

MAPPING STUDY OF CIVIL SOCIETY ORGANIZATIONS IN BIH



This project is funded by European Union

AUGUST 2016





Author: Goran Žeravčić, mr. Sci

Associates and research team: Danijel Malić, Prof Dr. Dragan Golubovic, Danijel Hopic, Dajana Čelebić, Anida Drljević, Mirela Živojević

Acklowedgments

The Team was very well received when visiting the CSOs even after clarifying that it was not in position to provide any assistance, but that it was simply collating information, and would like to use this occasion to thank all of them again for their kindness and hospitality.

The Team would like to express its gratitude to all registration offices for providing the registers of associations and foundations in BiH and also to all the representatives of the governments' institutions at all levels, donors, and international CSOs who found the time to provide information and express their views.

Special thanks for administrative and logistical support to Mr. Dzemal Hodžić, Mr. Vladimir Pandurević, Mr. Zbignew Wlosek, Mr. Melisa Gazdić, Mr. Konrad Materek and Ms. Dženita Barimac

This study is developed through the project "Mapping Study of CSOs in Bosnia and Herzegovina", implemented by EPRD Office for Economic Policy and Regional Development Ltd. ("EPRD").

This publication has been produced with the assistance of the European Union. The content of this publication is the sole responsibility of the author and can in no way be taken to reflect the views of the European Union. Niether EU Delegation to BiH nor EPRD is responsible for use which might be made of the information or analysis presented within the study.







INDEX

1.	Execut	tive Summary5
2.	Object	tives and Purpose
3.	Methodology and Activities	
	3.1.	Identification of total number of registered CSOs in BiH
	3.2.	Identification of active vs. inactive CSOs in the BiH
	3.3.	Mapping and analysis of the current status of CSOs in BiH, their activities, size, geographical area coverage, membership, founding sources, sector of the engagements, assessment of the cooperation with government authorities, and other CSOs
		alysis of Government's vision and strategies for civil society involvement in the ment process
	4.1. BiH lev	CoM BiH vision and strategies for civil society involvement in the development process at vel14
	4.2.	Government's of FBiH vision and strategies for civil society involvement in the development process
	4.3.	Government's of RS vision and strategies for civil society involvement in the development process
	4.4.	Government's vision and strategies for civil society involvement in the development process at the District of Brcko level
5.	An ana	alytical overview of the legislative framework under which CSOs operate17
	5.1.	Legislative framework for the establishment and operations of CSOs
	5.2.	Legislative framework for governments' cooperation with civil society organizations and involvement of interested public and civil society in policy dialogue
	5.3.	Legislative framework for funding activities of civil society organizations from pubic funds31
		alytical overview of the institutional mechanisms of cooperation between governments' ons and civil society organizations
		nisms to involve CSOs in the programming, reviewing and evaluation of EC-financed ment cooperation42
8.	Overv	riew of major donor initiatives related to civil society
9.	Overv	riew of the general situation in civil society in BiH49
10). Conc	lusion
11	L. Final	Remarks and Recommendations
٨١	MNEVI	- Structure of civil society sector in Rill per areas of work and primary activity



Abbreviations

BiH Bosnia and Herzegovina

CoM BiH Council of Ministries of Bosnia and Herzegovina

CS Civil Society

CSO Civil Society Organization
DCF Donor Coordination Forum
EC European Commission

EU European Union

EUD European Union Delegation

FBiH Federation of Bosnia and Herzegovina

IPA Instrument for Pre-Accession Assistance

MOFT Ministry of Finance and Treasury

MoJ BiH Ministry of Justice BiH

MoJ FBiH Ministry of Justice Federation of BiH

M&E Monitoring and Evaluation RS the Republic of Srpska

SCIA Sector for the Coordination of International Economic Aid

SOE State-owned enterprise

SEE South East Europe





1. EXECUTIVE SUMMARY

This study is initiated by the EU Delegation to BiH with the purpose to examine environment in which CSOs function and operate and to evaluate the capacities and needs of CSOs with regard to influencing policy formulation and monitoring implementation of policies in Bosnia and Herzegovina. The specific objective of the study is to provide an overview of the main CSOs networks and organizations (including national organizations, media, economic and social partners, research, women associations etc.).

Considering the objective of the Study as well as objective limitations due to a complex constitutional structure of BiH, the methodology of data collection and analysis are defined for each expected result respectively.

The statutory and legal framework for establishment and operations of civil society organisations in BiH is regulated by 4 laws on associations and foundations at the state, entity level, and at the District of Brcko level as well as a range of other legislative acts that more closely regulate the operation of legal entities in BiH, including the civil society organisation (labour law, tax and accounting regulations, etc.). With regards to the freedom of association, the current legal framework in BiH is modern and in line with the European standards in this area. Though fragmented, the statutory and legal framework for operation of civil society is to a great extent harmonised.

The registration of associations and foundations in BiH is done in eighteen (18) registry offices. According to the records from seventeen (17) registry offices that have made public their registers on association and foundations¹, in BiH there are 22,601 registered associations and foundations. An estimate is that in the Posavina Canton, there are no more than 200 associations and foundations so it can be stated that the number of registered civil society organisations is approximately 22,800.

The share of activities of civil society organizations in the total GDP in BiH, based on the data obtained from the Federal Statistics Office and the Republic Institute of Statistics, show that the participation of CSOs in the BiH GDP in 2014 amounted to 0.68 %.

The official data obtained from entity statistics bureaus and tax offices related to full time employees vary from 3,063 to 4,247 employees. It represents some 3.5% of the total number of employees outside of the agricultural sector in BiH.

_

¹ Despite constant insisting and calling upon the Law on Associations and Foundations of FBiH as well as the Law on Access to Information, the Ministry of Justice and Governance of the Posavina Canton has not submitted the public register on associations and foundations registered in the Posavina Canton.





The undertaken research has one again proven the fact that the civil society in BiH has all characteristics of civil society in a transitional country dominated by sport-recreational associations and associations that represent interests of specific social groups.

This feature of the civil society in Bosnia and Herzegovina is typical of post-authoritarian (post-communist) societies. A general assessment of the civil society in Bosnia and Herzegovina corresponds to a general assessment of the BiH state and society – fragmented, institutionally very weak, financially unsustainable and greatly dependent on political and financial support of the international community, without a clear vision of how to meet citizens' needs, with a private sector and unfavourable public perception of the general social benefit of their work. The civil society organizations that have emerged and evolved in BiH after the end of war conflict have not been direct local response to specific renewal and reintegration issues but rather consequences of the international initiatives and availability of the international funding and civil society development projects.

The civil society in BiH is dominated by small grass root organisations without full time employees that operate locally with an aim of protection of interests and gained social rights of specific social or interest groups.

The civil sector in Bosnia and Herzegovina is insufficiently based on membership. The lack of basis of civil society organisations in more numerous memberships brings their social legitimacy in question. Insufficient membership in associations indicates the absence of tradition, as well as the lack of trust on the part of citizens in institutions generally, which also applies to civil society institutions. The lack of citizens' trust in institutions is only logical, having in mind that institutions were designed to support the regime, rather than to meet different needs of the population.

However, the main weakness of the civil society in BiH is still the cooperation and networking. The estimate is that there are some 30 active networks of civil society organisations of which only 4 – 5 networks have existed for more than 10 years. The networking of civil society organisations is mostly the result of different project activities and such networks mostly exist during the project period, i.e. while there is an indirect source of financing. Only a small number of networks such as Women's Network or Safe Network have been the result of genuine conviction of the members on the need for existence of permanent mechanism of cooperation, harmonization of a unified platform of action, coordination of activities and unified approach towards the government institutions.

The relationship between the state and civil society, and the lack of a clear vision of the role of civil society in economic and social development of BiH society and adequate funding mechanisms of civil society in BiH should be considered in this context. In fact, none of the levels of government have clear vision of the role of civil





society in economic and social development of BiH and therefore it is not surprising that there is an absence of a clear strategic framework of cooperation with civil society, or clearly specified objectives and instruments of cooperation with civil society. It is only the state level or the Council of Ministers that have demonstrated in the last few years the political will to ensure that the policies towards civil society are clearly formulated and that adequate institutional mechanisms of cooperation with civil society are developed.

The public sector still does not regard civil society, as well as private capital, as a relevant partner in social and economic development of Bosnia and Herzegovina. Therefore the financing of activities of civil society organizations is treated exclusively as an expense, rather than as a social investment, which should encourage the social development of communities and contribute to the articulation and implementation of policy priorities.

At any level of government in Bosnia and Herzegovina there is no political will to define the role of civil society in the social protection, health and education system, and consequently the funding mechanisms of civil society, because there is a belief that this would jeopardize the monopoly of the public sector in the provision of social, health and educational services to BiH citizens.

The results achieved so far in the construction of institutional mechanisms of cooperation with civil society and the participation of the interested public and CSOs in policy dialogue is primarily a result of the initiative and requirements of the international community and the best practice examples are more the result of the sensitivity of individuals within the public administration than the strategic commitment of the political elite.

The process of civil society development and strengthening its role in the creation and implementation of public policies will continue to be a slow and painstaking process that will continue to require long-term and continuous support of the international actors.

2. OBJECTIVES AND PURPOSE

The overall objective of the study is to examine environment in which CSOs function and operate and to evaluate the capacities and needs of CSOs with regard to influencing policy formulation and monitoring implementation of policies in Bosnia and Herzegovina.

The expected results are:





- Identification of total number of registered CSOs in BiH;
- Identification of active vs. inactive CSOs in BiH;
- Mapping and analysis of the current status of CSOs in BiH, their activities, size, geographical area coverage, membership, funding sources, sector of engagements, assessment of cooperation with government authorities and other CSOs.
- Establishment of an appropriate database of CSOs in BiH.

3. METHODOLOGY AND ACTIVITIES

Considering the objective of the Study as well as objective limitations due to a complex constitutional structure of BiH, the methodology of data collection and analysis are defined for each expected result respectively.

Therefore, the following methods of data collection for accomplishment of the set results were used.

3.1. Identification of total number of registered CSOs in BiH

Registration of an association/foundation may be pursued in accordance with 4 laws:

- Law on Associations and Foundations of Bosnia and Herzegovina (LAF BH)²;
- Law on Associations and Foundations of the Federation of Bosnia and Herzegovina (LAF FBH)³;
- Law on Associations and Foundations of the Republic of Srpska (LAF RS)⁴;
- Law on Associations and Foundations of the District of Brcko of Bosnia and Herzegovina (LAF DB BH)⁵.

Registration of an association/foundation may be conducted at 4 levels:

- At BiH (state) level (BiH Ministry of Justice)
- At entity level (in the Federation BiH in the Ministry of Justice, while in RS in one of 5 district courts Banja Luka, Bijeljina, Doboj, Sokolac and Trebinje);
- At cantonal level in FBiH (in 10 Cantonal Ministries of Justice);
- At the District of Brcko level (in the District of Brcko Court);

In BiH there is no single and unified register of civil society organisations (CSOs).

² Official Gazette of Bosnia and Herzegovina, no. 32/01, 42/03, 63/08.

³ Official Gazette of Federation of Bosnia and Herzegovina, no. 45/02.

⁴ Official Gazette of The Republic of Srpska, no. 52/01, 42/05.

⁵ Official Gazette of Brčko District of Bosnia and Herzegovina, no. 12/02.





There are no constitutional or legal preconditions for establishment of a single public register of CSOs. Except for the fact that there is no constitutional or legal precondition for establishment of a single public register of CSOs, there is no political consensus on this issue. Namely, the Government of the Republic of Srpska is resolutely against the establishment of a single public register of registered associations and foundations in BiH, interpreting the idea as an attempt of transfer of constitutional responsibilities from the entity to the state level. Thus the only possibility to establish some sort of cumulative CSO register is for all levels of authorities as well as the all registration offices to adopt a protocol on exchange of data on registered CSOs thus establishing a Common web page of registered associations and foundations in BiH.

Since all of the four laws are more or less mutually harmonised, the greatest problem arising from the fact that there are four applicable laws is that there are many competent ministries responsible for implementation of these laws, i.e. for keeping the registries of associations of citizens and foundations. Even the fact that there are many competent ministries responsible for keeping registries would not represent a substantial problem if the practices were harmonised with regard to the method of keeping the registries of associations and foundations, i.e. the appropriate oversight over implementation of these laws.

Namely, all of the above mentioned laws regulate in a very similar way the methods of keeping registries of associations and foundations, international associations and foundations and other non-profit organisations and what information a registry should contain (registry number; day, month and year of registration; full and abbreviated name; address; basic organization goals; name and surname and address of authorised representative; temporary work suspension — if any; termination of work — if terminated). However, the practice is much more complicated. Each registration authority has its own public register of CSOs run in a specific way and with different information on registered CSOs.

Considering the current situation, the only possible way to gather information on registered CSOs was to seek the information from all competent registration authorities (lists of registered associations and foundations) pursuant to the Law on Access to Information and the very Laws on Associations and Foundations that precisely prescribe that the CSO registries are accessible to the public.

Nevertheless, the data gathered from all registry offices in BiH through their respective registries of organisations and foundations did not enable the insight into the composition of the civil society sector, size of the individual CSOs or their international activities. In order to at least partially get an insight into the structure of civil society sector in BiH, the field of expertise and sectors of activities, the research team independently determined the area of activities and primary areas of work based on the available information from the public registers (mostly based on





the name of the association or foundation). It is clear that such a research method would not comply the scientific valorisation as many of the registered associations have set their objectives and areas of work very broadly and are not focused only on one area of work or specialised for addressing issues of one social group, but are active in the fields of education, culture, environment protection and youth issues.

The only way to systematically get an insight into the scope and composition of the civil society sector, size of the individual CSOs as well as in their field of the expertize and sectors of activities is for the definition of sectors of activities to become a mandatory part of the registration process and public registers. However, for the statistics purpose, it would be necessary for all governments' levels to adopt a unified and standardised nomenclature of the area of expertise and sector of activities in the same way as it is regulated for commercial legal entities.

3.2. Identification of active vs. inactive CSOs in the BiH

Considering a high number of registered CSOs in BiH, the only method of identifying active vs. inactive CSOs in BiH was quantitative field research by random sample method.

The starting point for identifying a CSO as active was available information from official CSOs registries (website, e-mail or telephone).

Also the data of the competent tax offices were used as a controlling method for determining if a CSO is active.

After determining the total number of registered associations, by using the method of representation by percentages, the exact number of associations to be contacted and surveyed was determined. The verification sample from the population was "drawn" according to the "random sampling" principle, in order to create prerequisites for the use of certain statistical operations (most of which pertain to non-parametric testing). The random sampling method implies that each of the registered NGOs had equal probability to be selected into the sample.

The very procedure of selecting random sample was implemented according to the principle of using standardised "random number tables", based on which 1,000 associations from the compiled list (displayed in the table below) were drawn/determined.

Therefore, the sample for identification of the number of active vs. inactive CSOs in BiH was 1000 CSOs (N = 1,000), drawn from the population of 22,601 organisations (Np = 22,601).

Due to the selection method and sample size, it can be concluded that this sample is





representative and that the information obtained from it is applicable to a great extent to the entire civil society in BiH.

3.3. Mapping and analysis of the current status of CSOs in BiH, their activities, size, geographical area coverage, membership, founding sources, sector of the engagements, assessment of the cooperation with government authorities, and other CSOs

The process of mapping and analysing the current status of CSOs in BiH was based on three research methods: survey questionnaire that was conducted among civil society associations in Bosnia and Herzegovina, semi-structured interviews and focus groups sessions.

The survey conducted among civil society associations in Bosnia and Herzegovina was based on a set of instruments that included the survey questionnaire of 76 questions in the 13 fields.

Each of the fields was represented with a series of questions, mainly closed type questions, with several questions of semi-open and/or open type (in cases where closed-type questions could affect the respondent's answer or in cases where test questions are required for certain fragments). It took approximately 45-60 minutes to complete the questionnaire.

Each fragment of the questionnaire was carefully considered and defined in a way to ensure it provides information that best describes the given issue.

Therefore, the sample includes 500 CSOs in Bosnia and Herzegovina that were approached and asked to fill the survey questionnaire (N = 500) out of approximately 13,000 active CSOs (Np = 13,000).

After the survey questionnaire was prepared, the public invitation to all CSOs to participate in the research was distributed via eleven largest networks gathering CSOs, the website of the Ministry of Justice of Bosnia and Herzegovina and direct invitations sent by e-mails.

However, this approach of an open invitation to civil society organisations has its methodological shortcomings, as it does not provide a representative sample. Most of civil society organisations that accepted to take part in this type of research and demonstrated readiness to provide data on their organisational structure, activities and financial indicators fall in the category of organisationally and technically more developed organisations of civil society, thus the collected data cannot be regarded as representative for the whole civil society in BiH, but can be indicative of certain





trends and processes and can serve for drawing relevant conclusions for the needs of this study.

Additionally, in order to get a full insight into civil society, the qualitative method of face-to-face interviews (42 single interviews) and focus group sessions (6 focus groups) were conducted with 52 networks/CSOs selected according to particular criteria in order to determine the influence of the civil society in BiH on policy formulation and implementation, the impact of cooperation of government and civil society and capacities of CSOs to participate in the BiH accession process to EU on the basis of qualitative research methods. The interviews and focus groups were conducted in the period from February to June 2016.

The mapping and analysis of the state of civil society in BiH also included surveys and interviews with all relevant donors and governmental institutions that collaborate with CSOs.

The survey questionnaire, the research process itself and data processing were designed, implemented and analysed (to the extent possible given the specifics of the subject matter) in a way to ensure they meet the essential characteristics of a scientific research, meaning that the research is systematic, objective, it interprets and explains a phenomenon, is based on empirical evidence and observable experience, it develops generalisations, principles or theories and is directed towards finding answers to the questions and solutions to the problems.

