

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

**01.01 – 31.03.2018**

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**INTRODUCTION**

The intention of this report is to show and to point out the principal results of the monitoring of the BiH Federation Government and the Parliament performance. 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.

Permanent crisis in the relations within the ruling coalition in the Federation of BiH that is caused by politicians’ obsession with the narrow-party and personal interests, maximalism of the demands, reluctance to make compromises and to respect the others, had one of its climaxes (but probably not the last one or the largest one unfortunately) in the first quarter of 2018 when the Parliament and the Government became victims of the interparty conflicts of this coalition’s members.

First of all, the possibility of dissolving the Parliament had appeared due to the threat that the financing of the Federation will be ceased (because of the failure to hold sessions had brought into question not only adoption of the Budget, but also adoption of the Decision on temporary financing). Then, at the end of January, came complete blockage of the Parliament’s work, followed by some serious problems in the work of the Government – interrupted sessions, failure to attend the sessions, to adopt the agenda, as well as to hold regular sessions.

Current political elite is persistently showing lack of capacity (and even interest) to develop a functional system, to ensure political stability as a foundation of economic progress and to start tackling serious problems of the citizens and the society in general.

**FBiH PARLIAMENT I-III 2018**

**ALTHOUGH ALL PARAMETERS ON WORK OF THE FBIH PARLIAMENT RECORDED AT THE END OF 2017 HAD INDICATED THAT IT WAS PAST TIME FOR THIS INSTITUTION TO FULLY INTENSIFY ITS WORK IN ORDER TO CATCH UP WITH AT LEAST A PORTION OF THE BACKLOG, THE OPPOSITE HAS ACTUALLY HAPPENED.** Not a single regular session was held in any of the Parliament’s Houses in the first quarter of 2018. The houses held only 2 extraordinary sessions each in January at which only 11 different measures were considered, followed by a two-month void.

Just as a comparison, in the first quarter of last year of previous convocation’s mandate, a total of 4 extraordinary sessions were held in the FBiH Parliament along with 5 regular sessions.

**PRACTICALLY, THE ONLY THING THAT THE PARTIES OF SO-CALLED RULING COALITION MANAGED TO AGREE UPON IN THE REPORTING PERIOD, DOING THAT ALSO WITH DIFFICULTY AND UNDER THE THREAT OF DISSOLVING THE PARLIAMENT, IS MONEY, I.E. THE NEED TO ADOPT THE BUDGET.** So the budget of the Federation and the Budget of Mostar were adopted in January, together with 4 financial plans. It can be said that if there haven’t been an imminent threat of Federation’s financial collapse due to failure to adopt the acts regulating financing of the Federation (Budget and the Decision on temporary financing), the consequences of which no one was ready to experience, it is possible that a single session wouldn’t be held in this quarter.

**THE 2018 WORK PLANS OF BOTH HOUSES OF THE FBIH PARLIAMENT WERE NOT ADOPTED BY THE END OF 2017 AND NOT EVEN BY THE END OF FIRST QUARTER OF 2018.** Neither was the FBiH Government’s Work Plan for this year nor the 2017 Performance Reports of the Government and the FBiH Parliament considered.

**STATISTICAL DATA SHOW A CONSTANT DECLINE IN PRODUCTIVITY AT A QUARTERLY LEVEL.** Only 10 considered measurers in the House of Peoples in the first quarter of 2018 is eight times less than the number of measures considered in the first quarter of 2017.

**DYSFUNCTIONALITY OF THE GOVERNMENT IS EVIDENT IN HUGE BACKLOGS AND PARLIAMENT’S LAGGING BEHIND THE GOVERNMENT IN REALIZATION OF THE LAWS.** In 1st quarter of 2019 the FBiH Parliament didn’t consider a single law set by the Government in this period, as it was the case with 30 laws that the Government had set in 2017 and that neither of the Houses of the FBiH Parliament had considered in that year. Out of 30 laws (from 2017), the Parliament only adopted 4 in the first quarter, together with one law that was found in the parliamentary procedure at the beginning of 2018 (adopted in the House of Representatives and waiting for the decision of the House of Peoples).

**So the total number of laws adopted in the fbih parliament during the first quarter 2018 is 5.** It is for 12 laws less than the realization of 1st quarter of 2017 and that year also ended with 78 unrealized laws from the 2017 work plan.

**DYSFUNCTIONALITY AND INEFFICIENCY OF THE PARLIAMENT NEGATIVELY AFFECTS REFORM PROCESSES, INCLUDING THE REFORM OF LEGISLATION ON APPOINTMENTS AND EMPLOYMENT IN THE FBIH PUBLIC SECTOR**. The government had defined new and better measures through the Law amending the FBiH Labor Law, in which it has made a clear commitment to principles of transparency in employment (exclusively through an open competition) at all levels and in all public institutions and enterprises, but the finalization of the Law has been stopped in the Parliament and it has been waiting for an agreement since June 2017.

