

ANTI-CORRUPTION HELPDESK

PROVIDING ON-DEMAND RESEARCH TO HELP FIGHT CORRUPTION

BOSNIA AND HERZEGOVINA: OVERVIEW OF POLITICAL CORRUPTION

QUERY

Can you provide an overview of and background to recent measures taken to address political corruption in Bosnia and Herzegovina? We are particularly interested in elections, political party financing, codes of conduct, asset declaration, immunity, conflict of interest and lobbying.

CONTENT

1. Overview of political corruption in Bosnia and Herzegovina
2. Elections
3. Party financing
4. Immunity
5. Codes of conduct for politicians
6. Conflict of Interest
7. Asset declaration
8. References



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SUMMARY

In Bosnia and Herzegovina, political corruption at all levels of government remains a serious and ongoing concern. The widespread popular protests that shook the country in February 2014 were at least partly motivated by societal frustration with a structurally corrupt political system, as well as with the apparent lack of political will to tackle this situation.

Successive European Commission and Group of States against corruption (GRECO) assessments have repeatedly underlined that Bosnia and Herzegovina needs to step up the fight against corruption, a key precondition for its accession to the European Union. Nevertheless, the track record of the Bosnia and Herzegovina institutions on the issue of corruption, including political corruption remains rather poor. Most worryingly, recent reforms appear in some cases to have weakened existing anti-corruption legislation, thus undermining previously obtained achievements.

1 OVERVIEW OF POLITICAL CORRUPTION IN BOSNIA AND HERZEGOVINA

Background

The 1995 Dayton Peace Accords marked the end of the three-and-a-half-year long Bosnian war and established a government structure based on two ethnically based sub-state entities with a large degree of autonomy: the mainly Bosniak and Croat Federation of Bosnia and Herzegovina (BiH) and the predominantly Serb Republica Srpska. In order to prevent further escalation of ethno-nationalist tensions, it also introduced complex power-sharing arrangements requiring the presence of representatives from all three of BiH's "constituent peoples" (Bosniaks, Croats and Serbs) in central government.

In the post-conflict period, the international community acted as the main driver of the democratisation process, supporting far-reaching institutional reforms, the establishment of a market economy and infrastructural development. A UN-mandated High Representative for Bosnia and Herzegovina also exercised executive power granting him authority to impose decisions on central state institutions and to amend constitutional obstacles to the peace process (Bertelsmann Foundation 2014).

As the international community has begun to withdraw, the last few years have witnessed a resurgence of nationalist rhetoric with demands for independence from various ethnic groups within BiH. This, together with a general lack of political will from the ruling elite, has significantly hampered the economic development of the country, weakening its candidacy for accession to the European Union.

In February 2014, widespread popular protests broke out in several of the major cities in the country, and particularly in the entity of the Federation of Bosnia and Herzegovina. Next to unemployment, corruption and political inertia were the key drivers of the unrest, which also led to the resignations of several canton-level ruling politicians. In the 45th Report to the Secretary General of the UN, the High Representative for Bosnia and Herzegovina even characterised the February protests as "a call for

elected officials and political parties in BiH to change their approach, especially on corrupt patronage networks that underpin the public sector" (OHR 2014).

Referring to the protests as "the Bosnian Spring", several commentators have interpreted the events as a sign that civil society actors in the country might be ready to take on a more assertive and proactive role in the fight against corruption, and that new forms of participatory democratic politics might be on the rise (Balkan Insight 2014a). Only a few months after the protests have faded, it remains to be seen whether these potentially promising developments will be able to act as a catalyst for far-reaching societal change.

Extent of corruption

Corruption is one of the main challenges faced by Bosnia and Herzegovina. The country ranked 72 out of 177 countries assessed in Transparency International's 2013 Corruption Perceptions Index. With a score of 42 out of 100, its performance is the third worst among the Balkan countries, only better than Albania and Kosovo (Transparency International 2013a).