According to its purpose, this research may be characterised as evaluative, i.e. appraisal-oriented, because it deals with evaluation of a wide variety of effects of social occurrences that civil society organisations face. On account of its comprehensiveness, this research can also be classified as applicative research, because it reveals possibilities for resolving certain practical problems. According to conditions in which it was implemented and the degree of control, the research is classified as non-experimental field research adjusted to social sciences.

According to the type of information operated with, the research may be characterised as quantitative research, where certain numbers were attributed to collected information, based on certain rules. The significance of these numbers depends on specific features of concrete information, which, in turn, is inextricably linked to the scale type that the information originated from. Measurement levels that information originated from came from nominal scales (in fragments where numbers substituted certain name), and ordinary scales (in fragments where criteria-based ranking was used), but ratio scales was also used (in fragments with a real zero).





4. AN ANALYSIS OF GOVERNMENT'S VISION AND STRATEGIES FOR CIVIL SOCIETY INVOLVEMENT IN THE DEVELOPMENT PROCESS

The underlying rationale of the government strategic framework is to *articulate* government's policy goals towards civil society and identify key instruments to facilitate the accomplishment of these goals. While the articulation of policy goals is driven by specific needs and circumstances, they mainly include: creating an enabling environment for the establishment and operations of CSOs; creating an enabling environment for financial sustainability of CSOs; and creating an enabling environment for CSOs and citizen participation in public policy development.

The foregoing policy goals can be defined by a single instrument (e.g. an agreement between government and civil society, a government's programme of creating more enabling environment for civil society development, a strategy for cooperation between government and CSOs/in support of an enabling environment for CSOs), but can also be addressed in various instruments addressing broader strategic issues and incorporating certain policy goals towards civil society (e.g. strategy for public administration reform or reform of public financing). While these two approaches are not necessarily mutually exclusive, developing policy goals in one instrument is perceived to be more cost-effective.

The development of a strategic framework can be initiated by the government but also from the 'base', i.e. by civil society. Regardless where the initiative comes from, it is of utmost importance that states clearly formulate the policy of cooperation with civil society and establish strategic framework for more enabling environment for civil society development, adopt appropriate legal framework and establish appropriate institutional mechanisms of collaboration with civil society.

The strategic framework may take various forms. In the United Kingdom and Estonia, it is defined by agreements between government and civil society organizations ('compact'). In Croatia, the Government Programme of Cooperation defines this framework with Civil Society and the National Strategy for the Development of an Enabling Environment for Civil Society; Montenegro, Kosovo and Macedonia also adopted such strategies, while Serbia is expected to follow suit shortly. In Albania, the Parliament Resolution defines the government policy for Recognition and Strengthening the Role of Civil Society in the Process of Democratic Development of the Country⁶.

Due to the complex constitutional structure and divided competencies between the

-

⁶ Goran Žeravčić, Dragan Golubović, "Institutional mechanisms of cooperation with civil society and Citizens participation in policy dialogue", CBGI Sarajevo 2014





state and the entities, the District of Brcko and the cantons, the establishment of the strategic, legal and institutional framework for cooperation of government institutions with civil society organisations (CSOs) in BiH means establishment of harmonised frameworks at the state, entity, District of Brcko and even cantonal levels in the Federation of BiH.

4.1. CoM BiH vision and strategies for civil society involvement in the development process at BiH level

The Council of Ministers BiH (CoM BiH) and the Government of the District of Brcko (DB) are the only governing institutions in BiH that have demonstrated their intention to articulate their respective policies toward civil society.

Initially, the Agreement on Cooperation between the Council of Ministers and the BiH NGO Sector (Agreement) was signed in May 2007 with the purpose of defining a framework for development of the relationship between CoM BiH and CSOs.

The Agreement has never been implemented fully. The progress has been slow on the part of the CoM BiH, which has never realized a number of commitments arising from the Agreement, including the enactment of a strategic framework for civil society and the government's advisory body on civil society issues and adoption of the Strategy for creation of more enabling environment for civil society development.

In efforts to revisit the issue, the CoM BiH (following a proposal made by the MoJ BiH) commissioned a working group for preparation of the revisions of the Agreement in October 2014, which decided to proceed with preparation of a new draft Agreement instead, recognizing that the sheer volume of necessary revisions mandates the drafting of a new document. A new draft was put forward for internal consultations with institutions at BiH and entity level (vertical and horizontal consultations).

According to the work plan, the working group was envisaged to incorporate the feedback received from internal consultations and complete the draft by December 2014. However, due to the non-attendance of the Government of the Republic of Srpska representatives at two sessions of the working group, the working group never adopted the final version of the draft.

Following these developments, the BiH Ministry of Justice decided to proceed with fine tuning of a new draft Agreement instead, recognizing that the drafting process was almost completed. The initial draft of the Agreement was accepted by CoM in July 2016 and upon wide consultations with civil society that should take place in October/November 2016 it is expected that the agreed text with civil society will be





finally adopted by CoM and officially signed by the Chairmen of CoM and representatives of civil society organizations in December 2016.

It is expected that upon adoption of the new Agreement, the development and adoption of the CoM BiH Strategy for creation of more enabling environment for civil society development will follow.

4.2. Government's of FBiH vision and strategies for civil society involvement in the development process

At the level of Federation of BiH (FBiH), there is currently no strategic document articulating government's goals towards civil society.

It is a very disappointing fact that the Government of FBiH has no vision or strategy for civil society involvement in the development process, but even more so the concern is that there is no awareness on importance of cooperation with civil society and involvement of civil society in the development process.

The Government of FBiH demonstrates its readiness to cooperation with civil society organisations at an ad hoc basis on specific issues, but the establishment of a strategic framework and institutional cooperation is not a political priority for this Government of FBiH.

4.3. Government's of RS vision and strategies for civil society involvement in the development process

The Republic of Srpska does not have a specific strategic framework for dealing with cooperation with civil society. However, such cooperation is incorporated in a number of strategic documents. For example, the Local Self-Governance Development Strategy, 2009-2015 includes a programme for strengthening the role of CSOs, the objective of which is to ensure the active involvement of CSOs in the process of adopting and monitoring the implementation of local self-governments' decisions. A research referenced in the Strategy, which sought to identify obstacles to citizen participation in public policy development in the Republic of Srpska indicates the lack of genuine government commitment at the central and local level as major impediment for such participation.

Similarly to the situation with the Government of FBiH, the current Government of The Republic of Srpska has no clear vision of involvement of civil society in development process, nor demonstrates its readiness to articulate its policy toward civil society in one strategic document, making an agreement with civil society or adoption of a strategy for cooperation with civil society or a strategy for creation of more enabling environment for civil society development.





The general framework for Government and civil society cooperation in RS is set in the 2009-2015 Local Self-Governance Development Strategy, which includes a programme for strengthening the role of CSOs. The objective of this programme is to ensure the active involvement of CSOs in the process of adopting and monitoring the implementation of local self-governance decisions. As stated in the Strategy, research conducted about the real obstacles to citizen participation in RS public life indicates that there is no fundamental government commitment (including that of local government) to citizen participation in decision-making.

The facts below confirm the statement from the 2009-2015 Local Self-Governance Development Strategy on lack of fundamental government commitment to citizen participation in decision-making.

The Government of The Republic of Srpska rejected all initiatives targeted in this direction, even those coming directly from the EUD to BiH officials.

4.4. Government's vision and strategies for civil society involvement in the development process at the District of Brcko level

At the District level, there is still no clearly identified strategic framework for cooperation with civil society organizations.

Few years ago, the District of Brcko (DB) adopted the Basic Principles of Partnership with Citizens (Basic Principles), which stress the important role of CSOs in policy dialogue. The Basic Principles is based on common values and civil initiatives that stem from Article 4 of the European Charter on Local Self-governance, Article 2 of the BiH Constitution, Article 15 of the Statute of the District of Brcko of BiH, Article 9 of the Law on Executive Authority of the District of Brcko of BiH, and the Strategy on Public Administration.

The Basic Principles resulted out of the efforts of the BD Government and civil society to introduce a concept of partnership, which takes into consideration the existing joint activities of the government and civil society as a model for future partnership activities.

The Basic Principles envisage the establishment of a committee for monitoring the implementation of the partnership principles set out in the document. The document sets out in detail the responsibilities of the committee and how it will operate.

However the Basic Principles have not yet been implemented, and this committee has not yet been established. This was primarily due to the lack of competence and technical capacity of the officials of the Government of BD appointed to deal with the issue of cooperation with CSOs.





Overall, during the last few years there were a number of initiatives for the development of a strategic framework. However, despite frequent and clear political support of the BD Mayor and other high officials, the progress in developing these initiatives has been slow at operational level.

In July 2016 the Government of the District of Brcko adopted a decision which authorises the Department for professional and administrative affairs of the Government of Brcko District to prepare a new draft of Agreement on cooperation between the Government of Brcko District of BiH and civil society as well as to establish the Advisory Board of the Government of Brcko District in order to finally articulate the policy of the Government of Brcko District toward civil society and establish the key advisory body for the development of cooperation of the Government of Brcko District and the civil society that operates in the area of Brcko District.

The decision is expected to be implemented during September and October of 2016.

5. AN ANALYTICAL OVERVIEW OF THE LEGISLATIVE FRAMEWORK UNDER WHICH CSOS OPERATE

The underlying rationale of the legal framework is to enable and facilitate realization of government's chief *policy goals towards civil society*: the enabling framework for the establishment and operations of CSOs, the financial sustainability of CSOs, and citizen participation in public policy development, respectively. It is important to note however that law is but one instrument in accomplishing these strategic goals.

The legal framework governing establishment and operations of CSOs needs to recognize the binding international limits in legislating civil society (the so called negative obligation i.e. 'duty not to interfere' as a primary obligation of the state towards freedom of association as set out by the European Convention on Human Rights and the ensuing case law of the European Court of Human Rights). The recent developments in Croatia (a case pending before the Constitutional Court brought by Ceraneo and the Croatia Legal Centre challenging the constitutionality of a number of provisions of the 2009 Law on Associations as well as a case pending against Croatia before the European Court of Human Rights claiming violation of Article 11 (freedom of association) of the European Convention - case Lovrić v. Croatia) are the most recent reminders in the region of the need to recognize and observe those

_

⁷ D. Golubovic, Opinion on the Law Introducing Amendments to Certain Legislative Acts of the Russian Federation Regarding the Regulation of Activities of Non-Commercial Organisations Performing the Function of Foreign Agents, Council of Europe, Expert Council on NGO Law, OING Conf/Exp (2013) 1, Strasbourg, August, 2013.





limits⁸.

The legal framework governing citizen participation in public policy creates conditions necessary for the development of transparent and sustainable public policies, recognizing that this participation, while not being a constitutional right *per se*, nevertheless arises from a number of rights which otherwise enjoy constitutional protection (freedom of speech, right to access information of public significance, right to petition, etc.).

The cooperation of government and civil society is sporadically addressed in legal acts that regulate the area of public administration (Rules of Procedure of the Government), while the legal acts that closely regulate the participation of interested public in legislative drafting and other instruments of public policies are derived from the laws and other legal acts that regulate the organisation of executive power, i.e. the government (legislation on drafting of legislation and other legal acts, rules or guidelines on public consultations).

Finally, the legal framework governing financial sustainability of CSOs (tax benefits and public funding) needs to be based on 'quid pro quo principle' (more transparency for granted financial benefits), which in turn needs to be applied proportionally (transparency requirements proportional to the financial benefits received).

5.1. Legislative framework for the establishment and operations of CSOs

The statutory and legal framework for establishment and operations of civil society organisations in BiH is regulated by the laws on associations and foundations at the state level ("Official Gazette BiH" no. 76/11), at the entity level ("Official Gazette of Federation BiH" no. 45/02; "Official Gazette of The Republic of Srpska" no. 52/01, 42/05), and at the Brcko District level ("Official Gazette of Brcko District" no. 12/02, 19/07) as well as a range of other legislative acts that more closely regulate the operation of legal entities in BiH, including the civil society organisation (labour law, tax and accounting regulations, etc.).

With regards to the freedom of association, the current legal framework in BiH is modern and in line with the European standards in this area. Through fragmented, the statutory and legal framework for operation of civil society is to a great extent harmonised.

-

⁸ Negative obligation of the state expresses the basic ratio legis of the Article 11. Paragraph 1. of the European Convention on Human Rights: protection against illegal involvement of the state bodies in exercising and fulfilment of this freedom. See also Sigursur Sigurjonsson against Island, Gustafson against Sweden and Siridopulos and others against Greece.





However, the fragmentation of the legal framework and non-existence of a single register of associations and foundations open up legal possibility for duplication of legal identities⁹. In practice this opens up opportunities for a range of misuse and creates legal uncertainty for other legal entities that enter into private-law relationship with such legal entities. Many international institutions and experts are pointing out at this legal anomaly and its unsustainability and ultimately request the establishment of a common register of associations and foundations in BiH and more effective monitoring of operations of civil society organisations, particularly when it comes to monitoring of international financial transactions that include civil society organisations in BiH.

Even though the existing legal framework enables the state institutions to carry out monitoring of operations of civil society organisations¹⁰, due to non-existence of a single register of associations and foundations, inefficiency of competent inspections and non-existence of adequate coordination among the competent ministries, tax offices and administrative inspections, the monitoring is insufficient and opens up the space for misuse.

Except for the worst abuses, such as financing of terrorism and money laundering, the lack of effective monitoring of operations of civil society organisations enables a number of individuals or associations to engage in different economic activities and to avoid payment of value added tax, social and health insurance of employees and other non-fiscal obligations.

The interviews held with tax office officials in both entities confirm that the financial and tax control over the operations of civil society organisations was done sporadically, only after receiving a report on irregularities in operations of an association or foundation, and that the controls of legality of operations of civil society organisations have not been a priority of financial or tax inspections.

The non-existence of a common publicly available register of associations and foundations, their inaccuracy and lack of appropriate information system that enables exchange of information on associations and foundations are in part the reasons of inadequate monitoring, as pointed out by the Moneyval reports.

The current legal provisions on the content of register of associations and foundations and lack of uniform nomenclature of activities of civil society organizations create additional problems in monitoring the operations of

⁹ In accordance with the current statutory and legal framework, three legal or natural persons can register the association at two levels in RS and DB, and at three levels in the Federation (at the state, federal and cantonal levels).

 $^{^{10}}$ According to the stipulations of all four Laws on Associations and Foundations, monitoring of legality of operations of associations and legislations is done by the competent administrative body for monitoring the area of work that the association or foundations is registered for.





associations and foundations.

The above-mentioned laws on associations and foundations prescribe as a mandatory content of registers on associations the field of 'either objectives or activities' of associations and foundations. In practice this 'either – or' formulation means that some associations/foundations enter in this field their objectives while some either activities. As there is no unified nomenclature of activities of associations/foundations, the staff in the registry offices enters the data in the register on objectives or activities based on their own best assumption or understanding. So in practice this makes any classification of civil society based on field of activities almost impossible with the current data in the registers.

As the Article 11 of the European Convention on Human Rights and the recommendations of the Council of Europe prescribe that legal framework of the state shall enable freedom of association that entails the right of an association to have more objectives and to deal with different type of activities, the situation with civil society organisations gets even more confusing.

As a consequence, it is practically impossible to accurately determine the structure of civil society and thus the competent institutions for monitoring the work of the association or foundation.

The laws on associations and foundations at the level of BiH, FBiH, RS and BD prescribe that the monitoring of work of association or foundation is the responsibility of the competent body responsible for the area of work the association or foundation works in. As the data on area of work/activities is not systematic, in most instances the competent administrative bodies do hot have at all the lists of civil society organisations whose activities they are to monitor.

Therefore it is evident that there is a need to establish a common on-line publicly available register of associations and foundations in BiH and to establish a unified nomenclature of activities that would fully resolve the issue of the structure of civil society and thus issue of the competencies over monitoring of the work of the civil society organisation in BiH.

Lately there is a tendency of the state to solve the issue of monitoring the work of civil society organisations through different initiatives for change of the statutory-legal framework for operation of civil society in BiH. Through these initiatives the civil society organisations are bestowed upon with different obligations that are not in line with the Article 11 of the European Convention on Human Rights and the recommendations of the Council of Europe with regards to freedom of assembly, of association.

The fact that there are a small number of organisations that misuse the reached standards in the development of civil society in BiH cannot be a justification for these





standards to be diminished or to pass legal solutions that would hamper the work of most of civil society organisations that operate in line with European standards. There are exceptional examples of good practices in Europe that enable effective monitoring over the work of civil society without jeopardising the reached level of standards of basic guaranteed freedoms in BiH.

The above mentioned initiatives are a consequence of the pressure of EU and other international community particularly expressed through the requirements of Moneyval and the threats that BiH will be blacklisted unless the Moneyval recommendations are implemented.

Most of the identified shortcomings from the latest Moneyval report from November 2015 will not be overcome with only changes of laws on associations and foundations nor even with the establishment of a unified register of associations and foundations.

The establishment of a unified or common digital register of associations and foundations (eRegistar) with a prior precondition of adoption of a unified nomenclature of activities of associations and foundations will enable to get information on the number of registered associations and foundations in real time and the composition and structure of civil society in BiH based on activities. However, the unified register of associations and foundations in itself will not solve the issue of adequate information on size of civil society organisations, their programme or project activities (particularly international organisations), the scope of financing, financial transactions and income structure.