**realization of some measures is delayed to the degree that makes tHEM POINTLESS.** For example, some reports on performance of public institutions in 2014 and 2015 were adopted in 2017, while not a single 2017 report on performance of the FBiH agencies, funds, institutions, institutes, and public enterprises was considered in the first quarter of 2018.

**AN ATTEMPT TO HOLD A SESSION AT A REQUEST OF A GROUP OF MEMBERS (FIRST SUCH REQUEST IN LAST 10 YEARS) HAPPENED IN THE FIRST QUARTER OF 2018, BUT THE SESSION WASN’T HELD DUE TO LACK OF QUORUM.** Members of the HDZ BiH, HDZ 1990 and SDA didn’t come to the session at which the proposal of the Law on Constituencies and Number of Mandates of the FBiH Parliament was to be discussed.

**IN THE FIRST QUARTER OF 2018 THE DEPUTIES AND DELEGATES HAD THE POSSIBILITY TO MAKE AMENDMENTS (WHEN IT COMES TO ADOPTION OF THE 2018 BUDGET, AS WELL AS THE LAWS THAT WERE FOUND IN THE PROCEDURE IN THE PREVIOUS PERIOD), BUT THEY DIDN’T HAVE THE POSSIBILITY TO ASK QUESTIONS AND PUT FORWARD INITIATIVES.** Members of the House of Representatives of the FBiH Parliament submitted in total 51 amendment, and while 17 amendments were submitted by the delegates of the House of Peoples. During the first quarter of 2018 the deputies and delegates did not have possibility to ask questions or to put forward initiatives at the session since not a single regular session, at which the questions are usually asked and initiatives put forward, was held in this period.

**THE FBIH PARLIAMENT STILL HASN’T TERMINATED INAPPROPRIATE PRIVILEGES FOR ITS MEMBERS, THUS DEMONSTRATING AN ALARMING LACK OF SOCIAL SENSITIVENESS AND SOCIAL RESPONSIBILITY.** More than three years have passed since the Law amending the Law on salaries and remunerations in the government institutions of FBiH was proposed. The proposal sets forth termination of the right to so-called “white bread” i.e. the right to receive post-term pay for a year, but it has not been considered by any of the FBiH Parliament’s Houses. The same goes for other remunerations that the deputies and delegates receive, whose lawfulness of use (without even talking about morality) has been put under a question mark many times lately (accommodation allowance, living away from home allowance, allowance for 4 weekend visits to family, etc.). Work dynamics of both houses of the FBiH Parliament during the current and previous term has shown that there is no justified need to pay these types of remunerations/allowances, and it has, to say the least, brought into question validation of any payment for such work, especially in the months in which the Parliament doesn’t hold sessions. As a reminder, 83 out of 98 deputies in the House of Representatives of the FBiH Parliament have professionalized their term, i.e. they are employed in the Parliament and receive regular monthly salary for their work, as well as 48 out of 54 delegates in the House of Peoples.

**PARLIAMENT SHOWS LACK OF TRANSPARENCY IN TERMS ON INFORMATION ON INCOMES OF DEPUTIES AND DELEGATES.** The CCI sent a letter to both houses of the FBiH Parliament with the request to receive information on incomes that the deputies and delegates received in the reporting period. Neither of the Houses did submit that information by the time this report was completed. Furthermore, this information has not been available in the House of Representatives since the current house was convened.

In the first quarter of 2018 it became impossible hide political conflicts within the FBiH Government and to present that the Parliament was the only one having problems in its functioning, which has been done for a long time, especially by the Prime Minister.

From the suspension of 138th regular session due to conflicts about the personnel issues, the Government held first next session only 2 and a half months later. Two thirds of the sessions held in the 1st quarter of 2018O were urgent session whereof most were phone sessions. Not all announced urgent session could be held due to no-show or failure to adopt the agenda.

At the end it turned out that the Government cannot escape the overall political atmosphere and that ministers’ work is far away from autonomy of an expert, dedicated to their job and the citizens’ interest, but that they are rather under direct control of parties’ leadership whose interest they represent.

And it is exactly what – partytocracy-like governance and absence of program coalitions that will jointly work on the goals after initially agreeing on them (instead of functioning as a group of party controlled ministries) – the CCI sees as the biggest problem of both the Federation and BiH in general, and of all its institutions.

