The President of the Security Council presents
his compliments to the members of the Council and
has the honour to transmit herewith, for their
information, a copy of a letter dated 6 May 2024
from the Secretary-General addressed to the President
of the Security Council, and its enclosures.

This letter and its enclosures will be issued as a document of the Security Council under the symbol  $$\rm S/2024/367$ .

7 May 2024



6 May 2024

Dear Mr. President,

Pursuant to Security Council resolution 1031 (1995), I hereby transmit the sixty-fifth report on the implementation of the Peace Agreement on Bosnia and Herzegovina, covering the period from 16 October 2023 through 15 April 2024, noting that not all Security Council members acknowledge the High Representative for Bosnia and Herzegovina.

I would be grateful if you could bring this report to the attention of the members of the Security Council.

Please accept, Mr. President, the assurances of my highest consideration.

António Guterres

His Excellency Mr. Pedro Comissário Afonso President of the Security Council New York



H.E. Mr. António Guterres
Secretary-General of the United Nations
United Nations Headquarters
New York

Sarajevo, 24 April 2024

Secretary-General, des batonis Centeres

Pursuant to United Nations Security Council Resolution 1031 of 15 December 1995, which requested the Secretary-General to submit to the Council reports from the High Representative in accordance with Annex 10 of the General Framework Agreement for Peace in Bosnia and Herzegovina and the Conclusions of the London Peace Implementation Conference of 8-9 December 1995, I herewith present to you the 65<sup>th</sup> Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina. I would kindly ask for this report to be distributed to the United Nations Security Council members for their consideration.

This is my sixth regular report to the Secretary-General since assuming the post of High Representative for Bosnia and Herzegovina on 1 August 2021. The present report covers the period from 16 October 2023 through 15 April 2024.

Should you or any Council member require any information beyond what is provided in the enclosed report or have any questions regarding its contents, I should be pleased to provide you with it.

I would also be pleased to have an opportunity to share with you some reflections about the way ahead of the Dayton Peace Agreement which is coming close to 30 years since its signature.

Yours sincerely,

# 65<sup>th</sup> Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the UN

## **Executive Summary**

- 1. This report covers the period from 16 October 2023 through 15 April 2024.
- 2. The reporting period was characterized by progress of Bosnia and Herzegovina (BiH) towards integration into the European Union (EU), but also by unprecedented attacks against the General Framework Agreement for Peace (GFAP).
- 3. On 21-22 March 2024, the European Council decided to open accession negotiations with BiH. The Council invited the European Commission to prepare the negotiating framework, which is to be adopted once all relevant steps from the Commission's recommendation of 12 October 2022 are completed. The European Council decision is a watershed moment in terms of the opportunities that are open for BiH. By building on the achievements in the implementation of the GFAP over the last three decades, it demonstrates that the implementation of the GFAP and EU integration reinforce each other and underscores the need for continued coordination of the two processes. The GFAP is the guarantor of the sovereignty, territorial integrity, and internal administrative structure of BiH. It is the guardian of peace, stability, and progress in BiH since late 1995, and is the foundation of and not a contradiction to the EU integration of BiH. There has to be active cooperation between the GFAP and EU institutions to effectively accompany BiH on its path to institutional functionality, rule of law, and citizens' rights in a democratic country.
- 4. The European Council decision was a welcome contribution to efforts to safeguard the country's stability in light of geopolitical and internal challenges, and to provide an incentive for its accelerated progress. It should also be seen as a recognition of efforts first and foremost by the Sarajevo-based political parties forming the so-called Troika coalition to engage responsibly and constructively for a common interest, namely advancing the EU aspirations of BiH and thereby the wellbeing of all its citizens. The ability to transcend individual, party, ethnic or entity interests for the common good is not a weakness but a strength. It must be encouraged and not punished or exploited. It must be set as a standard for political leadership in BiH.
- 5. The European Council decision is a game changer in terms of the opportunities that open up for BiH. The High Representative worked intensely to support this decision in terms of the conditions necessary to be fulfilled. However, it is insufficient to counter the threats to BiH's stability. The authorities of BiH's entity of Republika Srpska (RS) led by RS President and SNSD leader Milorad Dodik actively subvert the State of BiH, its competences and institutions, and thus the GFAP.
- 6. Their threat to paralyze State authorities by blocking their work and decision-making is a threat to the functionality of the State and its ability to carry out its responsibilities. Their threat to proceed with unilaterally withdrawing the RS from the constitutional, legal, and institutional framework of the State including from the BiH Armed Forces and the State tax, judicial, and electoral systems is a threat of establishing a parallel RS framework. All political stakeholders have to express their unconditional commitment to the GFAP, and to BiH and its statehood and territorial integrity. This commitment is partially missing.

- 7. The RS ruling coalition parties continued to organize protests on the Inter-Entity Boundary Line (IEBL) between the two entities called "The Border Exists". Besides promoting the idea of secessionism, these IEBL rallies create a divisive environment prone to security incidents.
- 8. Unprecedented pressure on judicial institutions continued. Besides promoting the abolishment of the BiH Court and the BiH Prosecutor's Office, the RS ruling coalition undermines the BiH Constitutional Court as the guardian of the constitutional and legal order of BiH.
- 9. Challenges to the institution and mandate of the High Representative also continued unabated. These involve inflammatory rhetoric but also actions to undermine the respect to the international ad hoc institution of the High Representative and thereby its ability to implement the mandate of the GFAP. Representatives of the RS ruling coalition blatantly abuse the institutions of BiH in furthering this goal. The final authority to interpret the GFAP is fully entrusted to the High Representative and not to an entity.
- 10. These actions by the RS ruling coalition parties go hand in hand with their legislative initiatives in the RS itself, which limit the civic space in order to silence, discourage, threaten, and eventually punish dissenting political opinions.
- 11. If pursued, these actions could lead to a *de facto* if not a *de jure* dissolution of the State of BiH, which is what RS President Milorad Dodik continuously advocates. This would be a scenario with grave consequences.
- 12. The overall political environment is fertile ground for threats to transitional justice. There is backsliding in public efforts to deal with the past and an alarming level of ethno-nationalistic historical revisionism, denial of genocide and other war crimes as well as glorification of war criminals. These trends were closely linked to the general backsliding of democracy, respect for human rights, and the rule of law, which increase mistrust and polarization within society. A harbinger of this is the steady decline in inter-community relations in Srebrenica over the past two years.
- 13. Incidents against returnees continued. There was a steady flow of reports of violence or provocations against the returnee population, further feeding into the sense of insecurity among this population.
- 14. Such developments hinder meaningful progress towards the implementation of the GFAP and the 5+2 Agenda. The report by the Technical Experts' Group on State Property, which was formed by the OHR in early 2023, is expected to set the stage for a political process that may lead to an agreement on legislation at the State level. In the Brčko District, the generally positive trend continued, albeit at a slower pace of progress. The BiH Fiscal Council adopted belatedly the Global Framework of Fiscal Balance and Policy in BiH for the Period 2024-2026, hindering the budget process at the State level. Negotiations intensified on the new Law on High Judicial and Prosecutorial Council and the new Law on Courts of BiH, which make up a substantial part of the rule of law cluster among the European Commission's key priorities.
- 15. Institutional functionality was maintained despite the challenges, albeit with modest legislative output, including on the legislation required under the EU accession process such as amendments to the BiH Election Law relating to election integrity.

