

## Monitoring of the Council of Ministers BiH 2010-2014

## -MANDATE REPORT-

SUMMARY

## FOLLOWING 2010 GENERAL ELECTIONSWE HAD WAITED 16 MONTHS FOR APPOINTMENT OF THE

**COUNCIL OF MINISTERS.** Party outwitting lasted throughout 2011 and had ended only in February of 2012 when the new composition of the Council of Ministers was confirmed, which subsequently had changed for several times due to disputes within ruling coalition. Due to flaws of the Constitution and the Election Law there is no defined deadline for forming government nor there is possibility to announce extraordinary elections if the deadline is not met. Here we will not talk about possibility of punishing politicians and parties for obstructions and blockage of the system. During the last mandate no changes in that context were done even though the CCI had constantly warned about this problem, which raises serious concern before the forthcoming elections. Specially having in mind relations between the actors at our political scene and the utter lack of their mutual respect and appreciation. The concern also refers to the fact that consequences of the political crisis and non-functionality of the government are paid by the citizens, and not the politicians. The price of inability to form the government in a reasonable time and to have this government functioning within certain program aims in the interests of citizens, and not to its own purpose hence in the interest of political oligarchy, is very high – it is measure but lost years of life that cannot be compensated.

## THE CONSEQUENCES OF BAD GOVERNMENT IN BIH AND OF LOST YEARS DURING WHICH THE GOVERNMENT DID NOT DO ANYTHING SIGNIFICANT FOR ITS CITIZENS ARE JUST DREADFUL:

- EU integration processes of the country are not even in a standstill anymore, but they are getter further away from the European Union. Only the goodwill within the European circles had prevented expulsion of BiH from the Council of Europe and some other organizations, as the consequence of results of politicians' inaction.
- BiH is marked (and condemned!) as the only state on the European continent that openly, systematically violates human rights of its citizens.
- The country is put into position of being sanctioned and losing tens and even hundreds of million euros of desperately needed "non-refundable aid".
- Government's inaction and its permanent abuse of the specific purpose funds had left the citizens unprotected before the natural disaster and without adequate assistance during and after the disaster.
- Citizens affected by the floods were not qualified to receive aid from the European Solidarity Fund due to blockage of the Euro-integration process and to disabling the country of getting the EU candidate status.

AND AT THAT TIME, AT THE VERY START OF THE NEW COUNCIL OF MINISTERS – OPTIMISM WITHOUT BACKING. Final establishment of the Council of Ministers in line with the results of the 2010 Elections, by being confirmed at the BiH PA House of Representatives on February 10, 2014, was followed by unfounded optimism. "BiH is a step away from submitting application for candidate status in the European Union and this will be EU year for BiH", said the new Chairperson after first session of new composition of the Council of Ministers. Unfortunately that promised step was never taken, but we have been taking some steps back.

THE ONLY WORKING PROGRAM, WHICH HAD BEEN ADOPTED ON TIME IN THE LAST 4 YEARS, WAS ADOPTED BY THE COUNCIL OF MINISTERS IN "TECHNICAL MANDATE". The working program of the BiH Council of Minister in reviewed mandated had been adopted on time only in 2011 for 2012 by the Council of Ministers of BiH in "technical mandate". In the last two years the program had been adopted in the second part of January, namely with slight delay, but also with evident violations of the Council of Ministers' Rules of Procedures. During 2011 the Council of Minister had worked the whole year without adopted Working pogram, because at the end of 2010 no one was such a pesimist as to think that the process of government formation after the elections will last so long, so that the adoption of Program was left to the new Council of Ministers.

THE COUNCIL OF MINISTERS IN MANDATE 2010-2014 IS CONCEIVABLY THE WORST ONE SO FAR ACCORDING TO REALIZATION OF THE LAWS. The BiH Council of Ministers in mandate 2006-2010, which once was evaluated as inefficient, had significantly better result regarding legislative activities, since it determined 179 laws that being 73 laws more than the Council of Ministers in the last mandate, which had (including "technical mandate" of the former BiH CoM's convocation) determined 106 laws in total. The Council of Ministers in mandate 2002-2006 was almost two times more successful than the Council of Minister in the last mandate determined 209 laws.

SERIOUS PROBLEMS WITH ADOPTION OF THE BUDGET IN THE FIRST HALF OF THE MANDATE WERE SOLVED LATER ON UNDER THE PRESSUR OF IMF AND UNDER INCREASED NEEDS OF ENTITY GOVERNMENTS FOR LOANS. The 2011 state budget, as yet another addition to the domestic collection of peculiarities, had been adopted "retroactively" i.e. at the beginning of 2012, a year afterabsurd political disputes, that did not bring anything good to the citizens. The 2012 budget had been adopted with 5 months delay, while the budget of BiH Institutions and the BiH obligations for the last two years of the mandate (2013 and 2014) had been adopted in accordance with the deadlines, exclusively due to the need to "fill the budget gaps" and due to strict IMF's demands to meet all necessary conditions for new loans.

AND THE DEBT IS GETTING BIGGER AND BIGGER. According to the official data, the foreign debt of the BiH has practically doubled in the last two mandates. According to the preliminary data of the BiH Central Bank the debt in mid-2014 was over 7.5 billion KM, and it has grown from less than 4 billion KM what it was in 2007 and it is still continuing to unstoppably grow. Long term consequences of this irresponsible behavior will be in any event dramatic, because the money is not invested into revitalization of the economy, creation of new jobs and sustainability, but it is put toward excessive public spending. This is to show that the government is only concerned with its own survival, and not with the fate of its country and citizens. If we are also to add internal debt to the above given number, we come to the sum showing that the total BiH debt has exceeded 11 billion KM.

THE PERFORMACE OF THE COUNCIL OF MINISTER IS INCOMPARABLY WORSE THAT PERFORMANCE OF GOVERNMENTS OF OUR CLOSEST NEIGHBORS. The difference in the working results of Council of Ministers and governments of neighboring countries is of such a degree that it cannot be justified by any specificities of BiH system that are frequently used domestic politicians. Namely, in comparison with 106 laws determined by the BiH Council of Ministers, the Montenegrin Government has in the period 01.11.2011 – 31.08.2014 determined 349 laws or 3.3 times more than the BiH Council of Ministers. In the identical time period the Government of Republic of Serbia determined 501 laws or 4.7 times more than the BiH Council of Minister, and the Government of Republic of Croatia – total of 765 or 7.2 times more than the BiH Council of Ministers.

MANY IMPORTANT LAWS AND STRATEGIES THAT SHOULD HAVE BEEN ADOPTED DURING THE PRESENT MANDATE HAD REMAINED UNREALIZED. Due to insufficient concern for interests of our country's citizens the earlier assumed obligations from the "Road Map" are being neglected, amongst which are very important strategies and laws i.e. BiH Strategy of social inclusion, the single "BiH Law on courts, Law on free legal aid in BiH (which has been rejected several times in the BiH PA), then the Strategy of rural development, harmonization of the BiH Law on customs with the EU Customs Code, state Law on improving small and medium enterprises and entrepreneurship, comprehensive Energy Strategy for BiH, as well as set of anti-corruption laws that are in line with EU standards, and other important laws and strategies that can significantly contribute to creation of a positive environment for faster employment and bigger investments in BiH, as well as to significant acceleration of the country's path to European integration.