**FBiH GOVERNMENT I-III 2018**

**WORK INTENSITY OF THE FBIH GOVERNMENT IN THE FIRST QUARTER OF 2018 IS THE LOWEST OF THE CURRENT TERM.** Only 5 regular sessions were held in 13 weeks – which is only 38% of the number set forth in the Government’s Rules of Procedure, and 10 urgent sessions, whereof 7 were phone sessions. For the sake of comparison, a total of 26 sessions were held in the previous, last quarter of 2017, whereof 12 were regular sessions.

**THE PRODUCTIVITY ALSO DECLINED TO THE LEVEL AT WHICH THE GOVERNMENT WAS AT THE FIRST, INITIAL, QUARTER AFTER THE APPOINTMENT AT THE END OF MARCH 2015.** Only 439 measures were considered in 3 months, which is a drop of 29% in relation to the previous quarter, and almost half of the best Government’s result of this term, which it achieved in 1st quarter of 2016 (when 852 measures were considered).

**the number of determined laws and strategies is below the average of the current term.** Only 1 strategy and 15 laws were determined, whereof 5 were new, so-called basic laws, and the rest were changes and amendments to the existing laws. The number of laws determined in 1st quarter of 2018 is almost two times smaller than the number of laws determined in the adequate comparative period of the previous term (1 quarter of 2014 as the last year of previous term).

**MODESTY IN THE NUMBER OF DETERMINED LAWS IS VISIBLE THE BEST WHEN VIEWING THE LEVEL OF OBLIGATIONS FROM THE 2018 WORK PLAN.** The 2018 Work Plan of the FBiH Government foresees realization of 92 laws. Only 7 of them were determined in 1st quarter, which is only 7.6% of the plan.

**ALTHOUGH THE DEGREE OF OVERALL REALIZATION OF THE WORK PLAN’S MEASURES IS MOST FREQUENTLY HIGHER THAN THE DEGREE OF REALIZATION OF LAWS, THE OPPOSITE IS VALID FOR THE FIRST QUARTER OF 2018.** Out 269 different measures planned in the 2018 Work Plan of the Government, only 13 were determined in the first quarter of this year, which is less than 5%!

**the 2018 work plan of the fbih government was not adopted by the end of 2017, but on 18.1.2018.** Curiosity is that different documents that regulate Government’s work set different deadlines for realization of this obligation, which, of course, should be solved, defining the obligation that the work plans are adopted before the year to which they relate. Actually, since the work plans of both houses of the Parliament rely on the Government’s work plan, these work plans should be also adopted before the year to which they relate and the time for adoption of the Government’s work plan should be harmonized with that need.

**DIFFERENT PROBLEMS IN FUNCTIONING OF THE RULING COALITION ARE RESULTING IN A DEVASTATING PRACTICE THAT ALREADY A MODEST NUMBER OF SIGNIFICANT MEASURES, WHICH ARE DETERMINED BY THE GOVERNMENT, ARE ADDITIONALLY DIMINISHED IN THE PARLIAMENTARY PROCEDURE.** Out of 15 laws determined by the government during the first quarter of 2018, none was considered by the FBiH Parliament!

**WE ARE STILL WITNESSING OBSTRUCTIONS AND DELAYS IN REFORM OF LEGISLATION CONCERNING APPOINTMENTS AND EMPLOYMENT**. More than a year had passed since the FBiH Law on Civil Servants was found unconstitutional, and the new one didn’t appear before the end of first quarter of 2018.

**ALTHOUGH ADOPTION OF THE FBIH GOVERNMENT’S ACTION PLAN TO COMBAT GREY ECONOMY WAS ANNOUNCED FOR THE PREVIOUS YEAR, IT WASN’T EVEN ADOPTED IN 1st quarter of 2018.** Although it should have been finished by the beginning of May 2017 and the institutions are constantly stating that they are working on it, this very important document hasn’t been put on the agenda of any government’s session by the end of 1st quarter of 2018. On the other hand...

**ACTION PLAN FOR REALIZATION OF THE REFORM AGENDA FOR BIH 2015-2018 EXISTS, BUT ITS REALIZATION IS SERIOUSLY DELAYED AND PERCENTAGE OF REALIZATION IS SIGNIFICANTLY LOWER THAN THE PERCENTAGE OF REALIZATION IN THE OTHER BIH ENTITY.** Only 46% of the measures were complete realized at the beginning of the last year of planned four-year period for realization of this action plan, while 23% of measures are in the procedure, and almost one third of the measures (31%) have been adopted in any form yet.

**WHILE THERE ARE REALIZATION RELATED PROBLEMS WITH MAJORITY OF OTHER IMPORTANT MEASURES, THERE ARE NO VISIBLE CONFLICTS AND PROBLEMS WITH ADOPTION OF MEASURES ON NEW BORROWING BY THE FEDERATION I.E. ITS CITIZENS.** There are several decisions on new borrowing by issuing treasury bills and bonds amongst the decisions adopted in 1st quarter of 2018.