Still, without the establishment of a unified and comprehensive information system that will connect the registry offices but also other competent institutions for monitoring the work of civil society organisations such as tax offices and financial inspections and will enable the exchange of and access to information that are not only in the registers but also other information of activities of civil society organisations it will not be possible to meet the requirements for countering money laundering, financing of terrorism and tax evasion. For such information system it would be necessary to develop separate institutional mechanisms (for example that civil society organisations as part of the process of applying for public funds submit this information on a voluntary basis¹¹.

5.2. Legislative framework for governments' cooperation with civil society organizations and involvement of interested public and civil society in policy dialogue

Considering complex constitutional structure of BiH and division of competencies

-

¹¹ There is a similar mechanism in accessing EU funds called PADOR.





between the state and entities (and the cantons in FBiH), each level of authorities define the cooperation with civil society and citizen participation in public policy independently within their respective constitutional competencies.

As emphasised in the Chapter 3. none of the levels of authorities has fully articulated government's policy goals towards civil society.

The issue of cooperation with civil society is only partially addressed in the Laws on governments and rulebooks on the work of the government (the Law on the Council of Ministers of BiH "Official Gazette of BiH" no. 30/03, 42/03, 81/06, 76/07, 81/07, 94/07 24/08; the Rulebook on work of the Council of Ministers of BiH "Official Gazette of BiH" no. 22/03, 42/03, 81/06; the Law on Government of FBiH, "Official Gazette of Federation of BiH", no. 1/94, 8/95, 58/02, 19/03; the Rulebook on work of the Government of FBiH "Official Gazette of Federation of BiH", no. 6/10; the Law on the Government of RS "Official Gazette of The Republic of Srpska", no. 118/08; the Rulebook on work of the Government of RS "Official Gazette of The Republic of Srpska" no. 6/11; the Law on Government of Brcko District of Bosnia and Herzegovina "Official Gazette of Brcko District of BiH", no: 19/07, 36/07, 38/07, 2/08, 17/08, 23/08, 14/10 and 28/12; the Rulebook on work of the Government of Brcko District of BiH" no. 18/13).

As previously emphasised, the right of the interested public and civil society organisations in legislative drafting and participation in public policy development is derived from the laws and other legal acts that define the organisation of the executive power, i.e. the government (guidelines on drafting of legislation and other legal acts and rules or guidelines on implementation of public consultations).

At the BiH level, the participation of interested public and civil society organisations in legislative drafting or participation in public policy development is defined in the Unified Rules for Legislative Drafting in the Institutions of Bosnia and Herzegovina and the Rules of Consultation.

The Unified Rules for Legislative Drafting in the Institutions of Bosnia and Herzegovina were adopted in 2005 by the Parliamentary Assembly of BiH on the basis of the Conclusions on need for development of a codex of unified technical requirements and style for legislative drafting in the institutions of Bosnia and Herzegovina ("Official Gazette of BiH" no. 46/04). The Rules govern the process of consultations on the preliminary draft of the regulations, where the drafters consult with relevant actors in the government and ministries to ensure the necessary budgetary resources for the implementation of the regulations in preparation, and to ensure that the regulation is in accordance with the requirements of the European Union. In addition, the Rules envisage that the drafters consult "as much as possible" the other institutions of Bosnia and Herzegovina the regulation is of relevant to, as well as private persons represented by the registered associations of citizens and





international institutions.

The Unified Rules are not fully mandatory in the part that prescribes the process of consultation with interested public. For the obligation of consultation beyond the competent law drafters, the Rules use the terminology that says "as much as possible". The Rules additionally relativize the obligation of consultation, limiting it to "the cases when the process of introduction of the regulation requires participation of more than one institution or level of authority", implying that there are regulations that can be adopted only on the basis of consultations within the authorised regulation drafters.

The Rules on Consultations for Legislative Drafting of the Council of Ministers of BiH was adopted in October 2006 ("Official Gazette of BiH" 81/06), and amended in November 2014 ("Official Gazette of BiH" 80/14). It defines the general legal framework for consultations with interested public and civil society organisations, i.e. "the groups of citizens that do not belong to the government sector". The Rules are mandatory for ministries and other institutions in BiH authorised for preparation of legislature and other general legal acts. The Rules stipulate the obligation of the ministries and institutions to maintain the list of organisations and individuals interested in legislative activities of the particular institution, which is regularly updated to include new-interested organisations and individuals.

The Rules set the minimal obligations with regards to consultations. These minimal obligations include the obligation of the institution to present the draft of the legal act on its website with invitation for submission of written comments within at minimum 21 days as well as to submit the draft to the individuals and organisations that are on the institution's list of interested individuals and institutions for public consultations. The consultations may be carried out in any face of legislative drafting.

The Rules stipulate a special regime of consultations when it comes to legal acts that have "a considerable impact on public". The legal acts that have a considerable impact on public are those that lead to changes in legal or economic status; harmonisation of legislative with international standards and legislative with ecological impact. Beside, the competent institution may qualify other legal acts as of considerable impact on public taking into account different circumstances.

In case the legal act is qualified as of considerable impact on public, the institutions are obliged to make an additional effort in identifying institutions and individuals that may have an interest in the particular legislative drafting or that will mostly be affected by it, which are not on the list of organisations or individuals interested in legislative drafting activities of the particular institution. The forms of additional consultations at the discretion of the respective institution include: seeking written and oral comments through announcements or publication of draft legal acts in printed media; information and education on draft legal act through radio and





television; announcements and publishing of draft legal acts on Internet; direct submission of draft legal act to organisations and individuals beyond the institution's list of organisations or individuals; public meetings or round tables with selected organisations or individuals; or working groups that include experts and representatives of organisations and individuals.

The institution determines the form of additional consultations taking into account the time constraints for adoption of the draft legal act, possible interest of public for participation in additional consultations, and novelties or technical complexity of the subject (*rationae materiae*) of the legal act. The institution may group or abbreviate the comments in order to avoid duplication, but are obliged to state the reasons for rejection or adoption of specific comments.

The Council of Ministers may reject to include the draft legal act in the agenda of the Council of Ministers' session unless the institution has the statement or approved request of the person in charge of the institution for exemption from consultations. In such cases, the Secretary General of the Council of Ministers returns the draft legal acts to the submitting institution in order to act in line with the Rules and defines the deadline for undertaking consultations.

However, the reports on implementation of the Rules on Consultations of the Ministry of Justice of BiH for 2012, 2013 and 2014 clearly indicate that the Rules on Consultations in institutions of BiH were only partially implemented. Out of nine (9) ministries at the state level, only three (3) fulfilled the obligation of appointing the coordinator for consultations, publishing the list of regulation activities on their web sites and submission of the list to associations and individuals on their respective lists of interested public or those requesting the drafts in written form. Only four (4) out of nine (9) ministries fulfilled the obligation of carrying out minimal consultations, i.e. carrying out public consultations on draft legal acts that have a significant impact on public.

At recommendation of the Ministry of Justice of BiH at the 108th session held on 17 September 2014, the Council of Ministers adopted the Rules on changes and amendments of the rules on consultations in legislative drafting aiming to improve the legal framework on consultations with interested public in legislative drafting in order to harmonise the legal framework with good European practices and in order to create legal preconditions for introduction of online consultations as minimal standards for consultations with interested public¹².

With the changes and amendments of the Rules on Consultations the Ministry of Justice of BiH wanted to promote the implementation of the Rules on consultations and to create legal preconditions for introduction of a special application for on-line

-

¹² Ministry of Justice of BiH: Report on implementation of the Rules on Consultations for 2014





consultations (eKonzultacije) that would enable the interested public of BiH the most direct participation in public policy dialogue in the area of competencies of the state level institutions with an aim to improve the quality of legal acts enacted at the state level.

The participation of interested public in legislative drafting in the Federation of BiH is defined in the Decision on rules for participation of interested public in the process of preparation of federal legislation and other acts (the Decision). Considering that the Rules of Procedure of the Government of the Federation of BiH do not contain the provision that defines this issue, the Decision defines the rules for acting of the Federation of BiH, federal ministries, federal administration and federal administrative organisations in preparation of preliminary draft legislation/draft legislation, strategies, programmes and other acts passed or proposed by the federal bodies or the Government in order to ensure participation of interested public.

Modelled after the Croatian Codex for participation of interested public, the Decision entails four levels of participation: *informing, consultations, participation and partnership.* The first three levels of participation are incorporated in the Decision with stipulations that define minimal and additional consultations. When it comes to partnership, the Decision entails that "the Government and federal bodies may conclude agreements with organisations and individuals with which they will carry out consultations in line wit the Decision".

All federal institutions are supposed to maintain own list of organisations and individuals interested in legislative and other activities in the domain of the respective institution and the lists are publicly available at the website of the institution and the web site of the Government of the Federation of BiH.

As stipulated by the Decision, the Prime Minister of the Federation of BiH is obliged to appoint the coordinator for cooperation with interested public who has a status of the Advisor of the Prime Minister. The General Secretariat of the Government of the Federation of BiH is supposed to provide administrative, organisational and technical support to the coordinator, while each person in charge of the institutions at the level of the Federation of BiH is supposed to appoint the coordinator for consultations from the civil servants who participate in the legislative drafting in the respective institution. This appointed civil servant is responsible for coordination of all obligations of the respective institutions with regards to the public consultations.

The Decision stipulates minimal and additional consultations in legislative drafting. In exceptional cases, the Prime Minister may, at request of the person in charge of the federal body, to exempt the federal body from the obligation to carry out additional consultations if deemed that it is necessary to make exemptions due to urgent circumstances, unexpected international obligations or court annulments of parts or complete legislation. The person in charge of the federal body submits to the





Government of the Federation of BiH the information on reasons for such exemption. The exemption does not release the federal body of its obligation to fulfil the minimal consultation.

When it comes to the minimal obligations in the consultation process, these relate to legislation and other acts that do not have a considerable impact on the public but may be of interest to the public.

When it comes to carrying out additional consultations in drafting of legislative that is of considerable impact on the public, the person in charge of the federal body will select the form of consultation through which the institution will receive relevant inputs to legislative drafting taking into account time limitation for adoption of legal acts, possibilities of the organisations and individuals to participate in consultations and novelties and technical complexity of the subject defined in the legal act. The forms of consultations include requests of written and oral comments through one of the following ways: through publishing of the draft legislative in print media; through submission of the draft legislative to the organisations or individuals; through public meetings or round tables with selected organisations or individuals, and through working groups that include experts and representatives of organisations and individuals.

In practice, the Decision has been only partially implemented and on a very few number of draft laws that are of great public interest.

The participation of interested public in legislative drafting in The Republic of Srpska is defined in the Rules of Procedure of the Government of The Republic of Srpska, the Rules on technical requirements and style for legislative drafting in The Republic of Srpska¹³, the Rules on legislative drafting of The Republic of Srpska¹⁴ and the Guidelines for acting of ministries and other administrative bodies on public participation and consultation in legislative drafting¹⁵.

The Rules on technical requirements and style for legislative drafting in the Republic of Srpska define legal and methodological principles and unified technique to be applied in legislative drafting in The Republic of Srpska. The Rules only superficially relate to the consultation process. It stipulates the obligation of consultations with other administrative bodies that the draft legislative/legal act relates to, while, if needed, the consultations may involve "interested citizens, associations of citizens, businesses and other interested legal subjects".

¹⁴ "The Rules on legislative drafting in The Republic of Srpska" available at http://www.narodnaskupstinars.net/, material for 33rd session.

¹³ Official Gazette of The Republic of Srpska, no. 13 of 16 February 2006

 $^{^{15}}$ The Government of RS adopted the Guidelines at the session of 11 December 2008, and their chanes and amendments were adopted at the session held on 18 July 2012





The National Assembly of The Republic of Srpska adopted the Draft Rules on legislative and other acts drafting of The Republic of Srpska on 19 September 2013, which was adopted after public discussion within the 33rd session of the National Assembly of 4 March 2014. The same as the Rules technical requirements and style for legislative drafting in The Republic of Srpska, the Rules on legislative drafting of The Republic of Srpska define the legal and methodological principles and legal technique to be applied in the process of drafting of laws, other legislative and general acts. The Article 41 that regulates the content on Justification of legislative draft, the Rules oblige institutions to undertake consultations "according to the rules of acting of the republic administrative on public participation and consultations in legislative drafting in cases when the Government is the proposer of the preliminary draft legislative or draft law", as well as to ensure that the information on the public participation processes and consultations are provided in the Justification section of the legislative.

In the part that defines the preparation of the working documents of the legislative, the Rules explicitly oblige the accessibility of information on the working documents to the interested public through the web-site as well as obligatory consultation process with "other administrative bodies that the legislative relates to as well as to consult with interested associations of citizens, business and other interested legal subjects, when it is deemed necessary". Based on the outcome of the consultations on the working documents, the process of legislative drafting is continued.

The Rulebook on Procedure of the Government of The Republic of Srpska stipulates that the programme of work of the Government of RS defines the main objectives of the Government, deadlines and proposers of the preliminary draft legislation, and that the programme consists of thematic and legislative parts¹⁶. The legislative part of the programme of work consists of an overview of laws and other regulations and general acts that the Government and other proponents prepare for the National Assembly as well as the general acts that the Government adopts as part of its mandate, along with the defined deadlines for considerations by the Government.

However, in the part of the Rulebook that defines the transparency of the Government, the obligation of the Government as well as the ministries and other administrative bodies to publish the programme of work for the following year on their websites is not explicit. This issue should be regarded within the context of the Guidelines for acting of the ministries and other administrative bodies on public participation and consultations in legislative drafting that stipulate the obligation for the draft legislation planned in the programme of work of the Government that are of public interest to be published on-line, however it does not oblige that the programme of work itself is available on-line. More precise defining of this issue

_

 $^{^{16}}$ The Rules of Procedure adopted at the $107^{\rm th}$ Session of the Government of the Repbulic of Srpska on 15 January 2009





would enable the interested public to timely prepare for the forthcoming consultations thus improving the quality of the consultation process. This does not require the changes in the Rulebook; it would be sufficient to prepare the explanation that "publishing of different information on the Government's website" include also publishing of the programme of work of the Government, ministries and other administrative bodies for the following year.

The Rulebook on the work of the Government defines the obligation of the proponent "to prepare and propose the materials in procedure in line with the Rules on Procedure of the Government of the Republic of Srpska". In case the material is not prepared in line with the Rules, it is "not included in the agenda and it is returned to the proponent for revision". The proponent of the law, other regulations or general act is obliged to state that the proposed act has a considerable impact on the public and that in such a case the consultations have been carried out in line with the Guidelines. In the Rules, it is not precisely defined what is the legislative that has a considerable impact on the public. This issue is more elaborated in the Guidelines.

If the legislative is to be adopted under urgent procedure, the proponent is obliged to justify the adoption of the law under urgent procedure. The Rules of Procedure of the Government provide examples of justified reasons such as "harmful consequences to the lives and health of people, security in the Republic of Srpska and the work of the bodies and organisations".

In line with the Rules of Procedure of the Government, if the preliminary draft legislation involved public discussions, the report on public consultations has to be submitted to the National Assembly along with the draft legislative. It should be mentioned that the submission of the report on public consultations is not stipulated in the Rules of Procedures of the National Assembly of the Republic of Srpska in the part that defines obligatory content of the draft legislation. Therefore it is not clear what are legal consequences in case the proponent does not submit the report on public consultations to the National Assembly. However, after the adoption of the draft legislation, the National Assembly may decide to put the draft law in public consultation procedure if the draft law defines the issues of particular importance to citizens and if it is necessary to consult the administrative bodies, organisations, scientific and expert institutions and interested citizens. The National Assembly may instruct in its Conclusions the competent body to organise public hearing or expert discussion on the draft law including the deadline within which the public hearing or expert discussion is to be held. The draft law and conclusion is published on the web site of the National Assembly and the report on public consultations is submitted to the National Assembly along with the proposed draft law. The report contains opinions and suggestions from public consultations.

The Guidelines on acting of ministries and other administrative bodies on public participation and consultations in legislative drafting (the Guidelines) more closely





define the issue of public consultations in the process of legislative drafting as well as "drafting of other regulations and general acts". In the context of the Guidelines, the public means "legal entities, association of citizens, association of employers, chamber of commerce, chamber of law and other chambers, representatives of trade unions, experts on particular issues, media, scientific and expert public. The drafter of the regulation appoints the coordinator for consultations who participate in the process of legislative drafting and who is responsible that the legislative of interest to public from the programme of work of the responsible body is published on the website of the drafter in order to receive comments and suggestions from the interested public. The drafter of the regulation, depending on the nature of the legislative, selects and maintains the list of interested public for consultations. The Guidelines regulate in detail the legislative of considerable impact on public.

The consultations mean "submission of the preliminary draft legislation to the interested public for receiving written comments and suggestions or for forming the working groups that include the representatives of the interested public". The consultations are done in the preliminary draft legislation phase in duration of fifteen (15) days after which the prepared draft legislation is referred to the regular procedure. The drafter of the regulation may accept or reject the suggestions to the preliminary draft legislation, but it has to explain its decision in the Justification of the draft legislation. In the Justification of the draft legislation, the drafter is also obliged to emphasise if the legislation is on the list of the programme of work published on the website and if considered of considerable impact on public. In case the justification of the draft legislation does not contain all these elements, the Republic of Srpska Secretariat for Legislation returns the draft legislation to the proponent with an obligation to elaborate in the Justification section.

The participation of interested public in legislation and other legal acts drafting in the District of Brcko is defined in the Decision on procedure for legislation drafting and Unified rules and procedures for legislative drafting in the District of Brcko of BiH.