- 16. Delaying efforts to minimize electoral corruption, fraud, and irregularities further would render the election integrity measures inapplicable to the local elections in October 2024, with serious consequences for democracy, political stability, and the EU future of the country. With that in mind, I enacted on 26 March 2024 the Decision Enacting the Law on Amendments to the Election Law of BiH.
- 17. My Decision was taken in response to the persistent failure of the relevant authorities in BiH to reach an agreement to amend the BiH Election Law in accordance with international norms and standards. I kept open the option for the BiH Parliamentary Assembly to take its own decision for as long as possible without hindering the conduct of the local elections in October 2024. In addition to strengthening the integrity of the electoral process, the Decision introduced the prohibition for people convicted by any international or domestic court of the crime of genocide, crimes against humanity, or war crimes to stand as candidate for elections or hold any elective or appointed office. This prohibition was acknowledged by victims' associations and by United Nations Special Adviser on the Prevention of Genocide Alice Wairimu Nderitu, who recognized the importance of this step as contributing to trust building in the country both in institutions and among communities impacted by the denial of genocide and related crimes, and to advance inter-communal healing.
- 18. My Decision complements other available instruments of generating positive changes in BiH. By helping restore the citizens' trust in the electoral system and strengthening their ability to influence developments in the country, it also restores their hope in a peaceful, stable, and prosperous BiH. I hope that the local elections in October 2024 will not only be conducted in the conditions of enhanced transparency and integrity, but that they will also result in other improvements, such as an increase of women's participation in government. In the 2022 General Elections in BiH, the percentage of female MPs was about 17% in the BiH House of Representatives, 28% in the FBiH House of Representatives, 19% in the RSNA and 31% in Cantonal Assemblies. There was only one female minister along with the Chairwoman in the Council of Ministers, only 5 women out of 11 ministers in the RS Government, only 4 women out of 12 ministers in the FBiH Government, and only 5 female mayors out of 144. Overall, women are still represented in the authorities in BiH far below the legal requirement of 40%. I referred to this problem already in my report to the UN Security Council last May.
- 19. Without such hope, the outflow of people will accelerate even above currently alarming levels. The number of those who have left BiH in the period 2013-2023 is estimated at 600,000. The country's population is expected to decrease by approximately 45,000 people every year, of which over 20,000 are young, skilled people who emigrate abroad on account of political instability, poor standards of living and corruption. Additionally, the fertility rate is very low and, with the estimate of 1.35 %, the national demographic decrease can be up to 20,000 persons per year.
- 20. I take this opportunity to remind all political actors of their obligation to fully comply with the GFAP and all its Annexes and call on them to capitalize on this moment to further integrate BIH into the European family and unlock the many benefits such integration entails.

#### I. Introduction

1. This is my sixth regular report submitted to the United Nations Security Council since I assumed the position of High Representative for Bosnia and Herzegovina (BiH) in August 2021. My report is an impartial assessment of the implementation of the civilian aspects of the General Framework

Agreement for Peace (GFAP) with information on developments and progress towards achieving previously established goals.

- 2. I am fulfilling my mandate pursuant to Annex 10 of the GFAP, in accordance with relevant decisions of the UN Security Council and with paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997. Progress on the five objectives and two conditions (5+2 Agenda), set in 2008 as the agenda for BiH to transition from international oversight, remains the obligation of the BiH authorities to fulfill.
- 3. Throughout the reporting period, challenges to the State of BiH, its constitutional and legal order and the fundamentals of the GFAP, including the Constitutional Court of BiH and the High Representative, continued, mainly coming from Milorad Dodik, President of BiH's entity Republika Srpska (RS). These attacks, lingering inter-ethnic tensions, chronic violence against returnees, and delay in legislative reforms, particularly in the field of rule of law, are all hindrances to progress towards the implementation of the GFAP and the 5+2 Agenda. Some cooperation in legislative work contributing to the partial fulfillment of the priorities and requirements for accession to the European Union and alignment with its standards does not lessen this severe problem.
- 4. Despite this very difficult political environment, the BiH Council of Ministers and the BiH Parliamentary Assembly adopted several pieces of legislation, taking the steps relevant to BiH's aspirations towards accession to the European Union (EU). In March 2024, the EU Commission noted that the general commitment to the EU path on the part of BiH had translated into tangible results. Based on the EU Commission's recommendations, on 21-22 March 2024, the European Council decided to open accession negotiations with BiH, inviting the European Commission to prepare the negotiating framework with a view to its adoption by the Council the moment all relevant steps set out in the Commission's recommendation of 12 October 2022 are taken.
- 5. As a result, BiH has arrived at a very crucial point, where time is not a luxury. I remind all political actors of their obligation to fully comply with the GFAP, which leaves no doubt about the sovereignty, territorial integrity, and political independence of BiH, and seize the opportunity for a prosperous future in the EU by broadening and accelerating the reform agenda.

#### **Political Update**

#### A. General Political Environment

Reform efforts in the context of EU integration

- 6. The reporting period was characterized by rhetorical optimism vis-à-vis EU integration and hence intensified diplomatic activity in and outside of BiH after the European Commission's "2023 Communication on EU Enlargement Policy" promulgated on 8 November 2023.
- 7. In its 2023 Communication, the Commission commended the reform efforts undertaken by the BiH authorities since the granting of candidate status to the country by the European Council, and it noted several positive developments on the EU path despite the secessionist activities on the part of the RS, which aimed at undermining the unity, sovereignty, territorial integrity, constitutional and legal order, and international personality of BiH. Based on the Commission's recommendation, the European Council concluded in December 2023 that it would open accession

- negotiations with BiH once the necessary degree of compliance with the membership criteria is achieved.
- The Commission reported on 12 March 2024 that the general commitment to the EU path on the part of BiH had translated into tangible results. The Commission noted the progress achieved in preparing a program for EU integration prior to developing and adopting the national program for the adoption of EU acquis. The Commission also noted the achievements in various degrees in the legislative work relating to the Law on Prevention of Conflict of Interest, the Law on Prevention of Money Laundering and Financing of Terrorism, the Law on the High Judicial and Prosecutorial Council (HJPC), and the Law on Courts of BiH. The Commission took stock of the steps taken toward building an effective border and migration management system, toward establishing a national preventive mechanism against torture and ill-treatment, and toward protection of freedom of expression as well as the protection of media and journalists. Furthermore, the Commission reported that BiH had reached and maintained full alignment with the EU Common Foreign and Security Policy (CFSP), which was a more significant signal than ever of shared values and strategic orientation in the new geopolitical context. This does not hinder very close relations of representatives of the RS towards Russian President Vladimir Putin and Foreign Minister Sergey Lavrov, who also meet RS President Milorad Dodik. In his provocative statements, he did not show his full commitment with the EU CFSP.
- 9. Based on the Commission's recommendations, the European Council decided on 22 March 2024 to open accession negotiations with BiH. Despite the progress mentioned in the Commission's recommendations, institutional output did not meet the optimism arising from BiH's candidate status. Of all EU-related legislative requirements, BiH succeeded only in adopting two laws the Law on Prevention of Conflict of Interest and the Law on Prevention of Money Laundering and Financing of Terrorism while no agreement was reached on the Law on Courts of BiH and amendments to the Election Law of BiH relating to election integrity, nor on other EU priorities that are also relevant to the GFAP. Too often, tactical partisan political maneuvers seem to dominate the decision-making process without efficiently addressing the need to contribute to the country and its citizens as a whole. Unfortunately, the so called "14 priorities" set in the 2019 opinion of the European Commission on BiH's application for EU membership were not used to this end yet, especially in the rule of law sector and for promoting non–discrimination.

#### *Election integrity*

- 10. Since 2010, the OSCE Office for Democratic Institutions and Human Rights and other international election observation missions have been reiterating the need to amend the Election Law of BiH in order to strengthen the integrity of the electoral process. These recommendations have been largely ignored despite repeated calls for action, including by the Peace Implementation Council Steering Board and myself as High Representative.
- 11. My call to political parties in December 2023 to reach an agreement and adopt the election integrity package of amendments to the Election Law of BiH somewhat invigorated the process, albeit without concrete results. The SDA Club in the BiH House of Representatives (BiH HoR) proposed Amendments to the Election Law of BiH, which the BiH HoR adopted on 29 December 2023 in urgent procedure. Regrettably, on 31 January 2024, the BiH House of Peoples (BiH HoP) rejected calls for urgent and semi urgent procedure, leaving the amendment proposal to linger in regular procedure and not having it deliberated yet. Discussions within the State coalition proved

- discouraging and did not result in an agreement. Moreover, strengthening the integrity of the electoral process became controversial, subject to different interpretations, and held hostage to unrelated political party goals.
- 12. In order to ensure that the 2024 local elections take place in a framework of enhanced election transparency and integrity, that the citizens of BiH are able to trust the reliability of the election system and that they are sure that their vote will be counted and that their choice will be respected, I enacted on 26 March 2024 after the European Council meeting the Decision Enacting the Law on Amendments to the Election Law of Bosnia and Herzegovina.
- 13. Delaying efforts to minimize electoral corruption, fraud, and irregularities further would render the election integrity measures inapplicable to the local elections in October 2024, with serious consequences for democracy, political stability, and the EU future of the country.

