

EU – Bosnia and Herzegovina Stabilisation and Association Agreement

7th Public Administration Reform Special Group

Date: 16th of April 2024

Recommendations¹

SUMMARY OF POLITICAL HIGH PRIORITY RECOMMENDATIONS FOR THIS DIALOGUE UNTIL NEXT YEAR

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| <ul style="list-style-type: none">• Improve the Programme of Integration with the EU in line with EU comments , with a view to the adoption of a programme in line with SAA art. 70.3 requirements (<i>national programme for the adoption of the EU acquis</i>) and upgrade of DEI quality assurance role in EU Acquis Alignment and adopt a methodology on coordinated alignment with EU Acquis;• Adoption of the Action Plan on PAR and its costing; improve functioning of Coordination structures and increase number of staff in relevant units of entities' PAR Coordinators and train them better to steer thematically PAR. Additionally, review internal organisation of PARCO to improve its functioning. t.in providing thematic guidance and coordination on PAR also to other levels.• Amend the civil service laws in line with merit and with each other for a professional and depoliticised civil service and fill the open vacancies of assistant ministers at the state and Federation of Bosnia and Herzegovina level;• Adoption of the state level regulation on country-wide strategic policy planning and designation of a single institution at the state level in charge of policy planning• Improve the countrywide Public Finance Management Strategy to include more coordinated activities across levels and improve the related monitoring accordingly |
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1. *Public Administration Reform Strategic Framework (PAR SF)*

- 1.1 Establish a clear calendar of meetings for the functioning of the **political decision-making body** – so called **Coordination Board(CB) -, and for the overall functioning of the Common Platform** (Q2 2024).
- 1.2 All **PAR coordinators** should be **strengthened in their role** of steering implementation and monitoring the new revised Action Plan on PAR by reviewing the internal organisation of PARCO (Q3 2024), and upgrading capacities of the coordination structures at entities level of PAR coordinators, with an adequate number of personnel in order to fulfill their mandate in the PAR process (Q4 2024)".
- 1.3 Adopt and start implementing the new **Action Plan on PAR 2023-2027** according to a clear roadmap and timeline (Q3 2024), including the finalisation of costing, and increasing the budgetary ownership to at least 10% in order to reduce donor dependency on funding for the reforms (Q4 2024).
- 1.4 Organise systematic **consultation with civil society organisations** when monitoring and revising the Action Plan on public administration reform and address their feedback in both the monitoring reports and when revising the Action Plan on PAR (Q3 2024)
- 1.5 **Update the communication strategy** on PAR in line with the new Action Plan on PAR 2023-2027 (Q2 2024) and begin its implementation (Q2 2024) in order to

¹ PAR Special Group recommendations should be published in the PAR Coordinator's websites at each government level and provide the links to the European Commission.

increase awareness of the governments and society on PAR matters, and in particular the importance of PAR in the EU integration process.

- 1.6 Establish a roadmap in attracting donors for the implementation of the Action Plan on PAR (Q3 2024) and launch an **effective mechanism on donor coordination**, in order to ensure coverage in funding for all the activities within the timeframe of the revised Action Plan. Organise the first donor coordination meeting in (Q4 2024), and continue to do so bi-annually.