Pursuant to the Statute and the Law on the Government of the District of Brcko of BiH, the Government of District of Brcko adopted the Decision on procedure of legislative drafting on 31 October 2007. The Decision defines planning, organisation of work and procedures in legislative drafting in the area of responsibility of the Government and the Mayor. In the section B – "Preliminary Draft Legislation", the Article 12 defines "the process of consultations" that obliges "the working group, after preparation of the preliminary draft legislation, to consult with: a) all departments of the District of Brcko Government, the Office of High Representative (OHR), public institutions, institutions with public authorities, as well as the other institutions in the District of Brcko related to the law implementation, b) competent state and entity institutions". Similarly, the Article 13 mentions the following forms of consultations: direct submission of the preliminary draft legislation to the bodies,





organisations and other legal entities, public meetings "with selected participants", as well as publishing of the preliminary draft legislation on relevant websites with possibility of receiving comments via Internet. However, the document does not explicitly oblige the proponent to undertake the consultations with civil society in the preliminary draft legislation phase and the involvement of civil society in the process is not implicit in any way.

The District of Brcko Assembly adopted the Unified rules and procedures for legislative drafting in the District of Brcko of BiH at its 58th regular session of 18 January 2012. The Article 86 "Preparation of the preliminary draft legislation" of the Rules entail that the working group of the proponent undertakes consultations "as widely as possible" with "interest groups related to the content of the legal act; non-governmental organisations and associations related to the content of the legal act". Beside, the Rules anticipate the same forms of consultations to the ones stated in the Article 13 of the above-mentioned Decision from 2007. However, with detailed insight into the Justification as defined in the Article 71, it is clear that there is no obligation to lead the process of consultations in a way that extends the consultations beyond necessary consultations with the relevant government bodies and institutions¹⁷.

The new Rules on consultations of the Government of Brcko District are in preparation and are expected to be adopted by the end of 2016.

In conclusion of the section devoted to the legal framework, the obligation of the administrative bodies to carry out shortened process of regulatory impact assessment ("Light" Regulatory Impact Assessment – RIA) that has already been introduced in The Republic of Srpska,¹⁸ and the Federation of BiH,¹⁹ while at the level of BiH the introduction of this requirement is in preparation²⁰. This obligation means *ex ante* analysis that is carried out by the proponent before submission to the Government and it also includes public consultations. It is expected that the part of the Justification is the information on conducted discussions where in the RIA form the competent administrative body justifies if all relevant stakeholders have been consulted.

Some of pioneering practices of public involvement in policy making have been

 $^{^{17}}$ The unified rules and procedures for legislative drafting in the District of Brcko, Article 77

¹⁸ The Decision on implementation of regulatory impact assessment in legislative drafting and the Survey on procedures in preparation and creation of laws through implementation of light regulatory impact assessment ("Official Gazette of the Republic of Srpska" no. 2/13).

 $^{^{19}}$ The Decree on implementation of regulatory impact assessment adopted at the session of the Government of FBiH of 1 July 2014

²⁰ The Ministry of Justice created the draft Decision on preparation of regulation impact assessment and policy selection in the process of development of acts proposed and adopted by the Council of Ministers of BiH and other state level institutions.





implemented in the process of legislation drafting following the "Light RIA" methodology (with technical support of IFC/WB), as well as in the examples of preparation of the Law on direct foreign investments (Ministry of Foreign Trade and Economic Relations of BiH), the Federal Law on Registration of Business Entities where an intensive participation of civil society organisations in the working group was noted. It included the representatives beyond the Economic and Social Council. Also in the case of preparation of the Federal Law on Spatial Planning and Construction, broad consultations were carried out through the Association of municipalities and cities²¹.

Finally, OECD/EU (SIGMA) standards of strategic planning²² are also of interest for legal framework on involvement of civil society organisations in policy making. Their further incorporation in the regulatory framework, as well as their broader adoption in the policy making of the administrative bodies - not only in the context of preparation of IPA projects or requirements of donors within technical cooperation will make the practice of consultations of relevant stakeholders as an integral part of policy making cycle become part of a broader regulatory activities and will ensure their consistent application.

5.3. Legislative framework for funding activities of civil society organizations from pubic funds

Funding of civil society organizations and distribution of public funds toward CSOs is probably the most sensitive aspect of the governmental and CSOs relation.

The European scene is not unilateral in terms of the development of CSOs and CSOs financial sustainability models. Based on cultural, legal and fiscal framework, global and regional role, etc. various states follow a rather individual approach to the role and financial sustainability of CSOs.

While in some countries, the state is the main service provider²³ in other countries the principle of subsidiarity is applied where CSOs are actively involved in the provision of social service and even may be the main providers²⁴. On the other hand, in some countries, the principle of the best value service delivery is applied²⁵.

The approach to be applied in a country depends on the country's tradition, historic, cultural, political and economic factors but also a range of other factors such as: the development of CSO capacities to provide social services and deliver projects,

²¹ Staff member of International Finance Coorporation, interview on 15 April 2014

²² Promoted in BiH through "The Manual on the Development of Public Policies for Public Servants", UNDP project on Strategic planning and policy development (SPPD), Sarajevo, 2010.

²³ Scandinavian countries

²⁴ Germany, Netherland, etc.

²⁵ UK, Canada;





whether the CSOs are strongly rooted in communities, whether CSOs possess own assets or capacities for income-generation, the development of philanthropy and participation of citizen's in financing initiatives and activities of various CSOs. Each approach, beside the determining factors, has different consequences on independence of civil society (the greater the participation of the state in financing of CSOs, the lesser their independence).

Government funding is an effort to establish a well-functioning and mutually beneficial relationship between government and CSOs. Regardless of the applied approach, government funding in most of the EU countries is in relation to the role of CSOs in social service provision and delivering projects related to one of the public policies. The government funding may be awarded within fields as diverse as research, education, social protection, health, consumer protection, environment protection, humanitarian aid, etc.

An underlying principle of the public funding is that **it should be considered a possibility and not a right for the CSOs**. This is important because it underlines a significant aspect of the relationship, i.e. that CSOs are "independent" or "autonomous" from the government and possess a certain level of self-financing capacity. For instance, the English Compact highlights the principle of independence: "The independence of the third sector is recognised and supported. This includes its right within the law to campaign, to comment on and to challenge government policy (whatever funding or other relationship may exist with government) and to determine and manage its own affairs"²⁶.

As part of its approach to the role of civil society, the government may invest in capacity building for CSOs, e.g., by supporting the provision of training on organizational management or communication, by supporting the creation of networks and experience sharing, or the building of coalitions to promote joint interests of the sector. Furthermore, governments may invest in obtaining and generating more knowledge about the sector, including quantitative and qualitative research, or inclusion of CSO law or CSO management courses in higher education institutions, etc.

Which approach will be developed and applied in BiH is supposed to be the subject of a wide consultation process, which should involve all stakeholders and interested public.

The analysis of the existing legal framework clearly indicates that no government at any administrative level in BiH has a clear vision of the role of civil society in social and economic development of BiH and that financing of civil society organisations'

 $^{{\}it 26https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214617/the_compact.} \\ pdf$





activities is perceived exclusively as a charge rather that a social investment that is supposed to initiate social development of the community and to contribute to implementation of public policy priorities.

Such a conclusion is drawn from the fact that the legal framework for financing civil society organisations' activities is based on a range of by-laws where each ministry, regardless of the level of authority, awards grant funds to civil society organisations based on independently developed terms and criteria and without links of the operational objectives of the award funding to any of strategic priorities and objectives of the sectorial strategic documents and without a harmonised methodology and terminology, even when these are by-laws within one level of authorities. Also it can be concluded from the fact that none of the by-laws contains precise clauses on planning priorities for awarding financing from public budget to programmes and projects of civil society organisations.

Most of the findings of the audit reports on expenditures of public funds support the above mentioned conclusions stating that the objectives defined in preparation of awards are not specific, concrete and measurable, but rather set broadly and generally, where the operational objectives cannot be clearly and fully identified with the strategic priorities stated in the sectorial strategic documents.

The current legislative framework for funding activities of civil society organizations from pubic funds only regulates the procedure for allocation of funds. Most of the analysed general acts of the ministries enable allocation of public funds without a public call where financing on the basis of public call becomes an exception rather than the rule. Allocation of public funds to civil society organisations without a public call with a transparent procedure and measurable indicators for assessment of project proposals is not in line with good international and regional practices. This way of allocation of funding increases the risks of discretionary and non-transparent management of public funds and obstructs optimal distribution of funds intended for financing of projects and programmes of civil society organisations.

Therefore, most of the requests of civil society organisations as well as the international community call for affirmation of the institute of public call in allocation of grant funding in order to make public calls the only method for awarding grant funding.

As much as the requests for increase in transparency in allocation of public funds are justified, the affirmation of the institute of public call cannot in itself increase the effectiveness of utilisation of these public funds. The effectiveness of utilisation of the public funds cannot be increased without adequately addressing the issues of planning, objectives of awards, linking the objectives with priorities defined with strategic documents, harmonised terminology, ratio between public call expectations and the grant amounts, efficient monitoring, success indicators and





evaluation of impact.

However, at the moment none of BiH government at any level shows much of interest to strategically define the issue of public funding of civil society.

The analysis of each of the by-laws on awarding the grant funds would take a lot of space, but in analytical sense it would not provide any new piece of information but confirm the above stated summary conclusion.

The only attempt to unify methodologically the regulations on financing civil society organisations was made by the Ministry of Finance of The Republic of Srpska in December 2014 when the Ministry prepared the methodology of grant management for programmes and projects financed or co-financed from the RS budget, mandatory for all line ministries in The Republic of Srpska. However, even this methodology still contains many of the above-mentioned shortcomings evidenced in other by-laws that regulate allocation of grant funding.

Significant public funding is allocated for financing the activities of civil society in BiH.

Even though there are a considerable number of studies on public financing of civil society organisations in BiH, the findings should be taken with a reserve. There is a range of reasons for this:

- Non-existence of financial instruments only for the subjects registered in accordance with the Law on associations and foundations. The grant funding instruments are used by the public institutions for all grant financial transfers including financial transfers to private entities, local communities, political parties, public institutions, religious communities, even to public and private media. This considerably hampers the objective insight into the amount of grant funds planned and distributed to the CSOs i.e. to the subjects that are registered in accordance with the Law on associations and foundations;
- There is no harmonised terminology used when it comes to beneficiary. In analysed by-laws different terminology is used such as: "association of citizens", "non-governmental organisations", "non-for-profit organisations", "organisations" and "humanitarian organisations" that do not correspond to positive legal terminology, therefore do not provide a clear answer to the question which categories of legal entities are eligible beneficiaries of allocated financial resources. Namely, all laws on associations and foundations in BiH recognise only two statutory-legal forms for operation of non-for-profit legal entities: association and foundation;
- There is no harmonised terminology and understanding of different types of financial transfers to civil society organisations. Most of the financial transfers to civil society organisations in BiH are recorded as grant funds from





the perspective of the budget and accounting coding. This does not enable further analysis if the transfers are related to operational or institutional grants, subventions or provision of services that civil society organisations provide to the public sector;

- The financial and accounting records of public institutions do not register in kind subventions (provision of premises free of charge or at preferential price, or reconstruction, adaptation and maintenance of the premises). Inkind subventions are not registered as types of financial transfers to civil society organisations;
- The financial and accounting records of public institutions do not register contracts on provision of services and the financial transfers that stem out of such contracts are not registered as financial transfers to civil society organisations (provision of services of accommodation and care to victims of domestic violence, provision of home care, etc.).

For the above-mentioned reasons, the collected data on financial transfers from public funds to civil society organisations should be taken with reserve. Also, the mentioned shortcomings of the funding mechanisms for civil society organisations hamper the research on effectiveness of these financial transfers, i.e. the cost-benefit and impact assessment analyses. The fact that there is not a single study in BiH that has analysed the impact of the awarded public funds to civil society organisations or the impact on public policy speaks in favour of this statement.

However, the research of this type has a great benefit when it comes to the insight into the structure of civil society funded from public funds and the intent of the funding provided to civil society organisations.

This research evidently confirm that the associations of war veterans and victims of 1992-1995 war, sport associations and associations that provide support to marginalised groups and persons in state of need are benefiting the most from the public fund financial transfers to civil society organisations in BiH. This indicates the social but not developmental character of these financial transfers. The impression is that these financial transfers are yet another instrument of social policy of the governments at all levels that are filling the gaps in social programmes or buying some temporary social peace. The least of the financial transfers are directed to the associations dealing with sustainable development, international cooperation and protection of environment.

Also the analysis of the amounts of individual grants allocated through public calls clearly indicates that there is no clear objective or expected results of the financial transfers to civil society organisations. The analysis of the financial transfers to civil society organisations through public calls indicates that a high number of very small financial transfers are made with no logical ratio between





the requirements of the public call and the allocated financial amount.

Hence, it is not a surprise that there is hardly any "ex ante" monitoring of utilisation of funds or project/programme implementation during the implementation period. Namely, ex ante monitoring approach enables timely actions to address shortcomings in utilisation of funds and implementation of project activities. Monitoring upon completion of project implementation by requiring submission of financial report and report on completed activities and their impact (ex post monitoring) can be justified, but this control mechanism is fully efficient only if complemented with the ex ante monitoring. The issue of ex ante monitoring is not explicitly defined in any of the by-laws that regulate allocation of grant funds to civil society organisations.

6. AN ANALYTICAL OVERVIEW OF THE INSTITUTIONAL MECHANISMS OF COOPERATION BETWEEN GOVERNMENTS' INSTITUTIONS AND CIVIL SOCIETY ORGANIZATIONS

Institutional mechanisms of cooperation are instruments for realizing government's policy goals towards civil society, which are particularly geared, but not limited to, at creating conditions conducive to citizen participation in public policies. These mechanisms take various forms and shapes.

In the Western Balkan countries the most prominent form to that effect is a government office for collaboration with civil society, which operates in Croatia, Serbia, Montenegro, and Macedonia, albeit with varying levels of responsibility and independence. In Kosovo this role is performed by the Office of Good Governance with the Prime Minister. The other prominent institutional mechanisms of choice are cross-sectorial government advisory bodies on civil society issues, which operate in Croatia, Montenegro, and Macedonia. In Kosovo such a body is specifically designed to facilitate the implementation of the 2013-2017 Government Strategy for Cooperation with Civil Society. Other institutional mechanisms of cooperation include a designated minister for collaboration with civil society (such was the case in the United Kingdom under the previous government), a contact person or office with Parliament whose primary responsibility is to nurture and support collaboration with CSOs (Hungary, Germany), and contact persons with the line ministries in charge of collaboration with civil society (Montenegro).

Some countries have developed institutional mechanisms, which are specifically geared at civil society monitoring and participation in the *EU negotiation process*. For example, in Serbia, there is the National Convent on the European Union, which is a





cross sectorial body composed of representatives of public authorities, civil society, political parties, professional organizations and independent experts, which provides inputs to developing Serbia starting negotiation position towards a particular chapter open for negotiations. The Parliament's Committee on European Integrations is obliged to consider those inputs before taking stock of the State Negotiation Team's proposal for starting position.

In addition, specific mechanisms of cooperation have been developed with respect to the utilization of the European Union *Instrument of Pre-Accession Assistance* (IPA II), pursuant to the 2014 IPA II Regulation, which mandates beneficiary countries to consult with civil society in the process of IPA II programing. Those mechanisms are in place in Serbia and Montenegro, and are often referred to as 'sectorial mechanism of cooperation' (SECO mechanism). SECO mechanism is based on CSOs organized in the form of clusters, which facilitate CSOs providing inputs to the IPA II structures in drafting indicative strategic papers as well as programming priority sectorial policies.

Finally, some countries established a distinct body entrusted solely with providing public funds to CSOs. Such bodies may be regarded as a distinct subset of the general institutional mechanisms described above, given that the underlying goal of public funding of CSOs is to facilitate their participation in the development, implementation and monitoring of public policies. The examples include the National Foundation for Civil Society Development in Croatia and the Agency for the Support of Civil Society in Albania.

All these mechanisms are widely referred to as 'institutional' because of the underlying reason for their introduction: developing institutions necessary to facilitate the realization of government's strategic goals towards civil society.²⁷

When putting the foregoing analytical framework in the context of BiH, the starting point inevitably has to be its notoriously cumbersome constitutional framework. In this respect, the division of power between the state, the entities, the District of Brčko and the cantons set forth in the 1995 Constitution prevents the development of coherent and cost-effective government's policies towards civil society. Rather, as discussed below, those policies are largely a 'patch work' at various levels of government. Civil society cooperation is not the only policy areas suffering from multiplied jurisdiction though. While some policies are governed by one instrument, such as the Strategy on Public Administration Reform, others, such as the access to information of public utility, are governed by multiplied laws (at the state and entity level, respectively), having almost identical provisions, however, being inconsistently applied by the respective authorities.

The Strategy on Public Administration Reform (the Strategy), adopted in 2006,

-

²⁷ Goran Žeravčić, Dragan Golubović, "Institutional mechanisms of cooperation with civil society and Citizens participation in policy dialogue", CBGI Sarajevo 2014.





contains specific reference to the collaboration with civil society sector in public consultation process. This Strategy, in its Chapter 4, paragraph 4.1.2 "Enhancing capacity for policy adoption in institutions" states that, without support from citizens, it is difficult to produce and implement sound policies. Engaging citizens and civil society in the policy-making process is the right way to plan, create and implement better policies and a key element of good governance. The Strategy obliges ministries to use new approaches to inform citizens and to get them engaged in the policy making process. In addition, the Action Plan for the implementation of the Strategy specifies responsibility of the ministries to conducts public consultations during the drafting phase of each policy document.

Due to the complex constitutional structure and divided competencies between the state and the entities, the District of Brčko and the cantons the establishment of the legal and institutional framework for cooperation of government institutions with civil society organisations (CSOs) means establishment of harmonised frameworks at the state, the entity, the District of Brčko and even the cantonal levels in the Federation of BiH.