The findings of the 2013 Global Corruption Barometer also offer a rather bleak picture: 34 per cent of respondents stated that corruption has increased a lot in the two previous years, 63 per cent believe that corruption is a serious problem in the country, and 31 per cent maintain that the government is very ineffective in the fight against corruption (Transparency International 2013b). A UNODC study (2013) also found that one in ten businesses who had had contact with a public official in the 12 months prior to the survey had paid a bribe to a public official. Among private individuals, the figure was as high as 20 per cent.

The last European Commission Progress Report (2013) also concluded that corruption remains widespread, with an insufficient track record of investigation and prosecution. Criticising recent amendments to key pieces of legislation regarding the financing of political parties, conflicts of interest and access to information (see below), it also urged BiH authorities to step up the implementation of the state-level anti-corruption strategy and action plan. Indeed, the adoption of more effective and

comprehensive anti-corruption measures remains a key precondition for Bosnia and Herzegovina's accession to the European Union.

Political corruption in Bosnia and Herzegovina

Political corruption refers to the “manipulation of policies, institutions and rules of procedure in the allocation of resources and financing by political decision makers, who abuse their position to sustain their power, status and wealth” (Transparency International 2009).

In Bosnia and Herzegovina, political corruption remains a widespread and ongoing concern. Despite recent progress, political party financing and expenditure remain opaque, politicians and public officials suspected of corruption continue to enjoy de facto immunity, and conflict of interest and asset declaration rules are not effectively implemented. In general, the multi-level state structure of Bosnia and Herzegovina gives rise to a complex and sometimes contradictory legislative framework, which in some cases poses a major obstacle in the fight against corruption. Moreover, implementation of existing regulations remains partial and inconsistent, underlying the need for effective monitoring and sanctioning mechanisms.

The findings of the Transparency International (2013) Global Corruption Barometer show that respondents in Bosnia and Herzegovina identify politicians as the most corrupt institutional actors, with a staggering 77 per cent of those interviewed feeling that politicians are corrupt or very corrupt. More than two-thirds of respondents also said that the government is run either entirely or to a large extent by a few big entities acting in their own self-interest.

This answer provides an up-to-date overview of political corruption in Bosnia and Herzegovina, covering the areas of election, political party financing, immunity, codes of conduct, conflict of interest and assets declaration rules. The topic of political lobbying is not included as no sufficient information could be found.

2 ELECTIONS

Overview

In the aftermath of the conflict, the Dayton Peace Accords established the creation of a Provisional Election Commission (CEC) formed by the head of the OSCE Mission, the High Representative and representatives of Bosnian political parties. The Commission had comprehensive responsibility for registering and vetting political candidates, ensuring an open and fair electoral campaign, as well publishing and certifying election results. Its rules and regulations had priority over domestic laws (Sahadžić 2009).

The first general elections to be fully administered by BiH authorities were held in 2006, and subsequently in 2010. Municipal elections were also held in 2008 and 2012. These have been considered to be broadly in line with international standards of freedom and fairness. In the last general elections, for instance, international observers assessed the voting process as “good” or “very good” in 95 per cent of polling stations (OSCE 2010). Nevertheless, a UNODC (2011) report has found evidence of vote-buying at recent national and local elections, with 7 per cent of citizens being asked to vote for a certain candidate or political party in exchange for money, goods or favours.

In the run up to the 2014 general elections, concerns were expressed about the state-level parliament's lukewarm attitude toward the implementation of constitutional court rulings concerning the new names of municipalities in Republika Srpska and in the southwestern city of Mostar, which posed legal obstacles to call the general elections (Balkan Insight 2014b). Bosnian MPs finally adopted the necessary changes to the law in January 2014, enabling the Central Election Commission to call nationwide elections for October 2014 (Balkan Insights 2014b).