2. Public Finance Management (PFM)

- 2.1 Improve the **PFM annual monitoring methodology** to provide a clear overview on countrywide results and not only implemented activities, reflecting on countrywide challenges and risks per PFM pillar. Conduct a comprehensive mid-term review of the strategy reflecting on stronger countrywide PFM efforts and activities and strengthen the application of IT for data collection in the PFM monitoring phase for countrywide overview (Q4 2024).
- 2.2 Organise the **PFM dialogue** on 21st of May including key relevant donors, civil society organisations, and relevant public institutions from all government levels.
- 2.3 **Advance following PFM reforms** in areas relevant for PAR, and as part of the forthcoming **PFM dialogue**:
 - 2.3.1 adopting the relevant **Public investment management decrees** at state and *Republika Srpska* level and establishing a Public investment department at the Brcko District level with adequate staff (42024).
 - 2.3.2 improving the **quality of the budget process** by adhering to state budget law, timely adoption of the global fiscal framework as a precondition for the next budget cycle (Q3 2024). Ensure that all reforms/processes having fiscal impact are properly reflected in the fiscal frameworks/budgets.
 - 2.3.3 enhancing the **credibility of the medium-term budget frameworks** by (1) improving the links between annual strategic planning and annual budget process and (2) strengthening capacities for forecasting and modelling and by enhancing coordination in this area;
 - 2.3.4 All levels of governance should work towards ensuring IT pre-conditions in order to implement the law on **programme budgeting** and **medium-term budget planning** and adopt similar legislation at state level and in the *Republika Srpska* entity by (Q2 2025);
 - 2.3.5 Ensure effective fiscal risk oversight function (also covering fiscal risks from **state-owned enterprises (SOEs)** by ensuring that this function is clearly assigned to units in both entities, that tasks are clearly defined and corresponding staff and resources are allocated;
 - 2.3.6 Create and update in both entities a **publicly available SOE register** with a complete, searchable list of all SOEs including comprehensive financial statements, audits and organisational information **based on a defined methodology**.

3. Civil Service and Human resource management

- 3.1.Continue strengthening **cooperation between ministries of justice/ and relevant civil service agencies** at each government level, by appointing assistance ministers at the state and FBiH level and continue cooperation in the **forum of directors** of civil service agencies to drive reforms in HRM area (Q2 2024).
- 3.2.Adopt **HRM methodologies** on monitoring civil service law implementation and human resources management, in a harmonised way across all levels of government (Q4 2024) and upgrade the HRMIS systems accordingly.
- 3.3.In line with the common policy framework, adopt and implement **HRM strategies** at the state, *Republika Srpska* and Brcko District levels (Q4 2024) and continue the implementation of the FBiH HRM Strategy at federation and cantonal level. Initiate the activities with a view of improving the HRM planning, job classification, job descriptions and job evaluation at all government levels in a harmonised way, by as well adapting those to new future skills required for IT staff (Q4 2024).
- 3.4.Adopt the improved legal basis on **public service registries** at entities level while clarifying institutional responsibilities (Q4 2024). Ensure functionality of HRMIS at all levels by providing enabling conditions related to the capacities for managing the registries and upgrading software (Q4 2024).
- 3.5.Harmonise the 11 civil service laws and human resource standards with each other, and appoint a **working group** among relevant ministries in charge of public administration with a view to finalising this process by (Q4 2024). This should involve harmonising the legal provisions for a common scope of civil service, equal standards on recruitment and selection procedures, compatible categories of positions and competences required for those in order to ensure **mobility and common standards in working conditions, functions and organisation of civil service**.
- 3.6.As a matter of urgency, **align the civil service laws with merit principles**, in both entities and state level (Q3 2024); the Federation entity also needs to coordinate such alignment with the cantons and finalise the process of amending the laws (Q3 2024).
- 3.7.Put an end to practices that do not ensure **merit-based recruitments** and a well-functioning civil service, particularly by opening regularly the vacancies and organising recruitments based on open competitions at senior management level when a mandate expires, reducing acting managerial positions and temporary contracts at the *Republika Srpska* level.
- 3.8.Establish necessary mechanisms in order to be able to **collect systemic missing data** i.e. in the area of appeals against recruitments and dismissals in RS and BD.