Bellow, the situation in BiH with respect to civil society cooperation at various levels of government is detailed.

By adopting and signing the new Agreement between CoM BiH and civil society organizations, another very important issue will be resolved that will have long-term positive impact on strengthening cooperation between CoM BiH and civil society at BiH level. Namely, in accordance with the draft of the new Agreement between CoM BiH and civil society organizations, the Sector for cooperation with non-governmental organizations and civil society development of the BiH Ministry of Justice (herein of: the Sector) is supposed to become a focal point of the CoM BiH for collaboration with civil society organizations as well as for implementation of the new Agreement. Thus, finally, by adopting the new Agreement, one of the key institutional mechanisms of cooperation of the CoM BiH with civil society will be established.

During 2014, the CoM BiH adopted the revision of the Rules on Consultation in Legislative Drafting (the Rules on Consultation), which introduced mandatory online consultations with citizens and CSOs as a precondition for putting draft legislation in parliamentary procedure.

Pursuant to the revised Rules on Consultations, and in collaboration with EU Delegation to BiH, a web platform for online consultation with citizens and civil society organizations was developed (www.eKonzultacije.ba)²⁸. The web platform was completed in January 2015, when the original development code was transferred to the beneficiary. Due to delay in the appointment of a new CoM BiH

²⁸ The web platform for online consultation was developed through CBGI project





and the adoption of a plan of legislative activities for 2015, the eKonzultacije web page was launched on 20 April 2016.

The web platform for online consultation enables more transparency and efficiency and reduces costs of consultation process. It is an outstanding tool that enables determining the form of consultation that should be undertaken as well as the procedures to be followed while making the consultation process more assessable and more transparent to the interested public.

Within the first two months of the utilisation of the application, considerable improvements have been noticed in participation of the interested public in decision making processes. In the preparations for the launch of the eKonsultacije application, twenty-three (23) institutions at the state level with competencies for drafting of laws, other regulations and general acts appointed their consultation coordinators which represents an improvement of 766% in comparison to the situation in 2014. At the same time, more than 200 consultation facilitators were appointed responsible for implementation of consultations on specific legal acts. More than 380 interested persons and organisations registered for use of the eKonzultacije application, while forty-three (43) of them registered for participation in consultations for one of eight legal acts that were consulted upon in the first two months of the use of the eKonzultacije application.

Despite all efforts of the EU Delegation to encourage the process of collaboration of the Government of FBiH with civil society and the development of institutional mechanisms of cooperation with civil society in FBiH, there has not been a significant progress in the previous few years.

So far, the Government of FBiH has not defined its policy toward civil society nor has adopted a single public policy document that defines the main principles and objectives of cooperation with civil society (the agreement with civil society organisations active in FBiH, the Government's programme of cooperation with civil society or a strategy for enabling encouraging environment for civil society development). Also, the Government of FBiH has not appointed a competent Government body responsible for articulating and implementation of the Government's policy toward civil society, it has not established a single institutional mechanism of cooperation with civil society (council for cooperation with civil society, foundation or special budget allocations for development of civil society, contact persons/departments in line ministries responsible for collaboration with civil society organizations) not has it involved civil society in monitoring implementation of public policy.

All forms of cooperation with civil society are ad hoc and sporadic with involvement of civil society in preparation of legal regulations for which there is a great interest of public in the form of consultations.





There has been no genuine commitment of the Government of FBiH to improve the overall framework and practice of cooperation with civil society. The lack of understanding of the underlying role and benefits arising from such cooperation has been manifested by the Government of FBiH in the last few years by their statements that it had no interest in institutionalising cooperation with civil society. There has been no progress in this respect with the new Government either. The only notable exception thus far has been the Ministry of Justice FBiH, which has engaged in the initiative for establishment of a common web page of associations and foundations registered in BiH.

There are several institutional mechanisms of cooperation between the government and CSO at the level of The Republic of Srpska (RS). In addition to the Strategy for Public Administration Reform and the Law on Free Access to Information, the cooperation with associations and citizens is also referenced in several regulations and strategies.

The Department for Parliamentary System, Political Organisations, Associations and Foundations, and National Minority Issues within the Ministry of Administration and Local Self Governance is the only institutional mechanism for cooperation with civil society. However, the position of the Department (a unit in the Ministry), its broad mandate and insufficient number of employees as well as the lack of capacity makes it an ill-conceived mechanism for cooperation.

So far the Government of RS has not demonstrated political will to define its policy toward civil society. The facts that RS has not adopted a Strategy for enabling civil society development or an Agreement on cooperation with civil society that clearly defines principles and objectives of cooperation nor has it defined a programme of cooperation that at least unilaterally defines its policy goals toward civil society and its role in the development of RS are clear indicators of the Government's lack of political will. In RS there is no government's advisory body for civil society development and cooperation of the Government of RS with civil society and there is no staff appointed for coordination with civil society within the line Ministries. Also, there is no public foundation nor the public funding is RS is allocated for civil society development.

Similarly as in the case of the Government of FBiH, all forms of cooperation with civil society are sporadic involvement of civil society in preparation of legal acts in the form of consultations and financing of a part of projects of civil society organisations without clear objectives or expected results.

At the District of Brčko level, there is still no clearly defined strategic framework for CSO cooperation. Few years back, the District of Brcko (DB) adopted the Basic Principles of Partnership with Citizens (the Basic Principles), which stress the important role of CSOs in policy dialogue. The Basic Principles are based on common values and civil initiatives that stem from Article 4 of the European Charter on Local





Self-governance, Article 2 of the BiH Constitution, Article 15 of the Statute of the District of Brcko, Article 9 of the Law on Executive Authority of the District of Brčko, and the Strategy on Public Administration.

In efforts to address the foregoing and other shortcomings in the Decision on Public Consultations, the Government established a working group commissioned with preparing new Rules on Consultations in 2015. The new document was finalised in January 2016 and is currently in the process of horizontal consultations before the process of public consultations.

At the moment the District of Brcko has only two institutional mechanisms in place. These are a unit of the Government's Department for Administrative Affairs in charge of support to local communities and civil society organizations and the Rules on co-funding of EU projects implemented at the territory of the District of Brcko.

However, the Government's Department for Administrative Affairs in charge of support to local communities and civil society organizations has quite a limited mandate and no jurisdiction whatsoever in proposing policy pertinent to cooperation with civil society.

In 2014 the Government of District of Brcko adopted the Rules on co-funding of EU projects implemented at the territory of the District of Brcko. The Rules intended to ease an access to EU and grant funding to civil society organisations active at the territory of the District of Brcko. However, the implementation of the Rules has taken a completely different direction. Namely, instead of ensuring full co-funding of the EU projects (10-20% of the total value of the project depending on the programme requirements), the responsible body for implementation of the Rules allocated lumspum amounts to civil society organisations as a form of co-funding not only EU projects but all projects mostly financed by the international donors and without a clear link to the programme of work or development priorities of the District of Brcko.

As mentioned in the Chapter 3.4. In July 2016 the Government of the District of Brcko adopted a Decision that commissions the Unit for Administrative Affairs of the Government of the District of Brcko to prepare a draft Agreement on cooperation between the Government of the District of Brcko and civil society as well as to establish an advisory body of the Government of the District of Brcko for civil society. Thus the policy of the Government of the District of Brcko toward civil society will be finally formulated and the key advisory body for development of cooperation between the Government of the District of Brcko and civil society working at the territory of the District of Brcko.





7. MECHANISMS TO INVOLVE CSOS IN THE PROGRAMMING, REVIEWING AND EVALUATION OF EC-FINANCED DEVELOPMENT COOPERATION

The new instrument of pre-accession assistance to Bosnia and Herzegovina and other candidate and potential candidate countries for EU membership, IPA II (2014-2020), has introduced considerable novelties when it comes to civil society²⁹. Based on experience in implementation of IPA I (2007-2013)³⁰, IPA II regulation favours sectoral (rather than project) approach in IPA financing. As stated in the Guidelines for implementation of the sectoral approach within IPA II of the of the European Commission: "in ideal circumstances, sectoral policies are supposed to locally owned, i.e. prepared by local stakeholders.... on the basis of broad consultations with relevant institutions and non-state actors". 31 An assessment if the candidate or potential candidate for membership has institutional capacities for implementation of sectoral approach to specific area of IPA II programming includes, as one of the indicators, clear identification of competent ministry or other state body that will have a key role in the process of programming and implementation of the sectoral policy³², and that will inter alia: "coordinate these activities with civil society" ("civil society groups"). To this regard, only the policies articulated in participation of civil society and other non-state actors could be considered as sectoral policy in line with the Proposal for IPA Regulations³³.

The establishment of mechanisms of consultations of line ministries or other institutions with civil society is one of indicators for assessment of institutional capacities of the candidate or potential candidate in application of sectoral approach in utilisation of IPA funding. Still, the European Union leaves it at discretion of the candidate or potential candidate countries to establish a mechanism of consultation that optimally meets their needs and the level of development of civil society in specific sectors. These mechanisms in some of the countries (Croatia, Serbia) are also called "sectoral mechanisms of coordination with civil society" - SECO mechanisms.

Furthermore, the Proposal of IPA II Regulation also stipulates that the European Commission will act in partnership with the candidate and potential candidates in

²⁹ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the Instrument for Pre-accession Assistance (IPA II), Brussels, 7.12.2011 COM(2011) 838 final 2011/0404 (COD) (further in the text: Proposal IPA II)

 $^{^{30}}$ European Commission (Sector Approach in Pre-Accession Assistance, Ref. Ares(2013)65573 - 18/01/2013 page 4 (working document).

³¹ Sector Approach in Pre-Accession Assistance, pg. 13.

³² When it comes to Bosnia and Herzegovina, this issue is particularly noted in the *Enlargement Strategy and Main Challenges 2013-2014* of the European Commission: "Extract from the Communication from the Commission to the European Parliament and the Council: 'Enlargement Strategy and Main Challenges 2013-2014', COM(2013)700 final), pg. 1-2.

³³ Ibid, pg. 20-21.





the process of programming, implementation and monitoring of assistance within IPA II Regulation and that this partnership will in an adequate manner involve "civil society" and other private actors³⁴. To this regard, institutional mechanisms of consultation with civil society related to IPA II can contribute to strengthening this partnership.

In order to respond to the requirements of the Proposal IPA II Regulations, the Directorate of European Integrations (DEI) and NIPAC office (National IPA coordinator) initiated setting up the sectoral mechanism of consultations with CSOs in IPA II programming through a web application for e-consultations for IPA II programming (IPA eKonzultacije). The IPA II Regulation mandates consultations with civil society in the process of IPA II programming in the so-called indirect management of IPA II funds, which is dully transposed in the 2015 Framework Agreement between the Union and BiH.

The web application for e-consultations for IPA II programming (IPA eKonzultacije) will enable NIPAC to:

- Maintain a central database of interested public linked to the line ministries and other institutions of the Council of Ministers of BiH;
- Define the content on *invitation* to consultations in specific sector and a set of questions that need to be consulted on;
- Define if it is needed to, beside the on-line consultations, to implement consultations in other forms, such as round tables or similar;
- Define the deadline for implementation of consultations;
- Prepare and analyse reports on implemented consultations submitted by project leaders;
- Follow up implementation of consultation mechanism and takes measures to remove identified shortcomings and further improve consultation mechanism;

When it comes to the instruments of institutional mechanism of IPA consultation with civil society, the comparative experiences from Croatia and Serbia indicate that this type of consultation does not require "firm" regulatory framework, i.e. binding legal acts, but that the implementation of on-line consultation process of 'targeted' consultations (consultations with interested public in specific sector) in combination with organisation of round tables/consultative meetings represent an optimal frame for consultations. Online consultations in legislative drafting and drafting of other instruments of public policy already represent the basic instrument of consultations at the BiH level. Hence, there is no reason not to apply it in this segment of public policy. This process should be open not only for civil society organisations, but for

³⁴ Proposal IPA II, Article. 4(5).





the whole civil society, i.e. interested public (media, universities, non-formal initiatives, interested individuals)³⁵. This inclusive approach is one of institutional preconditions for maximal impact of implemented consultations for IPA II.

The proposed institutional mechanism of on-line consultations with civil society (IPA eKonzultacije) has several advantages in comparison to binding legal rules on consultations. First, this mechanism entails lower transactional costs in comparison to creation and implementation of binding consultation rules. Second, e-SECO fits better to the nature of consultations whose focus is on *determining the priorities* for programming in sectoral policies for IPA II. Third, this mechanism can be easily adapted to new circumstances with a simple modification of the e-SECO application. Forth, this mechanism can be used not only by the Sector for coordination of EU assistance to BiH, but also by all other sectors in DEI. For example, the Sector for strategy and integration policy, within its mandate, will also have a need to consult civil society (interested public); hence it is logical and rational that for this purpose it uses the already established institutional mechanism of consultation with civil society for IPA II.

The web application that is expected to ease the engagement of interested public in preparation of strategic plans, sectorial strategies and action plans for IPA II is already developed and its launch is expected in September 2016.

8. OVERVIEW OF MAJOR DONOR INITIATIVES RELATED TO CIVIL SOCIETY

Bosnia and Herzegovina is one of the countries, which has received substantial international support since the end of the 1992-1995 conflict and signing of the Dayton Peace Accord. By the time the Dayton Peace negotiations had began, majority of the international donors already identified a support package for priority reconstruction, which was used to encourage a reluctant Bosnian leadership to endorse the peace agreement. A donors' conference attended by representatives from fifty countries and twenty-seven international organizations subsequently pledged \$5,1 billions, an amount that was committed and disbursed between 1996-1999. The donor conferences were held annually between 1996 and 1999 and raised a total of \$3 billion to finance reconstruction projects³⁶. However, the actual amount

³⁵ Compare Article 2. Rules on consultations in legislative drafting of the Council of Ministers of BiH (2006): "With regards to these Rules: a) Public means public in general, b) Organisations mean legal entities and groups of citizens that do not belong to the state sector".

³⁶ William Barlett, Europe's Troubled Region: Economic Development, Institutional Reform and Social Welfare in the Western Balkans, New York 2008





of financial assistance that BiH received in the post Dayton period will most likely remain unknown as there are no data on private donations or donations from countries and foreign institutions that were given to BiH through unofficial channels. The available data that most of the researcher and official international institutions refer to relate only to the official international aid that reached BiH through official channels.

In the beginning that support was uncoordinated, geographically limited and driven exclusively by donor perspective and interest. Different donors had different objectives and aims that led to policy confrontation and different approaches to the implementation. The competing and often very contradictory policy advice of the international donor agencies lead to, what Deakon and Stubbs call "patron-client" relations and strengthening mafia-like elites³⁷.

More than 200 international organizations took a part in BiH reconstruction programmes, including UNHCR and other UN agencies such as UNICEF and UNDP, International Monetary Fund, World Bank, and wide range of various international NGOs from the largest and most established to the smallest and most recent. Massive presence of the international NGOs focused on short-term relief operations and imposing patron-client relationships toward local authorities creating negative environment for development and capacity building of local civil society organizations and its relationship with governments at all level in BiH. By attracting the lion's share of the international donors' financial assistance and very often developing parallel institutions to those of the government the relatively wealthy international NGOs leaves Ministerial officials resentful of a third sector and civil society and defensive of state institutions in any discussion of proper balance of responsibilities between the state, market and civil society in longer term³⁸.

However as the time past and local political actors failed to introduce expected reforms required to build modern market economy, donors began to question the effectiveness of the aid flow.

Although necessity of coordination, monitoring, transparency and efficiency of implementation of international support in BiH had been emphasized since 2000, relevant progress occurred only in 2005, when the Donor Coordination Forum (DCF) was founded.

BiH has been pursuing improvements to the aid co-ordination process since 2006, when the Council of Ministers of BiH approved an Information Note on

 37 BoB Deacon and Paul Stubbs, International actors and social policy development in BiH, Journal of European Social Policy, 1997

³⁸ William Barlett, Europe's Troubled Region: Economic Development, Institutional Reform and Social Welfare in the Western Balkans, New York 2008





"Strengthening the Efficiency of the International Aid Coordination System in Bosnia and Herzegovina". In October 2007 the responsibility for aid co-ordination and management was transferred to the Sector for the Coordination of International Economic Aid (SCIA) under the Ministry of Finance and Treasury (MoFT). With the establishment of the SCIA the BiH Government intends to achieve better coordination of aid activities, stronger partnerships between donors and government, and improve alignment of aid with national development priorities

Furthermore, in 2009 the BiH Council of Ministers officially adopted the Paris Declaration on Aid Effectiveness, thus binding the governments of Bosnia and Herzegovina to fulfil 56 partner obligations in five main areas covered by the Declaration: ownership of local institutions, alignment of objectives, harmonisation, managing for results and mutual accountability. BiH has been officially added to the list of countries signatories of the Paris Declaration in 2010.

According to the OECD-a report Aid Effectiveness progress in implementing the Paris Declaration from 2011, it was clearly stated that a lot more effort needed to be invested both by the BiH institutions and the donors in order to ensure better quality implementation of the Paris Declaration in the country³⁹. According to data from 2010, when BiH participated for the first time in the report survey, BiH fulfilled only two out of ten indicators with corresponding targets – harmonization indicator on strengthening capacity by coordinated support and aid. The progress was also made in regard to the tasks on results management, while the targets of other indicators (ownership, mutual accountability, two on cooperation and all three on harmonization) were not fulfilled.

The Paris Declaration emphasizes that aid effectiveness is increased when donors use a mutual framework and coordinate the management and delivery of support. Partner countries have the obligation of defining clear programmes and strategies which are adapted to the needs and priorities of a country, as well as to set up a budget framework which will cover both local and external sources of funding and aid. Donors are responsible for undertaking measures and steps in order to utilise local systems for preparing their programmes and their implementation, financial management, monitoring and evaluation. Although programme-based aid allocation (programme-based approach) is emphasized in the Paris Declaration, only 35% of aid in BiH in 2010 was programme based, which is significantly less than the set target of 66%. Only six donors allocate aid in this way, out of which 88% is allocated by the World Bank as budget support.