#### RS secessionist rhetoric and actions

- 14. The SNSD-led ruling coalition in the RS continued to pursue a secessionist agenda with persistent attacks on the GFAP and the BiH Constitution. The trial of RS President Milorad Dodik and RS Official Gazette Acting Director Miloš Lukić for the criminal offense of failure to implement Decisions of the High Representative as prescribed by the BiH Criminal Code was also used for this purpose.
- 15. Undermining the State, its competences, and institutions remained an element of the secessionist agenda, and so did inflammatory and nationalistic rhetoric. The sessions of the RS National Assembly (RSNA) of 28 and 29 March 2024 are illustrative of this.
- 16. On 28 March 2024, the RSNA adopted a set of conclusions demanding, among others, the annulment of all High Representative decisions, and the prohibition of their application and publishing in the Official Gazette. On 25 March 2024, the European Council extended the sanctions regime legal basis for one year.
- 17. Should this not be done, the RSNA requests the elected representatives from the RS to stop taking part in decision-making at the level of BiH and to no longer return to this process. Furthermore, the RSNA announced that the RS would withdraw from all previous agreements, including those establishing the High Judicial and Prosecutorial Council of BiH, the indirect tax system of BiH and the Armed Forces of BiH.
- 18. On 29 March 2024, the RSNA adopted a Draft Election Law of Republika Srpska. The RS opposition did not support this piece of legislation, underscoring that RS President Dodik's moves are dangerous, and that the RS opposition does not intend to follow his steps. The pressure generated by the High Representative's decision led to a review of local options by the ruling coalition in a last attempt to pass a State Election Law.
- 19. The RS Draft Election Law, which is currently undergoing a public debate phase before being put for a final vote, aims at creating a parallel election framework for the RS while taking over responsibilities of the BiH Central Election Commission. As such, it is in clear violation of the BiH Election Law and the BiH Constitution.

- 20. This initiative should be seen in conjunction with the recently adopted Draft Law on Referendum and Citizens' Initiative, which jointly reveal the intention of the RS ruling coalition to establish an independent, parallel legal and institutional framework for the conduct of elections and future referendum(s).
- 21. Even the outcome of the 28-29 March 2024 RSNA sessions alone shows that the RS authorities still actively move to subvert the State of BiH, its competences and institutions, and thus the GFAP. In addition to the actions to this end, the rhetoric of the RS ruling coalition party members with RS President Milorad Dodik at the forefront represents a threat to the GFAP order. In his address to the RSNA, the RS President openly suggested that the Bosniak population should live on only 25 percent of the country's territory, which raised tension and fear. The Islamic Community of BiH perceived the statement as a "call for ethnic cleansing". It represents a severe violation of the letter and of the spirit of reconciliation and of the GFAP and its peacekeeping goals.
- 22. The threat to paralyze State authorities by blocking their work and decision-making is a threat to the functionality of the State and its ability to carry out its responsibilities. The threat to proceed with unilaterally withdrawing the RS from the constitutional, legal, and institutional framework of the State is a destructive threat of establishing a parallel RS framework. If there were a detailed proposal by the RS or the Federation to improve the functionality or to redefine competences in certain areas, the way to address it would be through a transparent debate and finding a common position, and not through unilateral threats.
- 23. Members of the RS ruling coalition parties continued to hold weekly protests on the Inter-Entity Boundary Line (IEBL) between two entities called "The Border Exists", thus promoting the idea of secessionism. This idea is also echoed in the main RS media and social networks. These IEBL rallies not only create a divisive environment and promote inter-ethnic tensions but represent a breeding ground for security incidents.
- 24. Unprecedented levels of pressure on judicial institutions continued. Particularly in the context of the trial against him, the RS President accused the BiH Court and the BiH Prosecutor's Office of serving political interests as instigated by foreigners and threatened with their non-recognition in the RS in case he is convicted. He even labeled their staff as enemies of the Serb people. Most recently, SNSD proposed laws to abolish the BiH Court and the BiH Prosecutor's Office. The BiH House of Representatives rejected both proposals on 20 November 2023. Offensive rhetoric is challenging the public debate about institutions. Affecting staff and putting pressure on them and their decision-making is an anti–Dayton behavior and it is also legally unacceptable.
- 25. The BiH Constitutional Court is a particular target of the RS ruling coalition. Actions against the Court involve the denial of the legitimacy of the Court and the disregard of its final and binding decisions on the territory of the RS, persistent calls for the removal of international judges from the Court, and the persistent failure to meet the constitutional obligation to appoint two judges from the RS, thereby hindering the normal functioning of the BiH Constitutional Court as the guardian of the constitutional and legal order of BiH.
- 26. The celebration of the unconstitutional RS Day on 9 January 2024 exemplifies an act of disrespect for the BiH Constitutional Court decisions on the RS territory. This repeatedly observed defiance triggered reactions from both the EU and the US. Whilst the EU Parliament passed a resolution

condemning the RS Day celebration and secessionist language, the US Treasury Department's Office of Foreign Assets Control imposed sanctions against persons involved in the organization of the RS Day celebration. The High Representative also warned against the commemoration of the RS Day on 9 January in his statement. As a result, the RS Day did not have a high public profile nor international recognition, except by Serbia and Russia.

- 27. On 18 March 2024, a majority of delegates in the BiH HoP voted in favor of putting on the agenda the Proposed Law on Constitutional Court tabled by an SDS delegate, after which a majority of Bosniak delegates left the session. The session was adjourned due to the lack of quorum. The Proposal aims, among others, to remove the international judges from the Court and to introduce ethnic and entity vote in its decision-making. As such, it is incompatible with the BiH Constitution, European standards and principles of independence, impartiality, and integrity of the judiciary. The same applies to the Draft Law on Cessation of Mandates of Foreign Judges and the Election of Local Judges in the Constitutional Court of BiH, which SNSD submitted to the BiH HoR at the end of March 2024. The High Representative made it very clear publicly that, as part of his competence, he sees pressure on international judges to leave, or any legislation to limit their mandate, as unacceptable.
- 28. The RS party representatives in the State-level authorities supported laws that are needed to open the EU accession talks, and RS President Milorad Dodik even called the EU accession a "Serbian national interest". However, his support for EU accession talks, secessionist rhetoric, and political actions were all used as part and parcel of the ongoing campaign against the OHR and international judges at the BiH Constitutional Court.
- 29. The RS authorities underlined multiple times their readiness to declare independence if I, as High Representative, impose any piece of legislation, including the amendments to the BiH Election Law or the Law on State Property. Dodik also threatened to block BiH's EU path in case of any imposition, which might trigger unforeseeable political consequences.

#### RS authoritarian measures

- 30. In July 2023, the RSNA adopted the Law Amending the RS Criminal Code, which introduces new criminal offenses in the category of crimes against freedom and rights of citizens, which are "unauthorized publication and display of other people's files, portraits and recordings," as well as a criminal offense against honor and reputation, namely "defamation and disclosure of personal and family circumstances." In an environment that does not guarantee an independent judiciary, the implementation of this law may have far-reaching and serious consequences, further limiting the civic space and silencing, discouraging, threatening, and punishing political dissent, independent journalists and media. It may also be used against all RS citizens. This is a set-back since defamation was decriminalized nationwide in 2002. Moreover, there is concern that RS authorities will fail to implement the decision of the BiH Constitutional Court of 18 January 2024 that annulled the provision of the RS Criminal Code foreseeing a prison sentence for "Damage to the reputation of Republika Srpska and its people".
- 31. The RS Proposal Law on Publicity and Special Registry of Non-Profit Organizations, also known as the Foreign Agents Law, was adopted by the RS Government in a telephone session in March 2024 and submitted to the RSNA for adoption in the second reading. The Proposal seeks

- to restrict engagement of many civil society organizations and has already contributed to creating a climate of intimidation, thereby affecting the operations of civil society.
- 32. The RS ruling coalition also resorts to hate speech and threats to silence critical voices, with RS President Milorad Dodik being most vocal in this regard. As an illustration, during his address to the RSNA in late March, he threatened an opposition MP with physical violence. A day later, a smear campaign against the very same MP continued in his native town. The RS President also disparaged all opposition party leaders who refused to support his agenda in the RSNA, calling their very existence a disgrace.