Legal framework

The 2001 Election Law of Bosnia and Herzegovina introduced detailed regulation on the conduct of elections, the competences of responsible authorities, as well as campaign financing, media coverage, protection of electoral rights and the rules of conduct in the election campaign.

While the legal framework is regarded as providing a satisfactory basis for the conduct of democratic elections overall, its ethnicity-based limitations to the right to stand have been the object of persistent criticism and a central obstacle to BiH's application for EU membership (European Commission 2014). In the context of the power-sharing settlement established by the Dayton accords, only members of Bosniak, Serb and Croat ethnic groups may be elected to the presidency and the House of Peoples (Epoch Times 2013). In the landmark 2009 Sejdic/Finci case, the European Court of Human Rights found that this constitutional provision violated the European Convention on Human Rights (Economist 2013). Despite strong international pressure to amend the law, however, BiH elected officials have been incapable or unwilling to make the necessary changes, consequently incurring a cancellation of pre-accession funding from the European Commission (European Voice 2013).

Oversight and implementation

The Central Election Commission (CEC) is the permanent body responsible for the overall conduct of the elections. Its members are appointed for a seven-year term by a Commission for Selection and Nomination comprising of members of the High Judicial and Prosecution Council, representatives of the High Commissioner Office and current members of the CEC itself. The CEC's membership composition reflects the power-sharing principle underpinning the Dayton accords, with two Bosniaks, two Croats and two Serbs plus one member of "other" ethnicity. The chairperson is elected internally on a rotating basis for a period of 21 months. (OSCE 2010)

CEC has responsibility for a variety of different election-related activities including issuing of relevant regulations, preparing ballots and other electoral material, maintaining the Central Voter Register, certifying candidates and publishing their financial statements, investigating violations of the law on political party financing, accrediting domestic and international observers, processing and announcing results, investigating complaints and appeals. The CEC is generally considered to enjoy the confidence of electoral stakeholders and to function efficiently (OSCE 2010), although it has also been suggested that the

transition to full domestic management of elections has been accompanied by a greater degree of politicisation in its work (Bertelsmann Foundation 2014).

In administering general elections, the CEC is supported by a structure of permanent Municipal Election Commissions (MECs) appointed by municipal authorities with the approval of the CEC, and responsible for overseeing voting and counting in polling stations and for the tabulation of preliminary election results (OSCE 2010). While MECs are generally perceived as well organised and appropriately trained, this two-tiered level of administration – further complicated by an additional layer of polling commissions – suffered somewhat from weak internal reporting mechanisms, with some detrimental impact upon accuracy and timeliness of communication (OSCE 2010).

3 PARTY FINANCING

Legal framework

The political party financing system is governed by a number of different legislative acts, including the BiH Law on Political Parties Financing (as amended in July 2010, and subsequently in September 2012), Brčko laws on political party financing, Republic of Srpska laws regulating the distribution of budget funds for political party financing, as well as relevant sections of the BiH Election Law, the BiH Law on Conflict of Interest and the BiH Law on Administrative Procedures.

Recognising that the number of laws regulating party financing creates inconsistencies and uncertainty, the BiH government established an inter-ministerial task force to harmonise political party financing legislation. However, the last GRECO report (2013) found little evidence of progress on this issue.

Moreover, recent amendments to the law in 2012 were criticised by civil society organisations and international institutions for relaxing the limitations on political party financing, thus condoning previously criminalised practices (see below). It has also been alleged that the amendments were themselves unconstitutional as they violated legislative drafting rules prohibiting amendments of legal acts that exceed one-half of the act's content (Balkan Trust for Democracy 2012).

According to the law, political parties are allowed to receive contributions from natural persons (not exceeding KM10,000 per year, or KM15,000 per year including membership fee [US\$6,970 and US\$10,455 respectively]) and from legal entities (not exceeding KM50,000 per year [US\$34,850]). No specific limits on donations for electoral campaigning are placed, but normal limits apply. However, there are no limits placed on the amount that a donor can contribute to an individual candidate.