The transparency monitoring report "Not Available! Not Accessible!" prepared by the AccessInfo organisation identified as the main downsides low level of availability

³⁹ http://www.oecd.org/dac/effectiveness/2011surveyonmonitoringtheparisdeclaration.htm





and accessibility of information. A lot of information is not published or presented in enough level of details. Information on budgets, contracts, consultations and anti-corruption mechanisms are especially hard to find. Although some agencies, such as DFID UK, provide a lot of good quality information, the research found that most agencies demonstrate an alarming lack of information.

One of the dominant questions arising in the current agenda for reforming the international assistance model is how can accountability of development agencies towards their constituents on one hand, and governments of countries receiving donor assistance and civil society organisations on the other be increased.

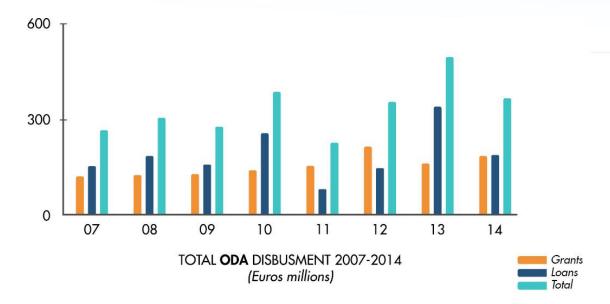
BiH is experiencing a gradual decline in the availability of grant-based official development assistance (ODA), whereas the share of concessional and commercial loans is increasing.

In that regard, the total official development assistance allocations of donor coordination forum members in 2014 amounted to €770,60 million, i.e. €199,63 mil grants and €570,97 mil loans, channelled mostly to the Environment and Climate Change (39%), Transport and Energy Infrastructure Sector (22%) and Private Sector Development (19%) as the sectors that received the highest proportion of the international support. Compared to 2013, this represents an overall increase of €104,89 mil in the total official development assistance allocations, with a €27,66 mil increase in grants and a €77,23 mil in loans, as a result of donors prompt reaction to provide immediate relief after catastrophic floods.

In 2014, the total official development assistance disbursements amounted to €362,46 million, out of which €179,45 million was in the form of grants and €183,01 million in the form of loans, indicating a significant decline in the total official development assistance disbursed funds if compared to 2013, i.e. an overall decrease of €130,62 million. The low level of disbursed official development assistance allocations funds is conditioned by the weak absorption capacities, long and complicated regulative procedures in certain sectors in Bosnia and Herzegovina. At the same time, disbursed grant funds in 2014 recorded one of the highest levels in the overall observed period. In 2014, disbursed grants funds recorded also the highest level of their utilization (90%). This can be attributed to the donors' immediate reaction and procedural flexibility in order to overcome the impacts of the catastrophic floods.







In the overall period of 2007-2104 the total amount of official development assistance grant allocations was 1.178,08 millions EUR, i.e. in average 147,26 million EUR per year. Here it is very important to emphasise that the official development assistance grant funds mean all grant funds allocated to BiH and implemented not only as grant awards to civil society organisations but also through technical assistance projects, procurement of equipment and construction works. The analysis of the available information that should be taken with some scientific reserve as it was not done on the absolute sample; only some 20% of grant ODA funds are implemented as grant projects (approximately 12 - 15 million EUR per year).

From the historical perspective, it is evident that in the observed period the average ratio of overall ODA between multilaterally and bilaterally provided assistance is much more inclined towards the multilateral organizations. During the observed period, over 70% of ODA in average was provided by the multilateral donors.

The historical comparison of bilateral and multilateral ODA disbursements in the period 2007 – 2014 shows two different trends. In the case of multilateral donors, the trend of disbursed funds is on the rise until 2011, when it dropped to the lowest level. On the other hand, the disbursements from bilateral donors are gradually declining until 2011, as result of gradual phasing out of these types of donors. The decline of overall ODA in 2011, both bilateral and multilateral, is a reflection of the economic crisis in the partner countries. Increase of disbursements can be observed between 2012 and 2014, when again bilateral and multilateral ODA disbursements decreased in comparison to the previous year.

The presented data, as well as the available BiH and international reports, do not





contain the data on the structure of the implementers of programmes and projects financed with grant ODA funds. The requests of the research team to obtain the data that would shed more light on the transparency of the selection process of the implementers (contractors), the structure of the project implementers, parts of financial assistance implemented through local civil society organisations and availability of the grant ODA funds for local civil society organisations were not accommodated by the Donor Coordination Forum members.

However, even the initial analysis of the available data indicate that most of the ODA grant funds are being implemented by the UN agencies such as UNDP, UNICEF, UNHCR or mayor international organizations. The fact that the lion share of the ODA grants funds is being directly contracted to the UN agencies causes great dissatisfaction by the local civil society organisations. Most of the civil society organisations that have taken part in the focus groups considers that these projects can be successfully administered and implemented by the local civil society organisations and that such practice, particularly of the EUD to BiH, does not contribute to the sustainability of the civil society in BiH and that it opposed to the objectives of the Civil Society Facility programme and the EU civil society policy.

Our initial analysis shows that no more than 5-8% of the total grant ODA distributed funds are implemented by local CSOs. Translated into figures it is approximately between 7 and 10 million EUR a year.

Phasing out of direct bilateral support from five donors (Austria/ADC, Italy/IC, the Netherlands, Spain/AECID and UK/DFID) resulted with decline of grant programmes available for local CSOs for their capacity building.

At this moment only EU and USAID have available funds and initiatives focused on civil society development and establishment of institutional mechanisms of cooperation of governments' institutions and civil society organizations.

9. OVERVIEW OF THE GENERAL SITUATION IN CIVIL SOCIETY IN BIH

As abovementioned in the Chapter 4.1, the registration of associations and foundations in BiH is done in eighteen (18) registry offices. According to the records from seventeen (17) registry offices that have made public the register on association and foundations⁴⁰, in BiH there are 22,601 registered associations and foundations. An estimate is that in the Posavina Canton, there are no more than 200

_

⁴⁰ Despite constant insisting and calling upon the Law on Associations and Foundations of FbiH as well as the Law on Access to Information, the Ministry of Justice and Governance of the Posavina Canton has not submitted the public register on associations and foundations registered in the Posavina Canton.







associations and foundations so it can be stated that the number of registered civil society organisations is approximately 22,800.

Registry office	Number CSOs	Percent
Ministy of Justice, Administration and Local Self-Governance of the Herzegovina-Neretva Canton	1966	8,70%
Ministry of Justice and Administration of the Canton 10	565	2,50%
Ministry of Justice and Administration of the West Herzegovina Canton	721	3,19%
Ministry of Justice and Administration of the Zenica-Doboj Canton	2033	9,00%
Ministry of Justice, Administration and Labor Relations of the Bosnia- Podrinje Canton	207	0,92%
Ministry of Justice and Administration of the Una-Sana Canton	1621	7,17%
Ministry of Justice and Administration of the Sarajevo Canton	1933	8,55%
Ministry of Justice and Administration of the Tuzla Canton	2364	10,46%
Ministry of Justice and Administration of the Middle Bosnia Canton	1592	7,04%
Ministry of Justice and Administration of the Posavina Canton	0	0,00%
Ministry of Justice of FBiH	1638	7,25%
Basic Court of the District of Brcko	503	2,23%
Ministry of Justice of BiH	1634	7,23%
District Court Banja Luka	3062	13,55%
District Court Bijeljina	873	3,86%
District Court Doboj	937	4,15%
District Court Sokolac	573	2,54%
District Court Trebinje	379	1,68%
TOTAL NUMBER	22,601	

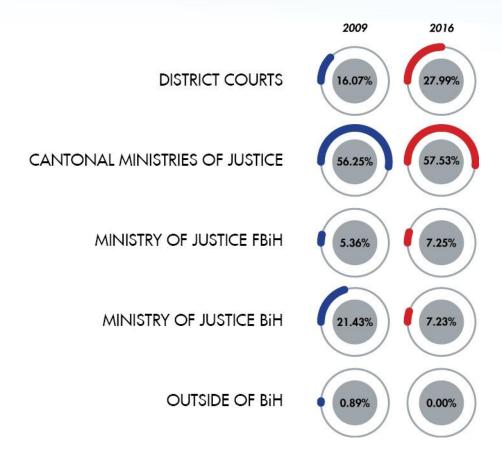
According to the collected registries, the highest number of associations and foundations is registered at the District Court in Banja Luka (3,062 or 13.55%), while the least of them are registered at the Ministry of Justice, Governance and Labour Relations of the Podrinje Canton (207 or 0.92%).

In comparison to the data from 2009, there is a notable increase of registered civil society organisations at the District Courts in RS and the District of Brcko, while there is a notable decrease of registered civil society organisations at the Ministry of Justice of BiH in comparison to the total number of registered civil society organisations in BiH.









This trend undoubtedly supports the conclusion that due to changes in the external context (decrease of donor interest for BiH, small amounts of grants provided by the CoM BiH to CSOs), there is less number of CSOs that have an ambition or capacity to operate at the territory of the whole BiH in comparison to the total number of registered CSOs.

Analysing by the seat of the registered civil society organisations, 16,055 or 71.04% of CSOs have the seat in FBiH, 6,003 or 26.56 % in RS, while 543 CSOs or 2.40% have the seat in the District of Brcko.

The highest number of civil society organisations that have the seat in FBiH are active only in the area of one Canton (13,003 or 88.99%). 1,638 or 10.20% of the total number of registered civil society organisations with the seat in FBiH are active in two or more Cantons, while only 1,414 or 8.10% are active at the territory of the whole BiH.

As for the civil society organisations that have the seat in RS, 5,783 or 96.33% are active only at the territory of RS, while only 220 CSOs or 5.67% with the seat in RS are active at the whole territory of BiH.





The highest numbers of registered CSOs have the seat in Sarajevo (3,980), then in Banja Luka (1,733), Mostar (1,295) and Bihac (1,155).

Of the total number of registered CSOs with the seat in Sarajevo, 1,750 is registered with the Ministry of Justice of the Sarajevo Canton, 1,172 with the Ministry of Justice of FBiH, while 1,058 is registered with the Ministry of Justice of BiH.

The least number of registered CSOs are in the Municipalities of East Mostar (1), Krupa na Uni (4) and East Drvar (6).

When it comes to the areas of work, civil society in BiH is dominated with CSOs active in the field of sport and recreation (6,511 or 28.81%), in promotion of socioeconomic rights of specific social groups (4,871 or 21.55%) and advocating for interests of professional associations (2,082 or 9.21%). The least number of CSOs are active in the fields of religion or spirituality (65 or 0.29%), international cooperation (120 or 0.53%) and in the field of protection and rescue (181 or 0.80%).

As for the primary activity, most of CSOs deal with football (1.222), combat sports (975), promotion and protection of interests of agricultural producers (991), and promotion and protection of interests of 1992-1995 war veterans (818).

For a considerable number of CSOs, promotion and protection of interests of women (464) and promotion and protection of employees – trade unions (360) are their respective primary activities. The overall structure of the registered civil society organisations as per areas of work and primary activity is presented in Annex 1.

The analysis of registers reveals that there is a less than expected number of civil society organisations registered under the same name, seat and by the same founders at two levels or with two registry offices. Only 28 CSOs have double registration. Most of CSOs with double registration under the same name is registered with the Ministry of Justice of BiH and Ministry of Justice of FBiH (14). Nine (9) of CSOs is registered under the same name with Ministry of Justice of FBiH and with one of Cantonal Ministries of Justice. Three (3) CSOs are at the same time registered under the same name with the Ministry of Justice of BiH and at one of Cantonal Ministries of Justice. Only 2 CSOs are registered at some of courts in the Republic of Srpska and with the Ministry of Justice of BiH.

Out of 28 of CSOs with double registration, 20 of them have their seat in Sarajevo.

The analysis of active vs. non-active CSOs, at the sample of 1,000 randomly selected CSOs, indicates that 56.4% of the registered CSOs are not active, i.e. that it is not possible to establish any form of contact with them on the basis of the data provided to the registries of the associations and foundations. However the resulting percentage of inactive organizations should be taken with a grain of salt because





there is a possibility that a number of CSOs do not have own websites, that are not present on social media or that have changed the address of the organization without fulfilling their obligation to change the data in the registry.

Also, the obtained results still do not indicate that 43.6% of the organizations with which it was possible to establish contact are really active and act in accordance with their respective missions. The field research has shown that a significant number of registered CSOs, especially those in the field of promoting the interests of different social groups, do not have their annual work plans but rather act only occasionally, when it comes to the protection of acquired rights of interest groups of citizens they represent.

The analysis of registers as well as information obtained by interviewing undoubtedly show that civil society in Bosnia and Herzegovina still has characteristic of a transitional Eastern European civil society, which is still dominated by the sports and recreational (sport, recreation, hobby activities) and advocacy activities (promoting and representing the interests of different social group) in contrast to the developed Western societies where the CSO sector is dominated by educational, cultural, health and social activities⁴¹.

The analysis of civil society in BiH indicates that civil society is becoming a growing economic power with an increasingly important role in creation of national income and consumption.

The share of activities of civil society organizations in the total GDP in BiH, based on the data obtained from the Federal Statistics Office and the Republic Institute of Statistics, show that the participation of CSOs in the BiH GDP in 2013 amounted to 0.62%, and in 2014 to 0.68 %. If the official percentages of the share of the activities of CSOs in GDP are translated into specific amounts of money, it comes to the figure of 120 million BAM or approximately 60 million EUR⁴² and this represents the total income of the civil society in BiH in 2014. If this amount is deducted for some 80 - 85 million BAM, allocated from local funds and budgets to CSOs in BiH⁴³, it can be concluded that the total amount of foreign donations, donations from private funds or income from commercial (business) activities of civil society in BiH ranges between 35 to 40 million BAM.

Unfortunately, due to the lack of a coordinating body at the state level with mandate to coordinate and monitor the international aid to BiH that comes from international sources and is implemented in BiH through civil society organisations, it is very difficult to accurately estimate the amount of international assistance. However, the

-

⁴¹ The comparison made based on Lester M. Salamon "Global civil society – dimension of non-profit sector", The John Hopkins Centar for civil society studies, Baltimor MD USA.

⁴² According to the official data of the Agency for Statistics of BiH, the total GDP of BiH for 2014 was 27,258,000,000 BAM (http://www.bhas.ba)

⁴³ See TACSO research





above analysis confirms the previous estimates that it is the amount of some 15 million EUR and it completely rebuts a statement often present in international reports that civil society in Bosnia and Herzegovina is totally dependent on international aid. This statement can be considered as valid to a number of organizations dealing with the protection of human rights, democratization and the promotion of European values but cannot possibly be applicable to the whole Bosnia-Herzegovina civil society.

As for the Federation of BiH, the share of CSO activities in GDP was 0.5% in 2013 and 0.6% in 2014, while in the Republic of Srpska the share amounted to 0.74% in 2013 and 0.76% in 2014. The provided information relates to the activities of the membership organizations.



% OF SHARE OF CSOS IN GDP

When it comes to the neighbouring countries and the EU, the share of the non-profit sector in GDP in Albania amounts to 0.25% (data for 2014), in Macedonia 0.96% (data for 2014), Montenegro 0.58%, Serbia 0.74% (data for 2013), the Czech Republic 1.77% (data for 2014), Hungary 4% (data for 2013) and 4.2% for 2014, while in the UK it was 0.4% (data for 2014).

According to the statistics records of the above mentioned countries, the number of organizations based on which the information for respective countries was obtained is as follows: Albania 2,427, Macedonia 4,156, Montenegro 3,300, Serbia 23,394 and Hungary 63,900⁴⁴.

When it comes to the number of civil society organisation that have full time employees and the total number of employees in the non-profit sector in BiH, there are certain problems with determining the exact number of civil society organisations that have full time employees and the total number of the employees due to different methodology of data gathering applied by the entity statistics bureaus and the responsible tax offices.

 $^{^{44}\} http://www.balkancsd.net/novo/wp-content/uploads/2015/11/63-12-Report-on-the-Economic-Value-of-the-Non-Profit-Sector-in-the-WBT_final.pdf$







According to the official published data of the entity statistics bureaus, the structure of the employees as per the activities classification is presented in the table below:

Data	Profession	Institution				
		Institute for Statistics of FBiH		•	Institute of tistics	
		2013	2014	2013	2014	
Total number of employees in the sector	93.91 Activities of news agencies	105	103	1.500 ⁴⁵	1.563 ⁴⁶	
	94.1 Activities of associations of employers	272	300			
	94.2 Activities of trade unions	37	32			
	94.9 Activities of other civil society organisations (CSO)	914 ⁴⁷	1.169 ⁴⁸			

The obtained data relate to only full time employees. The entity statics bureaus do not keep the record on the number of employees in civil society on the basis of service contracts or on the number of volunteers.

The data from the tax offices provide somewhat different information on the number of employees in the civil society organisations.

According to the data from the Tax Office of the Federation of BiH for 2015, there are 1,262 associations and foundations that employ in total 4,247 employees.