#### B. Decisions of the High Representative During the Reporting Period

Decision Enacting the Law on Amendments to the Election Law of Bosnia and Herzegovina

- 33. On 26 March 2024, in the exercise of the powers vested in the High Representative by Article V of Annex 10 (Agreement on Civilian Implementation of the Peace Settlement) to the GFAP, I issued the Decision Enacting the Law on Amendments to the Election Law of Bosnia and Herzegovina.
- 34. The ability of the country to conduct free and fair elections and form authorities reflecting the will of citizens represents one of the core elements of the implementation of the civilian aspects of the GFAP. Considering the numerous allegations of serious fraud that plagued the previous elections, the integrity of the electoral process had to be strengthened by revising the legal framework to implement the OSCE/ODIHR, GRECO, and Venice Commission recommendations as soon as possible to ensure the 2024 Local Elections take place in a setting of enhanced election transparency and integrity. My Decision is a response to the persistent failure of the responsible authorities in BiH to do this themselves despite repeated calls for actions, including by the Peace Implementation Council Steering Board and myself as High Representative.
- 35. The integrity package included in the Decision is a response to the persistent failure of efforts, including several facilitated by the international community, to fulfill the long-standing obligation BiH authorities have in improving the electoral process for the benefit of all its citizens. This is achieved through staying as close as possible to the standards advocated by the previously mentioned international organizations, with special emphasis on the transparency of the process during the voting and counting by introducing election technologies, the appointment and depoliticization of election administration, as well as other aspects of the electoral process previously susceptible to fraudulent activities.
- 36. The package makes the introduction of election technologies possible, aiming at improving the overall integrity of the conduct of elections, from the moment the election material is distributed to lower levels of election administration until the verification of the election results. This is done primarily by addressing fraud observed in the identification of voters and in the counting process.
- 37. As a result, the amendments enable introduction of election technologies providing for the use of both biometric voter identification and (automatic) electronic counting equipment along with the existing mechanism of ID voter identification and manual counting. In addition to these two categories of election technologies, the amendments also provide for the possibility of electronic

- transmission of data from the polling stations, also subject to pilot project testing to prevent alteration of the results often observed in the past.
- 38. The introduction of those technologies to improve the identification of voters, the accuracy of counting, and the transmission of results is made possible upon the completion of pilot projects and feasibility studies while keeping the current system in place as an additional mechanism. To do so, transitional provisions provide for the necessary legal basis for the Central Election Commission (CEC) to regulate and implement the entire process of the conduct of pilot projects with obligation to report to the Parliamentary Assembly of BiH. Specific election technologies are to be finally introduced upon the completion of all technical requirements for their use.
- 39. The introduction of election technologies for the purpose of strengthening election integrity is however not sufficient and requires a revision of the existing mechanisms of appointment and dismissal of election administration. The amendments related to election administration target several aspects. Firstly, all levels of election administration have their competences expanded to accommodate their new responsibilities in regulating and handling the election technologies. Secondly, in line with ODIHR recommendations on ensuring that members of the election administration are not recalled for arbitrary reasons and are able to conduct their duties without fear of retribution or intimidation, the integrity package introduces clear provisions on appointment and dismissal criteria of the CEC members. Thirdly, the crucial issue of the role the Polling Station Committees (PSCs) have in upholding the integrity of the voting and counting of votes on the Election Day is targeted through a revision of their appointment mechanism, to ensure their impartiality and professionalism, and increase voters trust in the system. To that extent, the presidents and deputy presidents shall be professionalized, non-partisan, and selected by the CEC through an open call, while the other members of the PSCs are to be selected through a lottery procedure from nominations made by political parties. The amount of eligible political parties for nominations has been limited, again in line with ODIHR recommendations, to eliminate fictitious party representation in PSCs that enabled political control over the committees.
- 40. Another set of amendments addresses the accuracy of the central voter register (CVR), including active registration of out-of-country voters, refugees, and displaced persons. It provides for a procedure for increased transparency and publicity of the CVR and enables auditing of the CVR.
- 41. Alongside these two outstanding issues, the integrity package tightens regulations on several crucial technical aspects of the election process, which have been identified as shortcomings by relevant organizations (ODIHR, GRECO and the Venice Commission). These include the protection of electoral rights through extension of deadlines for filing complaints, the expansion of the grounds for actions to be considered as abuse of public resources and exerting pressure on voters, the improvement of the rules concerning campaign financing through regulating reporting obligations and opening of a designated bank account by political subjects, increased transparency of media ownership and regulation of their conduct with respect to political advertising, and the improvement of the position of election observers in case of establishing the existence of an irregularity during the election process.
- 42. Finally, the amendments introduce the prohibition for people convicted by any international or domestic court of the crime of genocide, crimes against humanity, or war crimes to stand as candidate for elections or hold any elective or appointive office. This issue needs to be regulated in a way that unequivocally indicates that society is on the path of accepting the truth and, thus, is

- on the path of reconciliation. Public trust in institutions is fragile and electing and appointing persons convicted of crimes of genocide, crimes against humanity, and war crimes to them runs the risk of further eroding the perception of and confidence in the institutions.
- 43. The High Representative did not integrate any changes pertaining to election rules that some requested, referring to them as a way of safeguarding the election of members of the BiH Presidency on a strictly ethnically based system. In the view of the High Representative, such questions have to be addressed in the context of amendments to the Constitution, which are necessary to end discrimination in eligibility as established in the Sejdic-Finci group of cases of the European Court of Human Rights and similar pending questions.

# **Five Objectives and Two Conditions**

Progress of the Objectives

44. There was no major breakthrough in the implementation of the 5+2 Agenda in the reporting period. The report by the Technical Experts' Group on State Property, which was formed by the OHR in early 2023, is expected to set the stage for a political process that may form an agreement for legislation at the State level. In the Brčko District, the generally positive trend continued, albeit at a slower pace of progress. The BiH Fiscal Council adopted belatedly the Global Framework of Fiscal Balance and Policy in BiH for the Period 2024-2026, hindering the budget process at the State level. Negotiations regarding the new Law on HJPC and the new Law on Courts of BiH, which make up a substantial part of the rule of law cluster among the EU Commission's 14 key priorities, have intensified in the reporting period.

# State and Defense Property

- 45. There was a lot of preparatory work on the OHR initiative but no major breakthrough on the resolution of the State Property objective during the reporting period. The RS is reluctant, arguing that implementation would be done through the OHR. The High Representative underlined several times that he offers to facilitate a local solution in accordance with the BiH Constitutional Court decisions.
- 46. Through the adoption and implementation of a series of contested and unconstitutional laws, the RS consistently and openly disregarded the final and binding decisions of the BiH Constitutional Court and denied the State as titleholder of state property as well as its legal capacity to be the subject of relevant ownership rights. The RS Government regularly adopted decisions allocating, i.e., transferring the right of ownership of agricultural land and other categories of state property. At the same time, a review of relevant cadastral records in numerous individual cases shows that a systematic re-registration of state property, particularly of forests and agricultural land, in the name of the RS has already occurred. I expect the BiH Prosecutor's Office to investigate the criminal liability of the responsible RS authorities.
- 47. On 28 December 2023, the RS Government adopted a Decision on the Sale of Immovable Property located within the Special Area Jahorina. Pursuant to this Decision, the immovable property subject to public competition is owned by the RS; however, according to available information, the list of land plots also includes agricultural and forest land subject to the State Property Disposal Ban and the relevant decisions of the BiH Constitutional Court. Following media reports, the BiH Public Attorney filed a lawsuit against the RS in February, requesting the BiH Court to declare all

- relevant documentation in this case null and void. That includes the relevant decision of the RS Government, the public announcement of sale, and the relevant sale contract.
- 48. Additionally, laws regulating public assets at all levels of authority, including in the FBiH, cantons, and the RS, contain problematic provisions whose implementation may lead to disposal of state property assets, thus raising the issue of conformity with the State Property Disposal Ban and the decisions of the BiH Constitutional Court. In my letter of 5 May 2022 to the Federation and cantonal authorities, I requested them to review and appropriately harmonize these laws with the Constitutional Court decisions. However, only a few have complied with this request, including the FBiH Government and the Governments of the Sarajevo Canton and of the Una-Sana Canton.
- 49. Pending resolution of the issue of state property and final apportionment and regulation by a state level law, transfers and disposals of state property assets are taking place not only in the RS, but also throughout the rest of the country in violation of the State Property Disposal Ban and contrary to the relevant decisions of the BiH Constitutional Court. The risks posed by illegal disposal and transfers of state property are enormous. Firstly, these create legal chaos and prevent investments, as many projects ceased or were suspended because of legal uncertainty. Secondly, illegal transfers of property are an opportunity for corruption. Thirdly, while the issue of apportionment is not resolved, state property is being disposed of across the country, and time is fundamentally running against the interests of the State and all BiH citizens.
- 50. On 15 November 2023, the FBiH Government adopted a Decision on Change of Purpose of Forestland and Temporary Use of Forestland for Other Purposes ("Decision on Forestland"). Pursuant to this Decision, forest land may be temporarily used for planned purposes other than forest stewardship, such as for the purpose of extracting minerals and other natural resources, during the concession contract. The intention of the FBiH Government was to fill the existing legal void caused by the long-lasting absence of an FBiH Law on Forests, and at the same time to attempt to abide by the State Property Disposal Ban and enable implementation of important investment projects. Speaker of the BiH House of Peoples (HoP) Kemal Ademović recently submitted a request for a review of the constitutionality of this FBiH Government Decision to the BiH Constitutional Court (Case No. U-3/24).
- 51. The Technical Experts' Group on State Property formed by my Office held its final consultations in September 2023, after which a second round of consultations with international legal experts followed with the aim of conducting a comparative study of existing models of state property in certain federal states. All analyses, results, and conclusions of the said consultation processes will be summarized in a technical report, which should constitute an important resource and a starting point for a subsequent political process aimed at achieving a State-level agreement on future state property legislation in the BiH Parliamentary Assembly. The OHR will continue to invest in local efforts towards resolving this issue, relying on essential support of the international community.

