



## Key findings on the 2020 Report on Bosnia and Herzegovina

Brussels, 6 October 2020

### Political criteria

During most of the reporting period the Parliamentary Assembly of Bosnia and Herzegovina was blocked for political reasons, which resulted in a legislative backlog, and the Council of Ministers acted in caretaker function, pending the appointment of a new government, which only took place in December 2019, 14 months after the general elections. The Federation entity government is still in a caretaker function. Bosnia and Herzegovina's Constitution remains in breach of the European Convention on Human Rights (ECHR), as per the Sejdić-Finci and related cases. No progress was made in improving the electoral framework in line with European standards and ensuring transparency of political party financing. Amendments adopted in July 2020 should allow holding local elections in Mostar for the first time since 2008. Preparations are also ongoing to hold the Stabilisation and Association Parliamentary Committee, as well as develop and adopt a national programme for the adoption of the EU acquis. No progress was made in ensuring an enabling environment for civil society. Meaningful and systematic consultations with civil society remain to be ensured.

Bosnia and Herzegovina is at an early stage with **public administration reform** (PAR) and there was no progress on ensuring a professional and depoliticised civil service and a coordinated countrywide approach to policy making. All levels of government adopted the strategic framework on public administration reform and now need to adopt the related action plan. A political body steering the coordination of public administration reform is not yet established. To guarantee a professional civil service, civil service procedures must be based on merit principles and free from political interference.

Bosnia and Herzegovina is at an early stage/has some level of preparation in the area of **judiciary**. No progress was made in this area during the reporting period. No appropriate action was taken to address the findings of the Expert Report on Rule of Law issues. Integrity reforms have met resistance from within the judiciary. Evident signs of deterioration require urgent measures to strengthen the integrity and regain citizens' trust in the judiciary, starting with a credible and rigorous system of verification of financial statements of judicial office holders. Obstructions to judicial reforms from political actors and from within the judiciary and the poor functioning of the judiciary undermine citizens' enjoyment of rights and the fight against corruption and organised crime.

Bosnia and Herzegovina is at an early stage/has some level of preparation in the prevention and **fight against corruption and organised crime**. No progress was made in addressing the Opinion key priorities and 2019 recommendations in this area, as well as the findings of the Expert Report on Rule of Law issues. Corruption remained widespread and is a serious concern, with all levels of government showing signs of political capture directly affecting the daily life of citizens. There are systemic shortcomings in the operational cooperation of law enforcement agencies and a very limited exchange of intelligence. The police is vulnerable to political interference. Financial investigations and asset seizures are largely ineffective. The contact point for cooperation with Europol is not yet operational. No steps were taken to establish cooperation with Eurojust. The country needs to improve its capacity and continue its efforts in the fight against terrorism and drug trafficking.

As regards **fundamental rights**, while the legislative and institutional framework is largely in place; a comprehensive strategic framework remains to be adopted. Some steps were made – notably, the Constitutional Court repealed the provision on the death penalty in the *Republika Srpska* entity constitution, and the first LGBTI Pride Parade took place peacefully in Sarajevo. Challenges remain on freedom of assembly, notably in the *Republika Srpska* entity. Significant reforms are needed to ensure that all citizens are able to exercise their political rights and to overcome the practice of 'two schools under one roof' and ensure inclusive and quality education for all. There was no progress on guaranteeing freedom of expression and of the media and the protection of journalists by ensuring the appropriate judicial follow-up to cases of threats and violence against journalists and media workers, and ensuring the financial sustainability of the public broadcasting system.

The EU has provided considerable support to Bosnia and Herzegovina to manage **migration**. The EU urges Bosnia and Herzegovina authorities to urgently take all necessary measures to prevent a humanitarian crisis from unfolding. The EU also expects violations of the law to be duly investigated. Bosnia and Herzegovina needs to ensure effective coordination, at all levels, of border management and migration management capacity, as well as the functioning of the asylum system.

As regards the **economic criteria**, Bosnia and Herzegovina has made limited progress and is at an early stage of establishing a functioning market economy. The quality of economic governance suffered from delays in government formation and insufficient cooperation at entity and state levels, paralysing among others progress towards improving the business environment which is held back by significant weaknesses, including in market entry and exit procedures, the rule of law and supervisory and regulatory institutions. Economic growth benefitted from strong domestic demand, reflecting sizeable inflows of workers remittances and low inflation. The public sector remained oversized and inefficient. The financial sector remained stable and lending increased, while unemployment has declined, partly due to a substantial labour force outflow. However, the economic impact of COVID-19 led to a sharp drop in economic activity and a marked deterioration in the labour market.

Bosnia and Herzegovina made limited progress, and remains at an early stage in terms of capacity to cope with the competitive pressure and market forces in the EU. The overall quality of education remained low, while measures to improve the transport and energy infrastructure have remained insufficient. The extent of structural adjustment has been limited, although there has been some diversification in the country's trade structure.

Bosnia and Herzegovina has continued to participate actively in **regional cooperation** and maintain good neighbourly relations. Progress on alignment with the EU Common Foreign and Security Policy has been made and should be further pursued.

Bosnia and Herzegovina is overall at an early stage/has some level of preparation regarding its level of preparedness and ability to take on the **obligations of EU membership** and needs to significantly step up the process to align with the EU acquis and implement and enforce related legislation. Limited to no progress was made on the different EU acquis chapters during the reporting period. Particular attention should be paid to the areas of free movement of goods, right of establishment and freedom to provide services, information society and media, agriculture and rural development, fisheries, transport policy, energy, economic and monetary policy, statistics, social policy and employment, enterprise and industrial policy, regional policy and coordination of structural instruments, education and culture, consumer and health protection, and financial control.

## **Key dates**

**June 2003:** The EU-Western Balkans Thessaloniki Summit confirms the EU perspective for the Western Balkans.

**June 2008:** Signature of the Stabilisation and Association Agreement and Interim Agreement on trade and trade-related issues.

**December 2010:** Visa-free travel to the Schengen area for the citizens of Bosnia and Herzegovina.

**September 2011:** Double-hatting of the Head of EU Delegation as EU Special Representative in Bosnia and Herzegovina, reinforcing EU's role in the country.

**June 2015:** The EU-Bosnia and Herzegovina Stabilisation and Association Agreement enters into force.

**February 2016:** Bosnia and Herzegovina submits its application for EU membership.

**September 2016:** The EU Council invites the European Commission to present its Opinion (*Avis*) on Bosnia and Herzegovina's EU membership application.

**February 2018:** The European Commission adopts its strategy for 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'.

**May 2019:** The European Commission adopts its Opinion to the EU Council on the membership application of Bosnia and Herzegovina, including 14 key priorities.

**December 2019:** The EU Council adopts conclusions on the Commission's Opinion, endorsing the 14 key priorities therein as the conditions for Bosnia and Herzegovina to fulfil in order to be recommended for the opening of accession negotiations.

**February 2020:** Revised methodology, presented by the Commission, to drive forward the

enlargement process with a stronger political steer and in a more credible, predictable, dynamic way.

**May 2020:** EU-Western Balkans Zagreb Summit.

**October 2020:** Commission proposes Economic & Investment Plan to support and bring the Western Balkans closer to the EU.

### **For More Information**

[Bosnia and Herzegovina Report 2020](#)

[Enlargement Package 2020](#)

[Bosnia and Herzegovina Factograph](#)

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