55

⁴⁵ http://www.rzs.rs.ba/static/uploads/bilteni/godisnjak/2014/06rad_2014.pdf

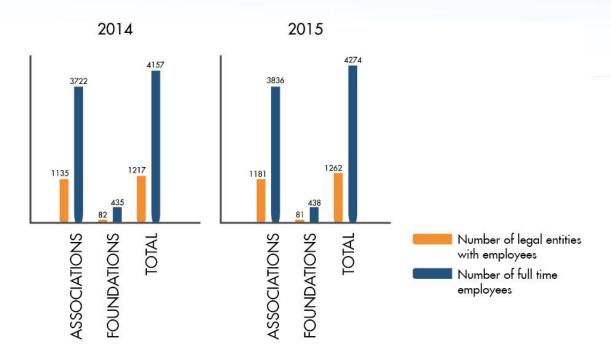
⁴⁶ http://www.rzs.rs.ba/static/uploads/bilteni/godisnjak/2015/06rad 2015.pdf, pg. 15.

⁴⁷ http://fzs.ba/index.php/publikacije/statisticki-godisnjaciljetopisi/

⁴⁸ http://fzs.ba/index.php/publikacije/statisticki-godisnjaciljetopisi/







The data from the Tax Office of the Federation of BiH for 2015 on the number of associations and foundations in the Federation of BiH that employ on service contracts or short-term contracts indicate that there are some 1,600 CSOs that engaged 14,489 persons on the basis of the AUG-1031 registration form.

	20	14	20	15
AUG-1031 Registration	Number of legal entities that engage staff as per AUG 1031 Registration	Number of engaged persons as per AUG 1031 Registration	Number of legal entities that enage staff as per AUG 1031 Registration	Number of engaged persons as per AUG 1031 Registration
Associations	1,534	12,884	1,539	12,989
Foundations	61	2,050	59	1,500
TOTAL	1,595	14,934	1,598	14,489

The research team did not manage to obtain the data on civil society organisations that have full time employees and the total number of employed staff in the non-profit sector in the Republic of Srpska from the Tax Office of the Republic of Srpska.

The number of employees in the non-profit sector in the neighbouring countries and the EU, available on Internet, has ranged per countries as follows: in Albania in 2014 there were 7,505 employee, in Macedonia in 2014 there were 1,897 employees, in Montenegro in 2014 there were 776 employees, in Serbia in 2013 there were 6,729 employees while in 2014 there were 1,166 employees⁴⁹, in the Czech Republic in

⁴⁹http://www.balkancsd.net/novo/wp-content/uploads/2015/11/63-12-Report-on-the-Economic-Value-





2013 there were 104,830 employees⁵⁰, in Hungary in 2013 there were 12,000 and in 2014 there were 19,000 employees⁵¹, while in England in 2014 there were 821,000 employees in the non-profit sector⁵².

The table below provides an overview of employees in civil society organisations in the total number of employees as well as the ratio of employees in CSOs in comparison to the employees in public sector in BiH.

Number of	The Repub	lic of Srpska	Federation	n of BiH	ВіН Т	OTAL
employees	2013	2014	2013	2014	2013	2014
CSOs	1,500	1,563	914	1,169	2,414	2,732
Public sector	23,681	23,842	48,279	48,487	71,960	72,329
Private sector	120,484	126,696	No data	No data		
Total number of employees	238,640	241,544	435,113	443,587	673,753	685,131
% ratio of CSO vs. total number of employees	6.33%	6.56%	1.89%	2.41%	3.35%	3.78%

Also, the data on the number of employees in the civil sector in relation to the total number of employees outside of the agricultural sector demonstrate that BiH is very close to the average percentage of employees in civil society in 22 countries covered by the survey of the Institute for civil society of Johns Hopkins University in Baltimore (4.8%). However, it is still significantly behind the developed countries of Western Europe. Specifically, this percentage in the Netherlands is 12.6%, in Ireland 11.5%, in Belgium 10.4%, or 6.2% in the UK.

The size, economic strength and number of employees in the civil society in a country largely depends on the role of civil society in the social protection system and the willingness of the state to involve civil society organizations in the systems of social protection, education and health. In countries where there is a dominant role of the state in the social protection system, as is the case with the countries of Central, Eastern, South Eastern Europe and Scandinavia, the strength of civil society and its share in GDP and the number of employees in relation to the total number of employees is considerably lower than in other countries where the role of the state in the social protection system is not as dominant (Netherlands, Ireland, Belgium, UK, France, Germany).

As for the gross earnings of full time employees in the civil society sector, the statistics show that the average gross salary of employees in the civil society is very close to the average gross salary in BiH (94.86%), but at the same time significantly

of-the-Non-Profit-Sector-in-the-WBT_final.pdf

⁵⁰ http://apl.czso.cz/pll/rocenka/rocenka.indexnu_sat?mylang=EN

⁵¹ https://www.ksh.hu/docs/eng/xftp/stattukor/nonprofit/enonprofit14.pdf

⁵² https://data.ncvo.org.uk/a/almanac15/workforce/





lower than the average gross salary in the public sector (only 67.81% of the average gross salary in the public sector).

The statistical data related to the gross salary of employees in the non-profit sector in the Federation of BiH and Republic of Srpska is presented in the table below as per the sector classification:

Average gross	The Repub	lic of Srpska	Federation	of BiH	BiH TO	DTAL
salary	2013	2014	2013	2014	2013	2014
CSO	1,207	1,043	1,321	1,429	1,264	1236
Public sector	1,727	1,786	1,838	1,859	1,782.5	1,822.5
Private sector	No data	No data	No data	No data	No data	No data
Average gross salary	1,333	1,334	1,275	1,272	1,304	1,303
% ratio CSO/average gross salary	90.55%	78.19%	103.61%	112.34%	96.93%	94.86%

The salary data should be taken as indicative because they are not official, given that the Statistics Bureau draws the average on the basis of a representative sample of a small number of legal entities.

The data on volunteers obtained through a CSO survey show that 3 out of 4 surveyed CSOs engage volunteers so the percentage of CSOs that engage volunteers has not significantly changed compared to 2009.



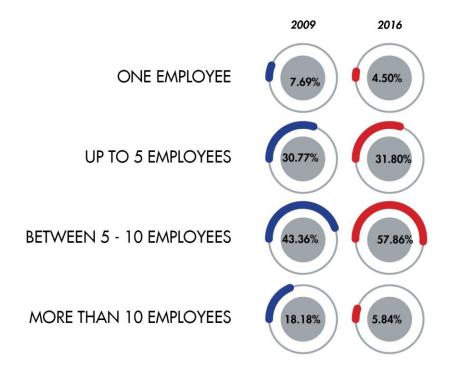
From the data collected it can be concluded that the civil society in BiH is dominated by small organizations of which only a relatively small number has full time professional employees. Namely, if the number of registered full time employees of the civil society is divided by the estimated number of active civil society organizations (9,940 active CSOs), it means that there are only 0.3 full time employees per one active civil society organization in Bosnia and Herzegovina.





However, when the number of full time employees in civil society organizations in BiH as per the records of the BiH Statistics Institute is put in context of the results obtained through survey with CSOs in this research, the results indicate that no more than 500 CSOs have professional staff (at least one employee). The survey conducted among civil society organizations reveals that 192 surveyed CSOs have 1,724 full time employees. Hence it indicates that only some 200 organizations employ almost 60% of all employees in the civil society sector.

Among the surveyed CSOs dominate organizations with up to 10 employees. It is evident that in comparison to the results of the research conducted in 2009, the number of CSOs that have more than 10 employees has dramatically reduced. This trend can be attributed to a decrease of interest of the international donor community for Bosnia and Herzegovina, and the reduction of international programs and grants for Bosnia and Herzegovina that financed projects that allowed hiring more people.

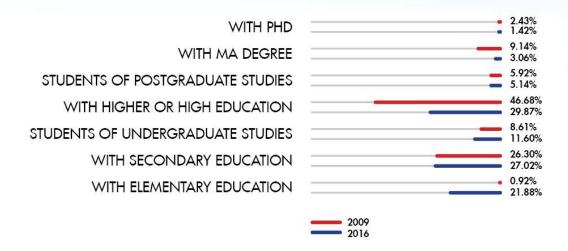


When it comes to the educational structure of employees in the surveyed CSOs, there is a noticeable trend in increase in the number of employees with university degrees, master's degrees and PhDs in civil society in comparison to the data from the 2009 survey and a significant decrease of employees in the civil society organizations with only primary education.



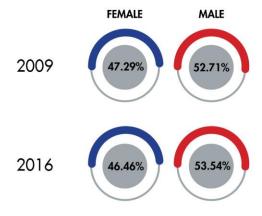






Also the survey indicates certain changes in the age and sex structure of the employees in the civil society organisations.

The comparison of data obtained by research in 2009 and 2016 shows that, when it comes to the gender structure, the participation of men in the civil society organisations has increased by 0.84%.



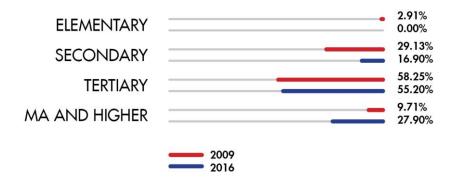
This trend is, however, reversed when it comes to the gender structure of the persons responsible in civil society organizations. In contrast to research conducted in 2009 when 76.19% of men were managers of the civil society organizations, nowadays, 63% of men are persons responsible in the civil society organisations in BiH.







The same as with the educational structure of employees, the educational structure of management of CSOs demonstrates the declining trend in people with secondary education, and a significant increase of CSO responsible staff with postgraduate degrees.



The revenue structure of CSOs involved in the research still indicates that the revenue is dominated by budge public funding. The revenue structure of 74% of surveyed civil society organizations includes an income for implementation of projects funded by the grant transfers from public funds and the budget, while 32.5% of them receive financial assistance from public institutions as a form of institutional aid. The research shows clearly that the capacity of the majority of civil society organizations to finance their activities from their own resources, through provision of services or by donations and gifts from private sources is still underdeveloped. Only 15.6% of CSOs surveyed on the structure of their income indicate income from the provision of services based on service contracts (i.e. holding seminars, social services, etc.).

The majority of CSOs that in their overall income structure have income for implementation of projects implement 2-3 projects per year for a period of 3-12





months and their average value is between 5,000 – 7,500 EUR. The study shows that 68.3% of the civil society organizations that implement grant projects implemented 1-3 projects in 2015 and the implementation period of only 23.3% of the projects implemented in 2015 was longer than 12 months.

The analysis of the structure of financial transfers from local public funds and the budget under the grant budget heading indicates that over 85% of the financial transfers for projects from local public sources (budgets of ministries at state, entity and cantonal level, as well as from the budgets of local governments) to civil society organizations range from 1,000-3,500 EUR. In addition to the issue of transparency of the grant selection process, the biggest problem of these financial transfers is the issue of their impact on public policy. In fact, as a rule, a public call for allocation of grants to civil society organizations from local public funds and budget, except for general purpose for grant allocation, does not define specific programme objectives that derive from the priority public policies. It is therefore not surprising that no level of government that awards grants to civil society organizations conducts an analysis of impact of allocated funds or a cost-benefit analysis.

One cannot but conclude that the purpose of financial transfers from local public funds and budget to civil society organizations is not to include civil society organizations in the implementation of some of the objectives and priorities of public policies in BiH. By analysing the financial transfers from local sources as well as the data from interviews with local officials it can be concluded that the local authorities rather perceive these allocations as an expense rather than as an investment in social development and implementation of the priorities of their policy. It is therefore logical that the funding from the local budgets are distributed to civil society organizations through a number of small grants without a clear specific target and monitoring expenditure of these funds with the aim to award the greater number of organisations with financial transfers from local public funds and the budget.

Only financial transfers from international donors allow the implementation of more significant and larger projects that may have a particular impact on social change and political priorities of donors.

The fact that 45.3% of civil society organisations involved in the research have their annual budget up to 30,000 BAM⁵³ while 66% of the surveyed CSOs have their annual budget less than 100,000 BAM speak in favour to the fact that BiH civil society is dominated by small organisations. Keeping in mind that civil society organizations that were involved in the research are better organized and in terms administrative and technical capacities represent an elite part of civil society in

-

^{53 1} EUR equals 1,95583 BAM





Bosnia and Herzegovina, it is logical to assume that when the whole civil society in BiH is taken into account the average organisational annual budget is considerably lower than what this research has found out.

10. CONCLUSION

The undertaken research has one again proven the fact that the civil society in BiH has all characteristics of civil society in a transitional country dominated by sport-recreational associations and associations that represent interests of specific social groups.

This feature of the civil society in Bosnia and Herzegovina is typical of post-authoritarian (post-communist) societies. This common characteristic results from the shared experience of people having lived for 50 years or so in more or less authoritarian societies that defined and shaped collective behaviour patterns. Changes made during 1990's required a complete change of collective behaviour patterns that could not have been unconditional. In other words, the collective behaviour pattern of the population of Bosnia and Herzegovina had not completely changed, despite the fact that a democratic multiparty system was introduced during 1990's. As a matter of fact, it was only "adjusted" through reinterpretation of earlier experience. As newly developed circumstances had failed to meet the expectations of people completely, they soon returned to their old collective behaviour patterns, or their old work, social and political habits acquired in the earlier period.

Therefore, a general assessment of the civil society in Bosnia and Herzegovina corresponds to a general assessment of the BiH state and society – fragmented, institutionally very weak, financially unsustainable and greatly dependent on political and financial support of the international community, without a clear vision of how to meet citizens' needs, with a private sector and unfavourable public perception of the general social benefit of their work.

The civil society organizations that have emerged and evolved in BiH after the end of war conflict have not been direct local response to specific renewal and reintegration issues but rather consequences of the international initiatives and availability of the international funding and civil society development projects.

The civil society in BiH is dominated by small grass root organisations without full time employees that operate locally with an aim of protection of interests and gained social rights of specific social or interest groups. Only some 500-600 organisations or some 5% of active civil society organisations have some developed organizational structure with professional staff and capacity to implement projects. The results of the research indicate that only some 150 - 180 or 1 - 1.5% of the total number of active civil society organisations have developed adequate organizational,





technical and expert capacities (with core permanent staff and a steady flow of funding) to implement more complex projects that enable them to access international sources of financing⁵⁴. These are mostly civil society organisations that were a spin off organisations established by international NGOs or established as a result of a project financed by international donors. However, most of these developed civil society organisations have two considerable systemic weaknesses: they are completely dependent on international funding and lack necessary social legitimacy to play a more relevant role in policy making. Most of these developed civil society organisations, due to their dependence on international funding, adjust their activities to donor interests and hence are not recognized by the beneficiaries as the true representatives of their interests or by the general public and political structures as an adequate partner in policy dialogue.

Only some 80 of the civil society organisations in BiH have capacities and minimal level of expertise to participate in policy dialogue. The ability of civil sector to participate in creating and monitoring public policies has improved in comparison to the last reporting period. It is evident that in the past 10 years, the capacities of civil society organisations for analysis and monitoring of public policies in BiH have increased.

The civil sector in Bosnia and Herzegovina is insufficiently based on membership. The lack of basis of civil society organisations in more numerous memberships brings their social legitimacy in question. Insufficient membership in associations indicates the absence of tradition, as well as the lack of trust on the part of citizens in institutions generally, which also applies to civil society institutions. The lack of citizens' trust in institutions is only logical, having in mind that institutions were designed to support the regime, rather than to meet different needs of the population.

The number of civil society organizations who use modern methods of communication with the public and social networks to launch public campaigns is so small that it can be said that this is the level of statistical error. Apart from some 300-350 most developed organizations, most other civil society organizations do not have own websites to present themselves and their work.

However, the main weakness of the civil society in BiH is still the cooperation and networking. The estimate is that there are some 30 active networks of civil society organisations of which only 4-5 networks have existed for more than 10 years. The networking of civil society organisations is mostly the result of different project

-

⁵⁴ The term "capacity" and "sustainability" when used by the donors tend to refer to the ability of civil society organizations to raise revenue and manage grants projects. Indicators of capacity and sustainability are tipically whether an organization has access to the auditors, whether it has staff with know how to apply for additional funding and whether it has a track record of managing a grant and completing a project.





activities and such networks mostly exist during the project period, i.e. while there is an indirect source of financing. Only a small number of networks such as Women's Network or Safe Network have been the result of genuine conviction of the members on the need for existence of permanent mechanism of cooperation, harmonization of a unified platform of action, coordination of activities and unified approach towards the government institutions.

A number of civil society organisations in BiH that have access to local funds and budgets is somewhat higher and according to the research findings it can be estimated that some 1,500 organisations or some 10% of active civil society organisations access local funds and budgets. These are mostly civil society organisations that represent interests of some social or interest groups at local level that get support from municipal budgets for activities at very limited geographical area. The highest number of such organisations does not have full time employees but local activists whose work is periodically financially compensated depending on available funds and whose main function is to defend the acquired rights of specific social groups whose interest they represent.

Even though a substantial amount of funds are allocated from local public funds and budgets in BiH, the system of financing of civil society organisations is chaotic, without a clear vision, objectives of financial transfers and measurable impact.

There is an evident lack of political will to systematically arrange methods and mechanisms of financing civil society organisations. Namely, the lack of political wills to create the system that regulates the funding mechanisms of civil society is a result of the lack of general societal consensus on the necessary reforms.

The BiH economic and social system is still dominated by the public sector. BiH still has a disproportionately large public sector, which dates back to Yugoslav times and has only been partly reformed since. Public expenditures amount to nearly half of GDP and, if state-owned enterprises (SOEs) and costs from corruption are added in, the public sector may be as large as 70 per cent of GDP. That's not much smaller than in the 1980s!

As a result of these imbalances between private and public sectors, BiH society is split into a small productive population and many more living on transfers from the government or relatives, with important urban-rural differences.