Donations to political parties and individual candidates from foreign interests, corporations with government contracts, trade unions, and anonymous donors are banned under the BiH Law on Political Party Financing. The 2012 amendments provided exceptions allowing foreign funding for education programs, use of administrative bodies' business premises and funding from companies entered into public procurement contracts below a certain value, raising concerns that previously illegal practices may now be condoned. (GRECO 2013)

Public funding for political parties in relation to campaigns is also provided by law, proportionally to the number of seats held in national public bodies. Public funding is not "ear marked", however, meaning that there are no specific provisions defining the range of activities on which political parties can legitimately spend the public money they receive.

In order to address the problem of unaccounted money flows, the 2012 amendments to the BiH Law on Political Party Funding also introduced an obligation for parties to keep records and issue receipts for membership fees and voluntary donations, as well as to deposit all contributions directly to the transaction account of the political party.

Responsibility for the monitoring of expenditure within the context of electoral activities is placed with the CEC by the BiH Election Law. However, the CEC only monitors whether the limits on campaign expenditure were exceeded, claiming not to have authority for detailed audits of party expenditure. Outside election campaigns, no clear monitoring system for parties' expenditure is in place. The 2012 amendments established that parties are allowed to spend their funds only for the purposes of achieving

the goals set by the programs and statutes of political parties, but did not explicitly specify legitimate activities. The lack of an obligation to payment of expenditure through the banking system also exacerbates the issue of financial traceability (GRECO 2013).

Political parties are obliged to submit to the CEC a financial report for each calendar year, as well as a special financial report for the period of the electoral campaign. The reports are also made publicly available on the CEC website. However, only general information from the reports (the overall amounts) are published, leading to concerns that this may not be sufficiently detailed to enable public accountability.

Moreover, public access to information on party financing is widely considered as an area of weakness: information on private donations and the identity of donors can only be consulted on the premises of the CEC after a written request for access, which does not provide the necessary simplicity and timeliness (GRECO 2013)

With regard to penalties, the BiH Election Law allows for fines of up to KM10,000 (US\$6,970), as well as the removal of a candidate from the candidate list, and the de-certification of a political party. Moreover, the Law on Financing of Political Parties establishes financial penalties from KM500 to KM5,000 (US\$348.50 to US\$3,485) for illicit expenditures and/or failure to keep financial records, as well as fines not exceeding three times the unlawfully received sum in the case of funds that are in excess of the allowed annual income or contribution limit, or that have been obtained in a prohibited manner.

However, neither the Election Law nor the Law on Political Party Financing provide for the suspension of budget appropriations to political parties for failure to comply with the financing and reporting rules. Moreover, several observers have assessed the sanctions as being too low to provide an effective deterrent against illicit forms of political party financing (Transparency International BiH 2011).

Oversight body

The CEC has the responsibility for investigating violations of the political party financing regulations, either on its own initiative or in response to a

complaint filed by an individual. It has the power to order individuals to answer written questions, as well as to provide documentary evidence and testimony. The CEC also has the authority to determine whether a political party or candidate has acted in breach of the law's provisions and to administer penalties for non-compliance. Appeals against CEC decisions are heard by the BiH Appeal Council (GRECO 2010).

Implementation

Implementation is widely regarded as the most problematic aspect of the fight against corruption in the context of political party financing. A Transparency International BiH study (2011) found that the CEC pursued a relatively liberal policy toward illicit political party financing, focusing on minor recommendations for improvements to reporting, rather than prosecutions and sanctions. More recently, the CEC seems to have adopted a stricter line, initiating proceedings against 33 political parties for violations of the Law on Financing of Political Parties (Balkan Trust for Democracy 2013). However, experts consulted in the framework of this answer have pointed out that on many occasions the courts have overturned the CEC's decisions, suggesting that sanctioning of violations of political party financing regulation remains problematic.