#### Completion of the Brčko Final Award

52. Even though the Brčko District (BD) reform focus remained on promoting fiscal discipline and transparency in public resource spending, infrastructure development and economic growth, as well as strengthening accountability and anti-corruption measures, the pace of progress slowed down during the reporting period.

- 53. The change of mayor in mid-March 2023, as described in the previous reports, led to further changes in the BD parliamentary majority. These political developments caused the number of delegates in the parliamentary majority to drop. Consequently, BD decision-makers have prioritized political negotiations and efforts to enlarge their parliamentary majority, shifting their focus from the reform agenda. Consequently, the authorities postponed most of the legislation adoption deadlines and reform agenda implementation deadlines mentioned in the last report by several months.
- 54. Despite these political developments, the focus remained on strengthening financial stability in the District and promoting fiscal discipline and transparency in spending public resources demonstrated through, inter alia, the timely preparation and adoption of the 2024 budget, implementation of the Law on Sports, Law on Associations and Foundations, and the Law on Budget, adopted in the previous period. The laws serve as a solid legal basis for transparent, equitable and merit-based public financial support of sports and culture associations in the District and the NGO sector, respectively. Equally important is the enactment of the latest amendments to the Law on Budget aimed at improving the planning of capital projects through the allocation of an assigned percentage of the annual budget for infrastructure development and improvement of public services. The amended Law applied to the 2024 budget.
- 55. As reported in the previous report, the Draft Law Establishing an Anti-Corruption Office was prepared by the Anti-Corruption Office in coordination with legal experts from my Office, the EU Delegation and the OSCE. It has been ready for adoption by the BD Assembly for several months. However, due to the opposition of one political party refusing to consider employment of managerial staff of this office, instead of their appointment for a regular term of office, the Assembly failed to adopt this law. It is expected that the series of meetings that the BD Supervisor holds with local interlocutors will result in its adoption no later than the end of May 2024.
- 56. The BD Assembly amended its Code of Conduct to align it with relevant international standards and best practices, strengthening accountability, efficiency, and public trust.
- 57. To address problems of law enforcement personnel, such as the hiring, promotion and retirement of police officers, additional amendments to the Law on Police and the Law on Police Officers were initiated.
- 58. The BD continued to invest in retrofitting public buildings for better energy efficiency, in line with its Sustainable Energy and Climate Action Plan.
- 59. Even though the drafting of legislation pursuing civil service reform and public administration reform reached its final phase in the previous reporting period, there was only minimal further progress.
- 60. The year-long Brčko Port-initiated project to strengthen its corporate governance, in cooperation with the European Bank for Reconstruction and Development (EBRD), is in progress.
- 61. Given the importance of infrastructure development for increased investment, the District authorities proceeded with further preparations of five infrastructure projects in cooperation with the World Bank as part of the Sava and Drina Rivers Corridors Integrated Development Program.

- 62. The second phase of the implementation of the Brčko Port modernization project delivery of a new crane was completed successfully. Implementation of the third phase new rail and road access to the port is in progress.
- 63. In November 2023, the BiH Presidency approved the EBRD loan to finance a water infrastructure project to ensure uninterrupted water supply to the town and suburban areas. The completion deadline is 360 days from the day the contractor receives access to and gains possession of the site.
- 64. In the previous reporting period, the Republic of Croatia and BiH agreed to share the costs of reconstructing the Brčko Gunja Bridge connecting Brčko to the commercially crucial Zagreb-Belgrade highway in Croatia. Following ratification of the agreement by an Inter-State Committee in September 2023, preparation of technical documentation and design work is in progress.
- 65. As previously reported, based on an agreement signed with an Austria-based consortium, construction works started on the District's first business zone. However, due to political turbulence during the reporting period and the slowdown in the work of the government, minimum progress was made on providing necessary infrastructure to the zone, which the BD is obligated to provide by the agreement. The consortium is working on meeting technical requirements for three more investment projects in the District. The BD Assembly approved the regulatory plans for the locations of two projects, as the key prerequisite to initiating the preparation of corresponding technical documentation. The third project construction of an ethno village is in progress.
- 66. Efforts to clear mines in the entire BD territory by the end of 2024 continue to make remarkable progress.
- 67. Because of the overall political situation in BiH and the local elections scheduled for October 2024, State and entity representatives visited Brčko more often.
- 68. Both entity governments have offices in Brčko to connect the BD citizens who maintain residency in one of the two entities with the entity ministries. The FBiH Prime Minister appointed a new Coordinator of the Office and the FBiH Government to reflect changes in the District Government.

#### Fiscal Sustainability

- 69. Certainty and adequacy of financing are key elements affecting the ability of the institutions of BiH to carry out their constitutional and legal obligations. Yet, no steps have been taken to provide assurances to that end regarding the 2024 budget.
- 70. The BiH Fiscal Council held only one session in the reporting period, on 23 January 2024, adopting the Global Framework of Fiscal Balance and Policy in BiH for the Period 2024-2026. The document sets the financing of the BiH institutions at BAM 1.355 billion, an increase of BAM 40 million over 2023. The increase is thanks to the legally mandated transfer of BiH Central Bank profits to the State budget. The budget revenue share that comes from indirect taxes and is crucial for financing the State remains locked at last year's level of BAM 1.020 billion.
- 71. The BiH Fiscal Council should have adopted the Global Framework of Fiscal Balance and Policy in BiH for the Period 2024-2026 by the end of May 2023. The eight-month delay disrupted the

- preparation and adoption of a 2024 State budget. At the time of writing of this report, the budget was still outstanding, and institutions were still on temporary financing.
- 72. Certainty and adequacy of financing of the State and all other levels of government in BiH are also directly dependent on the stability and functionality of the single indirect tax system and its institutional structure: the BiH Indirect Taxation Authority (ITA) and the Governing Board. The Board met only two times in the reporting period, on 21 December 2023 and 9 February 2024. On 21 December 2023, the Board failed to adopt the indirect tax revenue allocation coefficients for the fourth quarter of 2023 foreseeing a significant increase for the FBiH over the RS. The adoption was blocked by BiH Minister of Finance and Treasury Srāan Amidžić, RS Minister of Finance Zora Vidović, and RS expert member Dalibor Tomas all from the RS and associated with SNSD and prompted FBiH Minister of Finance Toni Kraljević (HDZ BiH) to leave the session in protest. On 9 February 2024, the Board further failed to adopt the coefficients for the first quarter of 2024. This was due to the absence of the FBiH Minister. Consequently, the last agreed coefficients those from the third quarter of 2023 that benefit the RS continue to apply.
- 73. There was no progress on at least two longstanding issues with financial implications.
- 74. The Board has not yet identified an alternative enforcement source for the outstanding BAM 30 million debt of the ITA to the RS based on a 2015 BiH Court decision. The attempted debt enforcement by the RS in 2018 from public revenue accounts of the ITA caused financial damage to all indirect tax revenue beneficiaries, including both entities and the BD, as well as to recipients of value-added tax refunds and customs insurance depositors. The suspension of the enforcement by the BiH Court expires in June 2024.
- 75. The Board has not yet agreed to a model of distribution of road toll revenue reserves, which have by now accumulated to about BAM 251 million. The absence of agreement prevents using these funds for highway and road construction. It also damages the ITA financially as it must pay charges on the deposit accounts.
- 76. Addressing the issues pertaining to certainty and adequacy of financing of the institutions of BiH as well as to stability and functionality of the single indirect tax system is crucial to strengthening the fiscal sustainability of BiH and thereby its political stability.
- 77. Another element of importance to that end is the BiH Central Bank as the guardian of BiH's monetary and financial sector stability. The mandate of the previous composition of the Bank's Governing Council expired on 11 August 2021. The appointment of new members was stalled for more than two years, which was unprecedented in the post-war period. They were appointed only on 18 December 2023, assuming duty as of 3 January 2024. The mandate expiry posed a threat to the continuity of operations of the Governing Council and by extension to the functionality of the Bank. The problem was addressed through the affirmation of the principle of legal continuity that is widely recognized and also embedded in BiH legislation. OHR guidance and political engagement were vital for preventing the problem from escalating and ensuring the uninterrupted operations of the BiH Central Bank.

