the Union Bank Sarajevo permanent revolving fund to IN

Ljubuski in amount of 800 000 KM, Information about situation in food industry with an overview of exports and imports in 2016, etc., including the FBiH Framework energy strategy until 2035. All this in a telephone session!

**INSUFFICIENT NUMBER OF REGULAR SESSIONS AND LACK OF EFFICIENCY HAVE CAUSED A DECLINE IN PRODUCTIVITY IN THE OBSERVED PERIOD.** During 8 out of the first 9 months of 2017, the Government discussed less measures than during the same nine-month period of 2016. The total result of the first nine months of 2016 is 42% higher than the result of the first nine months of 2017.

THE NATURE OF MEASURES REALIZED BY THE GOVERNMENT DURING THE FIRST NINE MONTHS OF 2017 SHOWS LACK OF FOCUS ON IMPORTANT MEASURES AND THE KEY CITIZENS' PROBLEMS. Only 2% of all realized measures are the measures that can systematically and in a long term improve the quality of citizens' lives. This is about 36 of 1552 realized measures.

VARIOUS PROBLEMS IN THE FUNCTIONING OF THE RULING COALITION RESULT IN A DEVASTATING PRACTICE OF ADDITIONALLY REDUCING THE ALREADY HUMBLE NUMBER OF IMPORTANT MEASURES THAT THE GOVERNMENT ENDORSES AND INTRODUCES TO PARLIAMENTARY PROCEDURE. Of 44 laws endorsed by the Government, only 11 laws were adopted in the first nine months of 2017; two are being harmonized; five were overturned and as many as 17 laws were not discussed at all during the observed period. The same applies to four strategies that the Government prepared and forwarded to the Parliament, which by September 30, 2017 did not discuss any of them.

ON THE OTHER HAND, THERE ARE MEASURES THAT OBVIOUSLY POSE NO PROBLEMS TO THE GOVERNMENT NOR TO THE RULING COALITION (EXCEPT WHEN INTERESTS AND APPETITES OVERLAP) AND WHICH ARE COLLOQUIALLY KNOWNS AS "DIVISION OF ELECTION PRAY". Among approvals, decisions and decrees realized in the first nine months of 2017, there are 83 measures that are in connection with dismissals and appointments to managerial positions in public institutions and public enterprises in the Federation of BiH. Thus, even in the Year 3 the Government significantly continues to deal with staffing matters.

THERE ARE STILL MANY OBSERVED OBSTRUCTIONS AND DELAYS IN THE FIELD OF REFORMS OF LEGISLATIONS CONCERNING APPOINTMENTS AND RECRUITMENT IN THE PUBLIC SECTOR OF THE FEDERATION OF BOSNIA AND HERZEGOVINA. Almost a year after the FBIH Law on Civil Servants was declared unconstitutional, not even a pre-draft of a new law appeared in any of the Government sessions in the first nine months of 2017. And the Government endorsed some high-quality new measures through the Law on amendments to the Labor Law, however, its finalization was inhibited in the Parliament, given the fact that harmonization of the text has pended since early June. An addition to the aforementioned is the conclusion of the FBiH Government from March with instructions that the working texts of the reform Law on Public Servants in the FBiH, Law on the Public Administration System in the FBiH and Regulation on guidelines for implementation of staffing policies in the FBiH should be completed by June 30, 2017, however, these documents were not discussed by the Government in the observed period.

**DESPITE THE ANNOUNCEMENT OF THE ADOPTION OF THE FBIH GOVERNMENT'S ACTION PLAN TO COMBAT GREY ECONOMY, IT WASN'T ADOPTED IN THE REPORTING PERIOD**. Although it should have been finished by the beginning of May, and the institutions claim they have worked on it continually, this very important document still hasn't been put on the agenda of any Government's session.

**THE FBIH GOVERNMENT ENTERED THE LAST QUARTER OF 2017 WITH 56% OF UNREALIZED WORK PLAN.** Of 431 planned measures, the FBIH Government realized 183 in the first nine months of 2017 or 44 % of its annual work plan. It is additionally concerning that realization of top measures – strategies, laws and regulations – is even worse. Only 4 out of 10 planned strategies were endorsed and only 24 of 95 planned laws. Thus, in the three quarters of 2017 only  $\frac{1}{4}$  of the planned laws were realized. And 45 out of 71 laws from the Work plan for 2017 that were not realized are basic laws.

**DESPITE THE MANY RECOMMENDATIONS, THE FBIH GOVERNMENT'S WORK PLAN FOR 2017 DID NOT ANTICIPATE THE ADOPTION OF A NEW EMPLOYMENT STRATEGY.** We accentuate this issue as this is the last quarter and it is the time when the work plan for the coming year is to be prepared, and we expect that the new strategic document on employment policy will be a part of the Government's Work plan for 2018. We remind that the last Employment strategy in the Federation of Bosnia and Herzegovina was valid for the 2009-2013 period. And the National Assembly of Republika Srpska adopted the RS Employment strategy 2016-2020 in October 2016.