However, the CEC continues to lack the appropriate resources to implement party financing regulation in an effective and comprehensive manner. This has also been corroborated by a recent report produced in the context of Transparency International's Crinis project, which highlighted sanctions, prevention and access to information as the weakest dimensions in the fight against illicit political party funding (Transparency International BiH 2010). Recommendations put forward by GRECO (2013) that the CEC be required to report suspicion of criminal offences to, and collaborate with, tax and law enforcement authorities has remained unheeded to date.

4 IMMUNITY

Legal framework

Immunity of BiH key public officials is regulated by the various state- and entity-level constitutions. On

both levels, the laws provide "on duty" immunity from civil and criminal liability for heads of state, ministers and cabinet members and members of the parliament (for the duration of their mandate). They also stipulate that immunity should not be a general obstacle for criminal and civil prosecution of the key public officials. Different rules of procedure exist at the state- and entity-levels for lifting the immunity of public officials. At all entity levels, immunity decisions can be appealed to the relevant constitutional court. The fragmented nature of anti-corruption legislation and the lack of harmonisation at different levels of government pose a significant obstacle to effective detection and prosecution (Regional Anti-Corruption Initiative 2011a).

Implementation

In practice, impunity for state officials suspected of corruption remains the norm in Bosnia and Herzegovina. In 2010, for example, only two final verdicts for cases of corruption resulted in jail sentences and 70 per cent of corruption investigations were dismissed (Transparency International 2013a). While noting that some law enforcement operations had led to the arrest of a number of civil servants suspected of various forms of corruption, the European Commission Progress Report (2013) was also critical of the focus on minor cases, while high level cases often resulted in the dropping of charges, acquittals or suspended sentences. Experts consulted in the framework of this answer have pointed out that almost all of the high profile investigations never even reach trial, but are predominantly used as a means of settling conflicts between political parties.

In the most high-profile case, the Republika Srpska (RS) special prosecutor's office dropped a corruption and abuse of office investigation into RS President Dodik and other senior officials in December 2011, after the case had been transferred from the state to the entity prosecutor following political pressures (Bertelsmann Foundation 2014). RS leaders also advocated repealing a legal provision that allows the state-level prosecutor and court to take over entity investigations and cases, which would result in de facto immunity for senior RS officials. In June 2011, the cantonal court in Mostar acquitted the leader of the largest Croat party and former member of the BiH presidency, Dragan Covic, of corruption charges in

connection with the privatisation of a mobile phone subsidiary of a Mostar-based telecommunications company (Bertelsmann Foundation 2014).

More recently, the arrest of a number of high-level officials has been seen by some civil society organisations as a sign of a new political will to fight corruption at the highest level of government. In November 2013, the president of the Bosnian Federation, Zivko Budimir, was indicted over corruption and abuse of office for pardoning convicts sentenced for serious crimes (Reuters 2013). Dusan Gavran, director of the national agency in charge of landmine removal, was arrested in April 2014 on charges of corruption and abuse of public position. A month earlier, former Prime Minister Nedžad Branković was also placed under investigation for his role in the privatisation of the state oil company Energopetrol, which is alleged to have caused more than €15 million in damages to the state budget. It remains to be seen whether prosecution of these cases will be successfully completed (Regional Anti-Corruption Initiative 2014).

5 CODES OF CONDUCT FOR POLITICIANS

Legal framework

In 2006, the BiH Parliamentary Assembly established a working group within the Joint Committee on Human Rights, Rights of Children, Youth, Immigration, Refugees, Asylum and Ethics (JCHR) to draft a code of conduct for MPs. After a slow process of consensus-building, the House of Representatives and the House of Peoples finally adopted amendments to the code in identical texts in September 2011, but the Implementation Act approved by the Joint Committee on Administrative affairs was later rejected by the JCHR, with a request to revise the entire code of conduct (OSCE 2012).