## Rule of Law

- 78. The concrete requirements for BiH that are part of the 14 key priorities from the European Commission's Opinion on BiH's application for EU membership, namely the adoption of the new Law on HJPC and the new Law on Courts of BiH, are still in preparation but drafting and negotiations intensified.
- 79. Currently, the new Draft Law on HJPC contains a provision that should correct a serious flaw in the recent amendments. To the detriment of the rule of law, the rigorous asset declaration scheme initially envisaged to prevent and sanction possible conflicts of interest and irregularities of judges and prosecutors, fight corruption, and improve perceptions of the judiciary was seriously undermined by diluting the obligation of the authorities to deliver the information required to investigate the truthfulness of asset declarations. This situation does not meet the expectations of the SBA of the Peace Implementation Council (PIC) and the international community, including the OSCE and the OHR, which were expressed formally to the Collegium of the BiH Parliamentary Assembly. The law is thus insufficient, as it makes the application of the State-level law dependent on entity and Brčko District legislation. The entity and District legislation may directly contradict State obligations and thus render the State law void, creating the possibility of different legislative treatment of judges and prosecutors depending on their entity background.
- 80. The Draft Law on Courts of BiH gave up on the creation of a separate appellate court at the State level and reverted to the present solution, with one court having both the basic and the appellate jurisdiction. However, the authorities cannot agree on the seat of the appellate division. The RS representatives seem to insist that it be moved from the capital and placed not only in the RS but explicitly in Banja Luka. Given the geographical distance from the imprisonment facility and other technical problems of such a solution, including the need to relocate judges and staff, the RS demand was not accepted. Further, the RS authorities request that the criminal jurisdiction of the State of BiH be substantially diminished, so that the State Court be not competent to adjudicate criminal offences prescribed by the entity laws when they are inter-entity or have consequences and endanger the values of the entire State. This jurisdiction is the ultimate tool that the State has to defend its constitutional values and to fulfill its constitutional obligation of ensuring the rule of law in its entire territory.
- 81. The RS authorities try to use the processes designed to improve rule of law conditions in BiH to undo previous reforms. This is combined with constant verbal attacks by RS officials predominantly on the BiH Prosecutor's Office, the BiH Court and the BiH Constitutional Court. As reported in the previous section, the RS directly rejects the authority of and the applicability of decisions by the BiH State judicial institutions, thereby effectively opting out of the judicial system of the State of BiH and thus fundamentally rejecting the sovereignty of BiH. This goes hand in hand with the rejection by the RS authorities of my authority as High Representative in disregard of their legal commitments under Annex 10 of the GFAP.
- 82. While the rule of law is being gravely questioned, BiH needs serious reforms, many of which were already identified in the so-called Priebe Report of 2019. Much needs to be done to guarantee judicial independence and impartiality, especially considering the ongoing challenges to the judiciary by public authorities. As a priority, rollbacks of previously achieved results must be halted and reversed.

#### Criminal Records on War Crimes

- 83. Criminal records in BiH do not contain information on convictions of BiH citizens by international judicial bodies. No judgment of the International Criminal Tribunal for the Former Yugoslavia (ICTY) or its successor is registered in the domestic criminal records in BiH. Consequently, it seems that persons internationally convicted of genocide, crimes against humanity, or war crimes obtain a clean certificate in BiH. Regrettably, the international judgments for the most serious violations of international humanitarian law are being disregarded in political, professional, and social life to the detriment of reconciliation and social cohesion, while different parts of the country still glorify war criminals.
- 84. Under the committed leadership of present BiH Minister of Justice Davor Bunoza (HDZ BiH), the BiH Ministry of Justice intensified its work and signed a memorandum of understanding on 30 January 2024 with the International Residual Mechanism for Criminal Tribunals, which the Ministry believes will serve as a basis for the entry of the ICTY judgments into the criminal records in BiH. As of this writing, BiH is yet to receive official information from the Mechanism, which needs to be included in the records. In addition, for the problem to be solved in its entirety, a domestic legal basis is still needed.

## C. Further Challenges to the GFAP

Attacks on High Representative

- 85. Challenges to the institution and mandate of High Representative orchestrated by RS President Milorad Dodik and his confederates continued unabated. These involve inflammatory rhetoric but also actions to undermine the credibility of the High Representative and thereby his ability to implement the mandate under the GFAP.
- 86. Representatives of the RS ruling coalition blatantly abuse the institutions of BiH in furthering this goal. BiH Security Minister Nenad Nešić (DNS) deployed State security agencies to investigate and act against the High Representative. He publicly disclosed and misrepresented their responses, including confidential information regarding my personal security. Moreover, he instigated politically motivated sanctions against non-compliant employees of the State institutions.
- 87. Moreover, the RS authorities refuse to provide official documents to my Office, prevent my staff from attending RS National Assembly sessions, disregard my decisions, and reduce contacts to a minimum.
- 88. These actions are in direct violation of Annex 10 of the GFAP, which mandates full cooperation of the Parties to the GFAP with the High Representative.

#### Threats to Transitional Justice

89. An issue paper on "Dealing with the Past for a Better Future. Achieving justice, peace and social cohesion in the region of the former Yugoslavia", published by the CoE's Commissioner for Human Rights in December 2023, highlights the backsliding in public efforts to deal with the past and the alarming level of ethno-nationalist historical revisionism, denial of atrocities and glorification of war criminals. The report highlights that these trends are closely linked to the general backsliding of democracy, respect for human rights, and the rule of law, which increase

- mistrust and polarization within society. Detrimental effects include the increase in hate speech, interethnic violence, and intolerance, with recurrent violent incidents against returnees from minority groups, and religious and cultural buildings. This trend also creates a hostile environment for civil society and human rights defenders, especially those actors seeking transitional justice.
- 90. The denial of genocide and other war crimes, and the glorification of war criminals persist in BiH and across the region, often perpetrated by high-level political representatives and in the media space. Recently, in the context of the unconstitutional celebration of 9 January as Day of the RS, the RS President again denied the Srebrenica genocide and glorified convicted war criminals Radovan Karadžić and Ratko Mladić, referring to them as individuals who led the RS and fought for freedom. Politicians also give public platforms to convicted war criminals by displaying support for them. For instance, on 16 February 2024, Valentin Coric, who was convicted and sentenced to 16 years in prison by the ICTY for war crimes and crimes against humanity, promoted his book, an autobiographical report from The Hague, in Mostar. HDZ BiH President Dragan Čović and other politicians attended the event, albeit without commenting, honoring this person at a public cultural institution. They showed no distance to the ethnically divisive institution of "Herzeg-Bosnia" nor to a criminal offender. Following this event, the Association of Victims and Witnesses of Genocide requested that all international and domestic officials sever contacts "with all persons who glorify or support convicted war criminals." Denying, minimizing, or relativizing genocide and other war crimes as well as glorifying their perpetrators have detrimental effects on social cohesion and political stability and prolong the pain of the victims of the atrocities. They undermine incipient and fragile steps towards reconciliation on the ground.
- 91. Two and a half years since the criminalization of the denial of genocide and glorification of war criminals in July 2021, the BiH Prosecutor's Office registered over 70 complaints concerning the criminal offense of denying genocide and glorifying war criminals. Most of these reports are being dismissed outright, while some indictments were raised and then dismissed by the BiH Court.
- 92. On a positive note, the BiH Prosecutor's Office filed an indictment for glorification of war criminals, which was confirmed by the BiH Court. On 22 January 2024, president of the association "Eastern Alternative" (Istočna alternativa) Vojin Pavlović was indicted for the criminal offence of inciting ethnic, racial and religious hatred, discord, and intolerance. The indictment refers to an action from 10 March 2023, when a banner with a picture and message congratulating Ratko Mladić on his birthday was displayed in the center of Bratunac (RS), knowingly glorifying and supporting the war criminal convicted by the ICTY of the crime of genocide by a final judgement. By doing so, the accused caused anxiety and fear among a majority of residents in the area who saw the banner, especially among returnees who endured severe suffering in the past war.
- 93. This first indictment points at a positive development in the application of the amendments to the BiH Criminal Code. It was followed by another indictment concerning hate speech filed by the BiH Prosecutor's Office in late February 2024 and confirmed by the BiH Court. Samir Nukić from Bihać (FBiH) was indicted for last year's expressions of hatred on social media towards the victims of the 1993 grenade explosion in Vitez (FBiH) that killed eight children.
- 94. Besides temporary display of banners and billboards, the glorification of convicted war criminals through murals and graffiti continues across the country, adding to the legitimization efforts of extremist ideologies and a culture celebrating war crimes. Most numerous are murals depicting

Ratko Mladić in many locations throughout the RS. Most recently, an already existing mural in Čapljina (FBiH) glorifying war criminal Slobodan Praljak was expanded instead of being removed. Despite the criminalization of these practices, murals in most cases remain unreported or unsanctioned. A swift response is important, as on 9 January 2024 in Karuše/Doboj Jug (FBiH), where two young men were caught writing the name of Ratko Mladić at a bus stop, committing the criminal act of "causing ethnic, racial and religious hatred, dissension and intolerance".