4. Policy Development and Coordination

- 4.1.BiH Council of Ministers designates one single institution in charge of co-ordination and quality assurance of strategic (sector) planning and one single regulation for strategic planning at the level of BiH institutions. (Q4 2024)
- 4.2.Prepare the overall **conceptual framework for countrywide strategic (sectoral) planning** by the Directorate of Economic planning (DEP) in co-ordination with the Ministry of Finance and Treasury of BiH, Ministry of Justice of BiH, Directorate of European Integration and General Secretariat of the

Council of Ministers of BiH and in close consultation with respective institution from all government levels in of BiH (Q4 2024). The relevant Supervisory Team and other bodies in the Common Platform are used as the main fora to discuss the aspects of the conceptual framework and regulatory framework for countrywide strategic (sector) planning.

- 4.3. **Based on the conceptual framework (including responsible institutions)** discussed and agreed among members in the **Coordination Board** (Q4 2024), the responsible institutions prepare the draft regulation on the countrywide strategic (sector) planning in co-operation with respective institutions from all government levels in BiH and submit to adoption in the BiH Council of ministers. The process will be supported by technical assistance and OECD-SIGMA (Q2 2025).
- 4.4. Improve the **Program of Integration with the EU** in line with EU comments, with a view to the adoption of a programme in line with SAA art. 70.3 requirements (*national programme for the adoption of the EU acquis*) (Q2 2024). Also share the analysis of the functioning of the 2016 Decision on the EU Coordination Mechanism (Q3 2024), accompanied by proposals to address the identified shortcomings, while upgrading DEI' quality assurance role in view of the next stages of the accession (Q4 2024) and develop a methodology for coordinated harmonisation on EU Acquis alignment between state, entities and cantonal level (Q4 2024).

5. *Accountability and Service Delivery*

- 5.1. PAR coordinators, together with parliaments at each government level should support the **implementation of Ombudsman's recommendations** by each government level and PAR Coordinators should escalate this to the attention of the Coordination Board for follow-up. In parallel, Ombudsman should also play a more pro-active role in employing all available communication channels with the executive and legislative branches of the various governance levels for a better communication of the Ombudsman's recommendations and (Q4 2024).
- 5.2. Ensure proper implementation of the **State-level Law on the Freedom of Access to Information** and timely adoption of the bylaws. Establish the Central Data Portal and implement the proactive publication of information (Q3/2024). Amend the State-level legislation with a view of establishing independent and specialised oversight mechanism, including the appeals procedure in the freedom of information matters (Q3/2024).
- 5.3. Develop legislation on **free access to information at Entity and Brcko District** level harmonised across the country and aligned with relevant European standards and EU acquis, by using SIGMA model law on free access to information as a basis for drafting new laws and fulfilling the TAIEX recommendations (Q3/2024). Submit to the Commission, before the adoption procedure, new draft laws at an early stage of preparation to ensure their alignment with the EU acquis and relevant standards.
- 5.4. Improve the **user-friendly administration**, by adopting a catalogue of e-services (Q4 2023), simplification of administrative procedures through adoption and application of a uniform methodology at state and entities level

for reducing administrative burden(Q3 2024), and adoption of the e-signature law (Q3 2024).

Follow-up actions

- Share monitoring reports on PAR and PFM once adopted
- Share Draft Action Plan on PAR
- Share calendar of Coordination Committee and draft agendas and minutes of the meetings
- Plan costing and as well calculate financial gap for the revised Action Plan on PAR, clarifying the activities and source of costing.
- Share fiscal impact assessment for the revised PAR Action Plan.
- Share the scope and calendar of cooperation for civil service agencies based on the forum of directors of civil service agencies
- Provide data on HRM template, where data has been missing: (1) acting position and expired mandates, (2) temporary contracts; (3) selection of best-ranked candidates
- Share draft law on civil service at all levels of government when they need to be consulted with EU and OECD- SIGMA and prior to adoption, in order to ensure alignment with principles on public administration.
- Follow up events on the NPAA: to organise a TAIEX workshop on the NPAA and a meeting between DEI, EU commission and OECD SIGMA on how DEI plans to improve the planning, reporting and costing of the NPAA and where OECD SIGMA could be of support in this specific scope of intervention.

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