ONE OF THE REASONS FOR LOW EFFICIENCY IN REALIZATION OF THE FBIH GOVERNMENT'S LEGISLATIVE OBLIGATIONS LAYS IN THE DECADES-LONG PARTISAN EMPLOYMENT THAT CREATED A HUGE ADMINISTRATIVE APPARATUS LACKING CAPABLE PEOPLE. Official data warn of excessive number of employees in the public administration, and on the other hand we lack qualified employees who can and know how to complete process of preparing the laws and strategies, which poses a serious problem. It is a huge problem, particularly for a country on the path of EU integration, which faces high requirements in terms of approximation of domestic legislation with the EU legislation.

THE FBIH GOVERNMENT VIOLATED THE LAW ON BUDGETS IN FBIH AT THE TIME IT ADOPTED THE 2017 BUDGET, AS WELL AS DURING THE FIRST STEPS OF ADOPTING THE 2018 BUDGET. The FBiH Government didn't discuss the draft 2017 Budget, but the budget was discussed under urgent procedure. On the other hand, the FBiH Government failed to adopt the "Document of the FBiH Framework Budget for 2018-2020" by June 30, 2017 (it did so in October). However, a positive move is that unlike this year's budget, the Budget for 2018 was adopted under regular procedure and there is sufficient time to organize public hearings.

THE GOVERNMENT CONTINUES TO VIOLATE THE GENDER EQUALITY LAW. In the current FBiH Government women manage 4 out of 17 ministries, whereat it is violating the Law which sets forth that equal representation of genders exists when one of the genders is represented in at least 40% and that everything else is considered to be discrimination that in line with this law has to be eliminated.

FREQUENT VIOLATION OF THE CONSTITUTION OR THE RIGHT TO LOCAL SELF-GOVERNMENT (ENSURED BY THE FBIH CONSTITUTIONAL COURT) WITH VARIOUS DECISIONS MADE BY THE INSTITUTIONS OF AUTHORITY, FOLLOWED BY SLOW IMPLEMENTATION OF THE DECISIONS OF THE BIH AND FBIH CONSTITUTIONAL COURT THAT ORDER ELIMINATION OF UNCONSTITUTIONAL ACTIVITIES, IS A PROBLEM THAT HAS BEEN MORE AND MORE PRESSURING THE FBIH GOVERNMENT AND THE PARLIAMENT. There is a whole range of important laws that must be amended or new laws must be adopted in order to implement majority of the BiH and the FBiH Constitutional Court's decisions. Many of these laws have been waiting for realization for many years now, and new verdicts are constantly coming in. According to the "Information on the state of execution of the BiH and the FBiH Constitutional Court's decision" that the FBiH Government adopted on July 13, 2017, there are total 6 laws whose provisions were found unconstitutional during the term of the current FBiH Government and none of them are still amended. Besides these 6 laws there are additional 6 laws that the BiH Federation Constitutional Court has found in breach of the right to local self-government – also during the current Government's term.

GENERALLY, WHEN IT COMES TO EXECUTION OF THE CONSTITUTIONAL COURTS' DECISIONS THAT EMANATE AMENDMENTS TO THE LAWS IN A CERTAIN AREA, LAW DRAFTING PROCEDURES WITHIN GOVERNMENT'S DEPARTMENTS AS WELL AS PROCEDURES IN THE FBIH PARLIAMENT ARE TAKING TOO LONG. This situation revealed the necessity to adopt clear rules and procedures for execution of the decisions. Therefore, the FBIH Government had at its 102<sup>nd</sup> session held on May 11, 2017 endorsed and introduced to parliamentary procedure the Draft Law on execution of courts' decisions that regulates the procedure for implementation of the constitutional courts' decision aimed at their faster and more efficient execution through which it would be possible to ascertain and document responsibility for failure to execute the decisions. The aforementioned law, however, has still not been discussed in the FBIH Parliament.

#### CONCLUSION

The Centers for Civic Initiatives call upon political actors in the Federation, taking into account the citizens' interest, to not allow blocking of government institutions and wasting of one more year of our lives amid a premature start of the election campaigning.

We call upon Government to make real reform laws (and not, as it happened on several occasions, to misuse the Reform agenda and under its aegis extend even more this unacceptably large influence of parties on all pores of the society) and we call upon MPs to treat laws and strategies on which they decide based on their contents and public interest, and not based on narrow-party interests and pre-election calculations.

Among specific things we underline the need for Government and both Houses of the Parliament to (by the end of 2017) adopt their work plans and budget for 2018 in a timely manner.

In order to increase efficiency in the realization of laws, we recommend the use of good practices of some other institutions in the country and in the neighborhood and to limit the duration of procedure for adoption of law.

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 underline the need to establish a mechanism of individual responsibility in this context.

And finally, the CCI wants to use the opportunity to point to unacceptability of the situation where BiH Election law does not anticipate the possibility of a snap election. Introducing this possibility into the Election law we see as priority.