- 95. Commemorations remain a space for glorification and provocative behavior. This includes the "traditional" gathering of the Ravna Gora Chetnik movement marking the anniversary of General Draža Mihajlović's apprehension. After the court verdict that sentenced three movement members for inciting ethnic hatred in 2022 and the 2024 ban of the usual gathering in Visegrad, it was held at the nearby Mihajlović Memorial in Dobrun instead. The gathering provided a platform for extremist rhetoric and calls for unification of Montenegro, Serbia, and the RS.
- 96. BiH needs an efficient institutional response to incidents. Impunity for instances of hate speech, denial of genocide and other war atrocities, and glorification of war criminals, especially when committed and promoted by politicians and other public figures, reinforce a social climate in which such offenses become normalized as acceptable. Impunity represents an insult to the victims of such acts and threatens their security and decreases prospects for reconciliation.
- 97. Stronger efforts are also needed to promote local efforts for better co-existence. In this regard, I am pleased to see the first successes of the "Mozemo bolje" project implemented by the EU, OSCE, CoE, and UN "Empowering Trust and Cohesion in BiH's Communities."

#### Violence against returnees

- 98. Incidents against returnees continued. The reporting period witnessed a steady flow of reports of violence or provocations against the returnee population, feeding further into the sense of insecurity among this category of the population. Ethnic or returnee-related incidents were particularly noted in conjunction with the marking of prominent religious and other holidays. Several such reports came in the period around the Serb Orthodox Christmas on 7 January 2024 and during the marking of the unconstitutional RS Day on 9 January 2024.
- 99. In some cases, safety concerns motivated returnees to consider leaving their homes, as this population, besides being an ethnic minority in their places of return, consists often of predominantly elderly people, who are particularly vulnerable.
- 100. The most serious form of incidents included physical violence, often in combination with attempts at burglary or robbery in some more remote locations. In the most sinister case from the previous reporting period, a Croat returnee who was the victim of a physical attack near Derventa (RS) in October 2023 succumbed to inflicted injuries in November 2023.
- 101. Other cases of physical violence during the past six months include an attack against an elderly female Serb returnee in Vozuća (Zavidovici, FBiH) in December 2023, during an attempted robbery, along with another burglary reported at another returnee household nearby. A similar case happened in January 2024 in Tumare (Lukavac, FBiH), where another Serb female returnee was physically attacked and injured. In the most recent incident, a group of four young Bosniaks (age 18-22) from Stolac (FBiH) was attacked by a group of ten masked persons armed with baseball

bats at the entrance to their hometown. The police detained the perpetrators the following day, though the incident itself prompted new frustration and triggered a host of condemnations from all sides.

- 102. A Bosniak returnee was physically attacked and beaten in the town of Višegrad (RS) in late January 2024, during a municipal celebration in a local restaurant, while other cases of burglary and damage to returnee property were reported near Višegrad in January 2024, and more notably in Vlasenica (RS), where property of Salaharević family was again the target of an attack, after a chilling symbolic message left in their yard in September 2023. Teenage soccer players from Drvar (FBiH) were verbally and physically attacked during a tournament in Bihać (FBiH) in December 2023, on which occasion one player sustained minor injuries. A number of returnee communities complained about hunting groups shooting in the vicinity of their households, causing stress and concern, despite occasional safety assurances by the hunter associations.
- 103. Threats and harassment directed against non-Serb population occurred throughout the RS, including celebratory use of firearms, chanting of offensive songs and glorification of war criminals, most prominently, but not limited to Vlasenica, Višegrad, and Srebrenica in the vicinity of the Srebrenica Genocide Memorial Centre.
- 104. Incidents were also observed in the FBiH, with Serb returnees being targeted. On 7 January 2024, a Serb returnee household near Mostar was stoned, resulting in fear among the small Serb returnee community there, especially the elderly Serb woman who was the owner of the attacked house. Very often such incidents involve attacks on symbols. Two cases were recorded where Serb flag was the target of attacks which caused tensions, in particular in Konjic, where a flag was taken down from the church, and Zenica, where a Serb flag was burnt on 9 January 2024.
- 105. Cases of returnee-related or ethnically motivated violence generally remain unresolved. To improve the situation, the BiH Parliamentary Assembly appointed a body to investigate returnee-related incidents and develop proposals for action.
- 106. Proposals include setting up a comprehensive database of such cases to help track problems more efficiently and introducing more frequent police patrols in returnee areas as a preventive measure. There is also an initiative to amend relevant legislation to better protect returnees. Some members of the parliamentary body noted the need to look at returnee-related incidents together, rather than dividing them on the basis of ethnicity, which is predominantly the case.
- 107. The listed forms of ethnic disputes go beyond returnee-related violence and, along with it, serve to perpetuate ethnic antagonisms and fuel the continuation of the conflict narrative. Some members of the parliamentary body rightfully saw the rhetoric as one of the underlying problems. Politicians feed the inter-ethnic tensions and capitalize on them. There is also a strong role of social media, where such attitudes are presented and distributed without entailing responsibility.
- 108. Safety and security problems pushed day-to-day struggles of returnees down the list of priorities. Those relate to insufficient or non-existing integration, lack of employment, inadequate living conditions, property issues, poor infrastructure, including in some places lack of connection to the electricity network.

109. As High Representative, I remind all citizens that the right to return is protected under the GFAP, obligating all sides to ensure the secure return to refugees and displaced persons, without the risk of harassment, intimidation, persecution, or discrimination, especially based on their ethnicity, religious beliefs or political views.

## Deteriorating situation in Srebrenica

- 110. Inter-community relations in the Srebrenica municipality have been on a steady decline during the past two years. Since the last local elections in 2020/21, apart from an initial effort, there has been no joint approach to dealing with the community problems. The Bosniak boycott of the partly repeated local elections cost them more significant representation. The Serb dominated authorities continued with the tendency to push Bosniaks out of the way, preserving today only the fig-leaf of multi-ethnicity in the municipal leadership by keeping a Bosniak Municipal Assembly Speaker.
- 111. The removal of the Bosniak Deputy Mayor in November 2023 and his replacement by a Serb created an atmosphere of increased pressure against the Bosniak community. These actions are largely driven by personal interests of the individuals involved, but there is also a sense of anti-Bosniak sentiment within the ruling Serb coalition. Incidents over the Orthodox Christmas period in January 2023 and subsequent reactions deepened the community divide.
- 112. Another divisive topic came with the initiative to rename the streets without clear and transparent procedures, the inclusion of the Bosniak representatives in the work of the commission, or direct citizen participation in general. Despite assurances by the Srebrenica Mayor that the process is not against Bosniaks, it is still widely viewed as flawed. On 15 April 2024, the Serb majority in the Municipal Assembly of Srebrenica adopted changes to the street names. The Bosniak representatives walked out of the session. They saw the initiative as directed against the Bosniak community in Srebrenica and shared their views with international community representatives. I regret very much that there was no sign of respect, including remembrance for the genocide victims.
- 113. The construction of a church in the Bosniak populated area of Osatica is another cause of tension. Bosniaks see it as provocation, whereas Serbs see it as response to the earlier construction of a Bosniak memorial across the road from the new church construction site.
- 114. The approaching local elections in October 2024 loom large in the background. The issue of the integrity of the election process in Srebrenica will add to the tense atmosphere.
- 115. In the neighboring Bratunac, new Mayor Lazar Prodanović (SNSD) invests a lot of effort into reinstating "normality" in the community life, trying to change the paradigm and transcend the ethnic divide. His endeavors are insufficiently noticed and supported.
- 116. The problems in Srebrenica contribute to accelerated depopulation, which the local authorities do not properly address. Srebrenica may require a fresh approach and a new agenda for moving forward. Deep wounds need more care and attention, and the two communities need further support to be able to overcome the divisions and find strength to rebuild trust and cooperation. Temporary residents of Srebrenica are expected by some observers to come from places in Serbia and the RS. It is not clear how proof of living in Srebrenica and being a resident of this town can be verified for those actually living elsewhere.