**THE GOVERNMENT IS NOT MAKING NECESSARY SAVINGS ON RATIONALIZATION OF PUBLIC ADMINISTRATION AND REDUCTION OF ITS COSTS, BUT ON UTTERLY INACCEPTABLE ITEMS.** By analyzing the budget for the past two years we have observed that in relation to 2016 the item “Financing of first employment and self-employment” was reduced for 20 million in 2017 – from 50 to 30 million KM. The trend continued in 2018. This item now amounts only 2 million KM.

**THE FBIH GOVERNMENT IS NEITHER OBSERVING ITS OWN NOR THE PARLIAMENT’S RULES OF PROCEDURE.** The 2018 Work Plan of the Government was not adopted before the year to which it relates. On the other side, the Government is answering MPs’ questions irregularly, thereat violating the set deadlines. The FBiH auditor had concluded that a large number of the FBiH Government’s conclusions don’t contain proposals of concrete measures, and there are also no work assignments for the FBiH ministries and other bodies of FBiH and deadlines for execution of the assignments.

**The government also violates the laws.** Not a single draft Budget of the FBiH was adopted on time i.e. within the deadline laid down by the law over the past 5 years since the new Law on Budgets in the FBiH is in force (that was also the case with the draft 2018 budget). The Freedom of Information Act is also being violated by delays in delivery of requested documents. The Law on Gender Equality in BiH is also violated, because women lead only 4 out 17 ministries of the current FBiH Government, although according to the law they should lead at least 7 ministries.

**THE CONSTITUTION IS ALSO VIOLATED – VIOLATION OF THE CONSTITUTION OR THE RIGHT TO LOCAL SELF-GOVERNMENT (WHOSE PROTECTION IS ENSURED BY THE FBIH CONSTITUTIONAL COURT) BY DIFFERENT DECISIONS THAT THE GOVERNMENT INSTITUTIONS IN BIH PASS, AND THEN BY SLOW IMPLEMENTATION OF THE CONSTITUTIONAL COURT’S JUDGMENTS THAT ORDER ELIMINATION OF UNCONSTITUTIONAL ACTIONS, POSES A PROBLEM THAT PUTS MORE AND MORE PRESSURE ON BOTH THE FBIH GOVERNMENT AND THE PARLIAMENT.** There is an array of important laws that must be amended or new laws must be adopted in order to implement judgments of the FBiH and BiH Constitutional Courts. Many of them are waiting realization for many years now whilst new judgments are constantly rendered. Generally, when it comes to execution of the constitutional courts’ judgments that entail amending of legislation in a certain area, the procedure of preparing the law within the competent ministry of the FBiH Government followed by discussion and adoption by the FBiH Parliament, last too long. The best illustration is the information that the FBiH Government had on 08.02.2018 determined and forwarded into parliamentary procedure the Proposal of the Law amending the Law on basics of social protection, protection of civil victims of law and protection of families with children with the aim of implementing the judgment of the BiH Constitutional Court from - 30.01.2013(!) On 21.03.2018 the Government set the proposal of the Law amending the Law on restoration, award and sale of apartments, implementing the judgment of the FBiH Constitutional Court from 24.6.2008(!).

**CONCLUSION**

Nothing is important, not even realization of the work plan, sessions, other results of the work, the Reform Agenda, which also means that the citizens and their interests are also not important. Party interests and pre-election campaign are the only thing that matter. In the pre-election campaign the authorities will again try to hide catastrophic results behind the stories on national interests and tension building, activities and projects that have nothing to do with quality of citizens’ lives and whose only results is further impoverishment of the country and outflow of many young and capable people.

The CCI once more appeals to representatives of government to act responsibly and do the job they are paid to do, in the interest of citizens, and not to conduct party pre-election campaign in the institutions.

Pre-election campaign and inter-party confrontations have no place in the institutions. The institutions have obligations defined by the Constitution that their employees are violating when instead of doing their job they deal with conflicts ordered or orchestrated by the party leadership.

Results in 1st quarter of 2018 are utterly worrying and practically require extraordinary measures in terms of maximizing work intensity in order to amortize huge backlogs.

The government should urgently hold a thematic session on the Work Plan and its realization, whose epilogue would be to present to the public the method of overcoming current problems and the plan of realizing planned activities. And the Parliament should turn to holding sessions every day until realization of backlogs, primarily the laws that are in the procedure.

And both institutions should finally start dealing with the problem of massive outflow of young and working-age population from the country.

At the end, in the light of the last visit of the BiH Presidency’s members to the Chancellor Merkel, we conclude that it constantly turns out that friends from the international community are caring more about this country and its citizens than the local politicians.