The structural reforms to open up private initiatives and rapid economic development are challenged because a large number of BiH citizens depend on the public sector, public enterprises and social transfers. In this context, for the most part of the population of Bosnia and Herzegovina there are serious reservations and resistance to necessary reforms, creating a climate of negative perceptions of private initiative and capital. Specifically, among a large number of citizens of Bosnia and





Herzegovina there is still a belief inherited from the communist period that private capital is a source of economic inequality and poverty in the world and that only strong public sector is the guarantor of preserving the interests of the state and the public interest.

Most of BiH citizens, even though born after 1990 and the breakdown of socialism, have been raised and educated in tradition and system of values of socialist societies, planned economy and domination of collective interests over an individual. The current BiH political and social elite is recruited out of such critical mass of BiH population accustomed to completely different system of value from those the EU is grounded upon. Hence lack of understanding of current economic and social circumstances based on democracy, market economy, human rights and freedoms and need for continuous dialogue and harmonisation of different legitimate political, social or economic interests. Generally speaking, the culture of dialogue and compromise in BiH is at a very low level making the process of harmonisation of different legitimate political, social or economic interests very difficult and painful. Accustomed to quite different mechanisms of management, economy, relations between individual and society/state, the dominant political elites have integrated in the existing political, social and economic system a number of mechanisms protecting the interests of the ethnic, social and interest groups they represent. This further aggravates the process of achieving political compromise and implementation of structural reforms. Under such circumstances, where there is neither democratic tradition nor effective mechanisms to harmonize the interests of different social and interest groups, it is almost impossible to achieve political or social compromise.

The relationship between the state and civil society, and the lack of a clear vision of the role of civil society in economic and social development of BiH society and adequate funding mechanisms of civil society in BiH should be considered in this context. In fact, none of the levels of government have clear vision of the role of civil society in economic and social development of BiH and therefore it is not surprising that there is an absence of a clear strategic framework of cooperation with civil society, or clearly specified objectives and instruments of cooperation with civil society. It is only the state level or the Council of Ministers that have demonstrated in the last few years the political will to ensure that the policies towards civil society are clearly formulated and that adequate institutional mechanisms of cooperation with civil society are developed.

The public sector still does not regard civil society, as well as private capital, as a relevant partner in social and economic development of Bosnia and Herzegovina. Therefore the financing of activities of civil society organizations is treated exclusively as an expense, rather than as a social investment, which should encourage the social development of communities and contribute to the articulation and implementation of policy priorities.





At any level of government in Bosnia and Herzegovina there is no political will to define the role of civil society in the social protection, health and education system, and consequently the funding mechanisms of civil society, because there is a belief that this would jeopardize the monopoly of the public sector in the provision of social, health and educational services to BiH citizens.

The results achieved so far in the construction of institutional mechanisms of cooperation with civil society and the participation of the interested public and CSOs in policy dialogue is primarily a result of the initiative and requirements of the international community and the best practice examples are more the result of the sensitivity of individuals within the public administration than the strategic commitment of the political elite.

The process of civil society development and strengthening its role in the creation and implementation of public policies will continue to be a slow and painstaking process that will continue to require long-term and continuous support of the international actors.

11. FINAL REMARKS AND RECOMMENDATIONS

Considering the findings and conclusions of the research, it is necessary that the EU continue to support the civil society development seeking to achieve five strategic objectives:

- Further support to the capacity building of civil society organizations, especially to the sector networking of civil society organization (interest based networks) and strengthening legitimation of civil society organizations (strengthening member based organizations, their communication capacities and reputation among BiH citizens);
- Establishment of a value system serving as a basis for cooperation between the governmental and non-governmental sectors in Bosnia and Herzegovina, and identification of the mechanisms for ensuring the independence and pluralism of civil society in Bosnia and Herzegovina;
- Further improving a strategic and legal framework for activities and development of civil society;
- Further development of an institutional framework for offering government support to the development of sustainable civil society;
- Establishment of a system of funding and support to the civil society development.





Within these five strategic goals, it is necessary to support the following preconditions for the development of civil society:

- Through a comprehensive dialogue with all stakeholders, define the role of civil society in further economic and social development of BiH;
- Articulation of government policies toward civil society at all governments level in BiH;
- Define models of financial support to associations and their activities that are focused on implementation of the priorities and objectives of public policies or provision of social services to the target groups of citizens of BiH;
- Establish a single digital registry of associations in Bosnia and Herzegovina regardless of the place of registration and the law on which the registration is based;
- Develop precise models and institutional mechanisms for consultation with citizens, citizen initiatives and civil society organisations, and models of their participation in creating, implementing and evaluating public policies (code of positive consultation practice) at entity and BD level;
- Define priorities of cooperation between the governmental and nongovernmental sectors in accordance with the entity / state development plans and priorities in the SAA;
- Establish co-funding mechanisms for international projects at national and entity levels on the priority list for cooperation between the governmental and non-governmental sectors in accordance with the entity / state development plans and priorities in the SAA;
- Should an interest or a need arise, establish entity offices for cooperation
 with civil society and civil society councils but, as in the case of state level,
 they would have to be independent organisational units able to coordinate
 cooperation between the governmental and non-governmental sectors;
- Support capacity building programmes for civil society for applying on various EU programmes and implementation of EU funded projects;
- Identify principles and ways of introducing education for democratic citizenship into the education system of the Federation of Bosnia and Herzegovina and the Republic of Srpska;
- Define ways of encouraging philanthropy and the culture of giving for general benefit;
- Encourage the demand for services offered by civil society, particularly in the field of protection of human and social rights of citizens of Bosnia and Herzegovina.

The way in which these necessary measures will be implemented should be defined by a working group through the proposed strategy for establishing favourable environment for the development of civil society in Bosnia and Herzegovina. Any of these measures to be adopted in order to create a favourable environment will in no





way question the constitutional competences of the entities or the state of Bosnia and Herzegovina. All these measures for strengthening civil society and opening dialogue between the governmental and non-governmental sectors can also be simultaneously implemented at the entity level, in accordance with the standards applicable at the state level.

ANNEX I – Structure of civil society sector in BiH per areas of work and primary activity

Monitoring social responsibility of the media 0 0,0 Monitoring public policies and public advocacy 9 0,0 Promotion and development of civil society 9 0,0 Promotion and development of social solidarity and tolerance 38 0,1 Promotion and development of voluntarism 13 0,0 Promotion and development of voluntarism 13 0,0 Promotion of participative democracy/participation of citizens in policy-making 12 0,0 Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution Promotion Promotion of the field of democratization, rule of law, civil society and nonviolent conflict resolution Promotion Promotion of participative democratization, rule of law, civil society and nonviolent conflict resolution Promotion of rule of law 1 0,0 Card games 1 0,0 Card games 1 0,0 Modelling 0 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 1 3 0,0 Chess 2 37 1,0 Tavia 2 7 0,1 Video games 8 0,0 Other hobbies 5 0 0,2 Promotion and development of civil society and tolerance 1 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 2 1 0,0	Civic Initiatives	408	1,81%
Monitoring public policies and public advocacy Promotion and development of civil society 33 0,1 Promotion and development of social solidarity and tolerance 38 0,1 Promotion and development of voluntarism 13 0,0 Promotion and development of voluntarism 13 0,0 Promotion of participative democracy/participation of citizens in policy-making 12 0,0 Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution Received Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Darts 13 0,0 Chess 237 1,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Received R	Peacebuilding initiative	11	0,05%
Promotion and development of civil society Promotion and development of social solidarity and tolerance 38 0,1 Promotion and development of voluntarism 13 0,0 Promotion of participative democracy/participation of citizens in policy-making 12 0,0 Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution Hobbies Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Chess 237 1,0 Chess 237 1,0 Chess 237 1,0 Other hobbies 46 Cross/Red Crescent 19 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities	Monitoring social responsibility of the media	0	0,00%
Promotion and development of social solidarity and tolerance 38 0,1 Promotion and development of voluntarism 13 0,0 Promotion of participative democracy/participation of citizens in policy-making 12 0,0 Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution 1,1 Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 10,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Monitoring public policies and public advocacy	9	0,04%
Promotion and development of voluntarism Promotion of participative democracy/participation of citizens in policy-making Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution Hobbies Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 15 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 21 0,0 Other humanitarian activities	Promotion and development of civil society	33	0,15%
Promotion of participative democracy/participation of citizens in policy-making 12 0,0 Promotion of rule of law Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution Figure 1 1,2 Figure 2 1,2 Figure 3 1,0 Figure 3 1,2	Promotion and development of social solidarity and tolerance	38	0,17%
Promotion of rule of law 1 0,0 Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution 276 1,2 Hobbies 418 1.3 Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Promotion and development of voluntarism	13	0,06%
Corruption combating and promotion of good governance 15 0,0 Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution 276 1,2 Hobbies 418 18 Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Promotion of participative democracy/participation of citizens in policy-making	12	0,05%
Other civic initiatives in the field of democratization, rule of law, civil society and nonviolent conflict resolution 276 1,2 Problets 418 13 Billiards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Promotion of rule of law	1	0,00%
violent conflict resolution 418 1.8 Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Corruption combating and promotion of good governance	15	0,07%
Biliards 45 0,2 Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tayla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9		276	1,22%
Automobile fan clubs 21 0,0 Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9			
Philately 7 0,0 Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Biliards	45	0,20%
Card games 7 0,0 Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tayla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Automobile fan clubs	21	0,09%
Modelling 0 0,0 Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Philately	7	0,03%
Numismatics 3 0,0 Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Card games	7	0,03%
Darts 13 0,0 Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Modelling	0	0,00%
Chess 237 1,0 Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Numismatics	3	0,01%
Tavla 27 0,1 Video games 8 0,0 Other hobbies 50 0,2 Humanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Darts	13	0,06%
Video games80,0Other hobbies500,2Humanitarian activities3521,5Activities of Red Cross/Red Crescent1340,5Blood donation10,0Assistance to victims of humanitarian disasters10,0Other humanitarian activities2160,9	Chess	237	1,05%
Other hobbies 50 0,2 Flomanitarian activities 352 1,5 Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Tavla	27	0,12%
Humanitarian activities Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Video games	8	0,04%
Activities of Red Cross/Red Crescent 134 0,5 Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Other hobbies	50	0,22%
Blood donation 1 0,0 Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9			
Assistance to victims of humanitarian disasters 1 0,0 Other humanitarian activities 216 0,9	Activities of Red Cross/Red Crescent	134	0,59%
Other humanitarian activities 216 0,9	Blood donation	1	0,00%
· · · · · · · · · · · · · · · · · · ·	Assistance to victims of humanitarian disasters	1	0,00%
Culture and art 2.009 8,8	Other humanitarian activities	216	0,96%
	Culture and art	2.009	8,89%





Drama and other performance arts	189	0,84%
Film and audio-visual activities	39	0,17%
Internet culture	5	0,02%
Literary activities	48	0,21%
Activities of cultural and art societies	572	2,53%
Art and other activities of visual art	39	0,17%
Musical activities	237	1,05%
Promotion and protection of cultural heritage	187	0,83%
Contemporary art	44	0,19%
Technical culture	206	0,91%
Protection and preservation of material cultural heritage	210	0,93%
Other cutural and art activities	233	1,03%
International cooperation	120	0,53%
International humanitarian assistance	0	0,00%
International friendship	65	0,29%
International relations	1	0,00%
Promotion of EU and European integration	36	0,16%
Other activities in the field of international cooperation	18	0,08%
Education, science and research	464	2,05%
Non-formal education and upbringing	172	0,76%
Lifelong learning and adult education	11	0,05%
Promotion of science	26	0,12%
Promotion of scientific research activities	80	0,35%
Other activities in the field of education, science and research	175	0,77%
Support and promotion of development of socially responsible enterpreneurship	11	0,05%
Support and promotion of rural development	126	0,56%
Support and promotion of tourism	81	0,36%
Support and protion of urban development	9	0,04%
Support and promotion of sustainable economic development	109	0,48%
Other activities in the field of sustainable development	95	0,42%
Promotion of socio-economic interests of specific social groups	4.871	21,55%
Youth services	840	3,72%
Promotion and protection of interests of 1941-1945 peoples' liberation war soldiers	91	0,40%
Promotion and protection of interests of soldiers - 1992-95 war veterans	818	3,62%
Promotion and protection of interests of 1992-1995 civilian victims of was and their families	72	0,32%
Promotion and protection of interests of family members of dead or missing participants in the 1992-95 war $$	212	0,94%
Promotion and protection of interests of stakeholders	153	0,68%
Promotion and protection of interests of children and youth	208	0,92%





Promotion and protection of interests of the unemployed	22	0,10%
Promotion and protection of interests of employers and enterpreneurs	168	0,74%
Promotion and protection of interests of displaced persons, refugees and returnees	311	1,38%
Promotion and protection of interests of the 1992-95 war invalids	272	1,20%
Promotion and protection of interests of the 1992-1995 war prisoners	128	0,57%
Promotion and protection of interests of students	298	1,32%
Promotion and protection of interests of pensioners	229	1,01%
Promotion and protection of interests of employees (trade unions)	360	1,59%
Promotion and protection of interests of women	464	2,05%
Protion and protection of users of public services	144	0,64%
Promotion and protection of socio-economic interests of other socials groups	81	0,36%
	65	0,29%
Promotion and practicing of religions	32	0,14%
Promotion and development of interreligious dialogue	5	0,02%
Promotion and practicing of spirituality	8	0,04%
Other religious and spiritual activities	20	0,09%
Social activities	727	3,22%
Assistance to other persons in social need	27	0,12%
Assistance and support to families with children with special needs	111	0,49%
Assistance and support to persons with chronig diseases and disablities	424	1,88%
Assistance and support to addicts	16	0,07%
Assistance and support to the elderly	19	0,08%
Assistance and support to victims of domestic violence	2	0,01%
Prevention of violence	1	0,00%
Provision of social services	10	0,04%
Solidary assistance to death related issues	46	0,20%
Other social activities	71	0,31%
American football	4	0,02%
Athletics	77	0,34%
Auto moto sport	486	2,15%
Badmington	16	0,07%
Cycling	83	0,37%
Boccia	40	0,18%
Body building and fitness	140	0,62%
Martial arts	975	4,31%
Weight lifting	16	0,07%
Extreme sports	41	0,18%
Gymanstics	28	0,12%
Golf	11	0,05%





Horse riding	61	0,27%
Basketball	342	1,51%
Bowling	66	0,29%
Hunting	103	0,46%
Fencing	3	0,01%
Fan groups	83	0,37%
Football	1222	5,41%
Vallyball	225	1,00%
Paintball	17	0,08%
Mountineering	211	0,93%
Rafting	27	0,12%
Ragby	25	0,11%
Fishing	201	0,89%
Snorkling	28	0,12%
Handball	228	1,01%
Water sports	85	0,38%
Recreational sports	402	1,78%
Table tennis	94	0,42%
Darts	141	0,62%
School of sport	42	0,19%
Tennis	152	0,67%
Water sports	73	0,32%
Winter sports	121	0,54%
Other sport activities	642	2,84%
Representation of professional interests	2.082	9,21%
Promotion and protection of interests of professionals of economic-financial background	37	0,16%
Promotion and protection of interests of professionals of construction background	23	0,10%
Promotion and protection of interests of professionals of forestry and wood processing background	22	0,10%
Promotion and protection of interests of professional of health background	155	0,69%
Promotion and protection of professionals of IT background	15	0,07%
Promotion and protection of interests of professionals of criminal studies background	13	0,06%
Promotion and protection of interests of journalist professionals	16	0,07%
Promotion and protection of interests of pedagogues	121	0,54%
Promotion and protection of interests of agricultural producers	991	4,38%
Promotion and protection of interests of lawyers	36	0,16%
Promotion and protection of interests of professional artists	156	0,69%
Promotion and protection of interests of transport professionals	130	0,58%
Promotion and protection of interests of traders	10	0,04%
Promotion and protection of interests of tourism professionals	33	0,15%





Promotion and protection of interests of craftsmen	13	0,06%
Other activities on promotion and representation of professional interests	311	1,38%
	181	0,80%
Voluntary firemen	126	0,56%
Search and rescue	29	0,13%
Mine protection	22	0,10%
Other activities on protection and rescue	4	0,02%
Protection of human rights	344	1,52%
Free legal aid	20	0,09%
Right to access to information of public interest	1	0,00%
Right to protection of language and national identity	42	0,19%
Right to protection of personal data	0	0,00%
Gender equality	0	0,00%
Combating and protection against discrimination	2	0,01%
Protection of authors' rights	5	0,02%
Protection of the unemployed	0	0,00%
Protection against mobbing	1	0,00%
Protection of consumers and users of services	15	0,07%
Protection of rights of the homeless	0	0,00%
Protection of rights of children and youth	5	0,02%
Protection of rights of LGBT population	2	0,01%
Protection of rights and dignity of workers	1	0,00%
Protection of rights of national minorities	175	0,77%
Protection of rights of the elderly	1	0,00%
Protection of rights of patients	1	0,00%
Protection of displaced persons and refugees	0	0,00%
Protection of rights of sexual and gender minorities	1	0,00%
Protection of rights of asylum seekers and foreigners under subsidiery protection	0	0,00%
Protection of rights of prisioners	18	0,08%
Protection of whisle-blowers	0	0,00%
Protection of religious rights and freedoms	1	0,00%
Protection of victims of domestic violence	0	0,00%
Protection of victims/witnesses	0	0,00%
Other activities on the field of fulfilment and protection of human rights	53	0,23%
	895	3,96%
Protetion of nature and natural haritage	653	2,89%
Protection of animalsa	224	0,99%
Other activities in the field of environment, nature and natural haritage protection	18	0,08%
	345	1,53%
Preventive activities, enhancement and protection of health	190	0,84%





Voluntary blood donation	24	0,11%
Prevention and combating addictions	56	0,25%
Other activities in the field of health protection	75	0,33%
Other areas of activities	1.031	4,56%
Not determined	1.347	5,96%
TOTAL	22.601	100,00%