With regards to public officials, the Law on Changes and Amendments to the Law on Civil Service in BiH established a legal basis for the adoption of a code of conduct for civil servants at state level. A draft code of conduct for civil servants was prepared by the BiH Civil Service Agency, which contains a number of provisions relating to the prevention of corruption and sanctioning should civil servants engage in such

activities (provisions relating to gifts, allowable activities outside of duty, conflicts of interest in relation to external entities, functional conflict, the obligations of civil servants and bans for civil servants). The [code of conduct](#) was eventually adopted by the Council of Ministers in May 2013.

At entity level, codes of conduct for civil servants are already in place. The Civil Service Agency of Federation BiH (FBiH) adopted changes and amendments to the Code of Ethics for Civil Servants in FBiH (FBiH Official Gazette issue 82/09) which incorporate provisions to regulate specifically the question of understanding the concept of the risk of corruption and concept of ethics, as well as conduct of civil servants in accordance with prescribed rules. In Republika Srpska, an amendment to the code of conduct for Republika Srpska civil servants was adopted in September 2009, which included rules for civil servants on reporting suspected corruption cases in government administration bodies, as well as the manner of protection for those civil servants who report a suspicion of corruption. Also, the above mentioned amendment to the code identified rules regulating the transfer of civil servants in the private sector in order to avoid conflict of interest (OSCE 2012).

Implementation

In the context of this answer, it was not possible to find any assessment of how the code is implemented and enforced.

6 CONFLICT OF INTEREST

Legal framework

The BiH Law on Conflict of Interest in the Institutions of Government, imposed by the High Representative in 2002, established strict measures to prevent and tackle the issue of conflict of interest within state institutions. It prohibited elected officials, executive office holders and advisors from carrying out any official action that would directly affect private enterprises in which they, or their close relatives, had a financial interest. The law also declared serving on the management board, steering board, supervisory board, or executive board of a public or private enterprise incompatible with the public duties of

elected officials, executive office holders or advisors. Finally, it determined that violations to the provisions could be sanctioned with fines up to KM10,000 (US\$6,970) and ineligibility to stand for any elected office for a four-year period.

Such strict conflict of interest rules were vastly unpopular among the country's ruling politicians who, in 2012, proceeded to amend the law in a rare example of cross-ethnic parliamentary consensus. The amendments abolished the suspension of public officials suspected of conflict of interest, as well as the ineligibility sanctions prohibiting violators to run for public office. Moreover, the definition of relatives of public and elected officials has been limited to include only members of the same household. The limit on contracts for personal services of public officials was also increased from €2,500 to €10,000 per year (SETimes 2012).

The reform was strongly criticised by civil society organisations and by the international community for watering down both the definition of and the sanctions against conflicts of interest, making it easier for public officials to elude restrictions necessary for the prevention of corrupt practices (BiH US Embassy 2013). In 2012, for instance, political leader and media tycoon Fahrudin Radonic was able to be appointed security minister after having divorced his wife and selling her his €100 million business only a few months before (Freedom House 2013).

Oversight

The BiH Law on Conflict of Interest designated the Central Election Commission (CEC) as the body responsible for enforcing the regulation, giving it a general remit to ensure political accountability of elected officials and executive office holders, and conferring upon it the authority to determine and sanction violations of the law.

In 2013, the BiH Parliament adopted a new set of amendments establishing that the responsibility for deciding conflicts of interests should be transferred from the CEC to a commission comprised of parliamentarians and officials from the country's anti-corruption agency. The move was criticised by civil society organisations and international observers for failing to guarantee the necessary independence of

the scrutiny and enforcement process, while opening doors to undue political influences (Balkan Insights 2013b). The new commission is still not functional. Experts consulted within the framework of this answer have also pointed out that the implementation of the laws on FBiH and Brcko district levels has in practice been blocked since the CEC was in charge of their implementation and its staff is currently moving to the new commission.

Implementation

Observers had long identified a number of problems with the implementation of the conflict of interest law. The lack of harmonisation between the various state and entity level legislative acts created discrepancies in relation to persons to whom these laws apply, as well as sanctions for identified cases of conflict of interest. Republic of Srpska legislation was considered particularly problematic, as it legalised a wide range of conflicts of interest prohibited under national law, creating problems for the enforcement activities of the CEC. (OSCE 2010)

Several observers had also pointed out that, given its limited resources and its central duty in organising elections, CEC had insufficient capacity to effectively monitor and implement the provisions of the Law on Conflict of Interest. The enforcement activities of the CEC were thus mostly limited to low-level cases: in 2010, for instance, only two (or 6 per cent of total) sanctions referred to officials who discharged their duty at state level and none of them related to officials at entity level in 2010 (Regional Anti-Corruption Initiative 2011b). Moreover, even when sanctions had been determined, these were often not implemented in practice. According to the CEC data, for instance, of the 120 sanctions against officials that had been determined in 2010, only a dozen of them were actually implemented. Sanctions have also tended to target lower-level officials; no officials on the entity or state level have been targeted under these provisions (SETimes 2012).

7 ASSET DECLARATION

Legal framework

The asset declaration system in Bosnia and Herzegovina is regulated by a number of different

laws (ReSPA 2013).

The BiH Election Law establishes an obligation to submit asset declaration forms for all elected officials at all levels, including data on the wealth of candidates and members of their immediate family (spouse, children and household members). Depending on the level of government, the forms must be submitted at the announcement of their candidacy, at the beginning of the mandate and/or at the end of the mandate. Failure to submit the asset declaration is punishable by a fine ranging from KM200 to KM3,000 Bosnian convertible marks (approximately US\$139 to US\$2,091).

The BiH Law on Conflict of Interest in Governmental Institutions also obliges elected officials to submit regular financial reports under material and criminal liability for the authenticity of the information provided. While the CEC is required to refer suspicions of malpractice to the competent prosecutor's office, the law does not prescribe any penalty if officials fail to submit their asset declaration form.

The Law on Amendments to the Law on the Council of Ministers also requires ministers in the Council of Ministers to deliver a CEC statement, which, among other categories, also contains an asset declaration, which are subsequently vetted by the State Investigation and Protection Agency.

Finally, the Law on the Civil Service of BiH sets forth the obligation of civil servants and of their immediate family members to submit an asset declaration when appointed to a specific position in the civil service.

Oversight

The CEC is responsible for carrying out the monitoring of the procedure of submitting data on the property of elected officials, executive functionaries and advisors. While the CEC was until recently mandated to publish these financial statements on its website, it was not responsible for their accuracy or for any related complaints. Following a 2012 decision by the BiH Agency for the Protection of Personal Data, however, the CEC is no longer allowed to automatically publish financial statements online, but only to provide access to them upon specific request. The CEC Unit for the Implementation of the Law on the Conflict of Interest in the Governmental

Institutions of Bosnia and Herzegovina can also refer suspicions of violations to the competent prosecutor office.

The Agency for the Prevention of Corruption and Coordination in the Fight against Corruption is in charge of processing the asset declarations of civil servants (ReSPA 2013).

Implementation

On the whole, monitoring of asset declarations remains of a basic nature, with a focus on whether the declaration is formally complete and in accordance with established deadlines (ReSPA 2013). As there is no legally defined mechanism for checking the plausibility of asset declarations, public scrutiny – especially that of the media and the NGO sector – remains the main instrument to ensure the transparency of the process.

Consequently, the formal system of asset declaration has been characterised as “unfinished”, and has been particularly criticised for its excessive reliance on the principle of voluntarism in compliance to the laws and obligations. Media investigations have revealed that underreporting of earned income, income discrepancies, and failure to report shares in companies and real estate were widespread among ruling and opposition politicians alike (ReSPA 2013).

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