## Missing persons

- 117. According to the updated list of the Missing Persons Institute (MPI), more than 7,600 people are still unaccounted for from the war of 1992-1995.
- 118. The lack of reliable information on potential gravesite locations continues to be the main obstacle in the tracing process, coupled with the lack of local capacities to process available information. Government agencies and institutions, especially MPI, are understaffed and underfinanced. Local forensic resources involved in exhuming and identifying missing persons are in dire need of reinforcement and financial support. Coordination of actors taking part in the search for missing persons must also be strengthened.
- 119. There is no progress in fully implementing the Law on Missing Persons, including in establishing a fund for the families and in harmonizing entity legislation with the State-level law. The issue of missing persons no longer appears to be a priority and the families have been marginalized.
- 120. According to the assessment of the International Committee of the Red Cross from December 2023, the inability of many families to cope with the prolonged ambiguous loss of their loved ones as well as to obtain proper support within society have triggered severe mental health needs.

## Education aspects of transitional justice

- 121. Generally, the education system is not used as an instrument to overcome ethnic tensions. On the contrary, education remains politicized and continues to fuel mistrust. This applies mainly to history teaching, where ethnocentric perspectives persist in the new generation of textbooks.
- 122. Both decisions of the FBiH Supreme Court that found the practice of "two schools under one roof" discriminatory (2014 regarding Stolac and Čapljina in the Herzegovina-Neretva Canton and 2021 regarding the Central Bosnia Canton) remain unimplemented. Instead of supporting integration towards multiethnic inclusive quality institutions, the local authorities work rather toward full separation through the establishment of mono-ethnic schools in mixed areas or the transport of children to schools in areas where they are the ethnic majority.
- 123. Positive developments were noted in relation to the lawsuits by Bosniak parents from Liplje (Zvornik, RS) (2022) and Janja (Bijeljina, RS) (2023) regarding the right of Bosniak children to call their language Bosnian and have it recorded in school documents.
- 124. On 12 January 2024, the Bijeljina Basic Court adopted the first instance ruling in the case of parents of Bosniak children from Janja against the RS and the "Meša Selimović" school in Janja. The court ruled that Bosniak children are treated unequally and ordered that discrimination be eliminated. The RS Ministry of Education filed an appeal before the District Court in Bijeljina.
- 125. In the Liplje case, the Zvornik Basic Court ruled already earlier that the plaintiffs were discriminated against on the ethnic and language grounds because the defendants denied them the equal right to education in mother tongue by not allowing them to call their mother tongue 'Bosnian' in the education process and not using this name in the official school documentation, which is not the case for Serb pupils. The defendants submitted an appeal.

Compensation for victims of war

- 126. The country still lacks comprehensive legal protection and regulation of the rights of civilian victims of torture, including former camp detainees and survivors of conflict-related sexual violence, and for families of missing persons. While some individuals have obtained the legal designation of war victims that entitles them to specific benefits, certain societal groups cannot assert their rights because of restrictive criteria outlined in the entity laws.
- 127. On 1 January 2024, the application of the new FBiH Law on Protection of Civilian Victims of War began. Its adoption was an essential step in ensuring the recognition and rights of civilian victims of war and in providing support to a historically neglected and marginalized group.
- 128. The Law on Protection of Victims of War Torture in the RS has been applied in discriminatory ways with the result that many victims have been unable to realize the rights safeguarded by this legislation. Moreover, the law had a brief preclusion period that expired on 5 October 2023, and authorities have not so far shown willingness to extend it. As a result, survivors are no longer able to even apply for victim status and exercise their rights in the RS. My intention is to extend the deadline for damage compensation for victims.
- 129. While important, existing entity and BD legislation does not secure a non-discriminatory approach to the recognition and compensation of all categories of civilian victims of war throughout the country. Still, no steps were taken to adopt a State-level framework law clearly defining countrywide criteria on the rights of wartime victims.
- 130. The statutory deadlines enshrined in the various laws regulating the status of victims of war impose arbitrary and undue burdens on victims' ability to obtain recognition. The RS authorities continue the practice of seeking reimbursement for court costs from victims of war who were barred by statutes of limitations from seeking compensation through civil proceedings.
- 131. Moreover, despite the availability of formal mechanisms allowing victims to seek compensation through criminal proceedings, judicial authorities throughout BiH have not ensured that victims are able to exercise that right. According to the OSCE's comprehensive trial monitoring program, compensation was awarded in just 19 of nearly 700 adjudicated war crimes cases.
- 132. In 2023, after children born of war were symbolically first recognized by BD, the FBiH took a step forward by not only recognizing children born of war as civilian victims of war but also by providing them with adequate material rights. The RS and BD need to harmonize their laws in this regard.
- 133. Overall, decisions by international mechanisms affirming the rights of civilian victims of war to effective forms of redress remain unimplemented. This includes recommendations by several UN treaty bodies as well as the 2019 Decision by the UN Committee Against Torture.
- 134. I welcome the engagement of the CoE, the EU Delegation, the OSCE, the UN Resident Coordinator, and the TRIAL in following closely the developments and prompting the BiH authorities to act.
- UN Secretary-General's Peacebuilding Fund for BiH
- 135. Following the confirmation of eligibility of the UN Secretary General's Peacebuilding Fund for BiH in 2022, various programs have been developed and agreed with government covering

Women, Peace, and Security; Youth Peace and Security and strengthening trust with institutions and civil society. The 1<sup>st</sup> meeting of the newly established Peacebuilding Committee co-chaired by the BiH Minister of Foreign Affairs and the UN Resident Coordinator in BiH was held on 19 February 2024, with government, donor, regional and civil society representatives. The establishment of the Peacebuilding Steering Committee marks a pivotal moment in collective efforts to support sustaining peacebuilding initiatives in BiH and is aligned with the government's progress in implementing key priority 5 of the EU accession priorities focused on creating an environment conducive to reconciliation. It was referenced by the President of the EU Commission in her address on 12 March 2024 to the EU Council as one of the five factors demonstrating progress by BiH for opening full EU negotiations.

#### Gender-based violence

- 136. Gender-based violence remains widespread and is reflected in increasing numbers of femicide cases. The increased violence rate in general clearly drew attention to the need for urgent institutional action to ensure higher level of security through legislation and more efficient preventive measures.
- 137. In the last 14 months, 12 women were murdered, primarily by their partners or relatives (four of them committed and one attempted to commit a suicide). A particularly worrying case was one from February 2024 when an off-duty police inspector in Tuzla murdered the owner of a café, which resulted in citizen protests with the calls for resignations of the Cantonal Minister of Interior and the Police Commissioner.
- 138. The Christopher Street Day took place in Sarajevo. LGBT is not fully accepted, and progress in this regard is inadequate. I will continue to work with the UN, the Council of Europe, and other organizations to support NGOs and active politicians in BiH on this issue.

#### *Gender Equality*

- 139. In the reporting period, there were several key developments related to gender equality in the country. The new Gender Action Plan 2023-2027 was adopted by the BiH Council of Ministers tracing the path to key priorities for gender equality in BiH. Unfortunately, due to blockages from the RS, the new National Action Plan for 1325 Implementation in BiH has not been adopted.
- 140. BiH has taken a prominent role and active engagement in CSW68 calling for feminist financing and collective action for women's economic justice. The first ever parallel audit report on SDG5 progress in BiH has been implemented jointly by the BiH, FBiH and RS Audit Institutions, outlining very clear recommendations for all three levels of government on how to improve achievement of SDG5 commitments. The second Gender Equality Index for BiH has been published by BiH Agency for Statistics and BiH Ministry for Human Rights and Refugees, measuring the achieved level of gender equality in six key areas: Knowledge, Power, Work, Health, Time, and Money. In all of the domains, BiH scores significantly lower than EU average, pointing to worrying trends of regression of gender equality.
- 141. The mounting rhetoric against women's rights in the RS, as well as legislative attempts to eliminate the term gender equality, shows a worrying trend of diminishing human rights obligations and commitments related to women's rights and gender equality.

142. Additionally, the very low level of women's political participation at different levels of government is a worrying trend and should specifically bring attention to encourage more women to engage and run in the upcoming local elections.

## II. Developments Related to the State Institutions of BiH

#### A. Presidency of BiH

- 143. Following the eight-month rotation, BiH Presidency Member Denis Bećirović took over the Chairmanship of the BiH Presidency from Željko Komšić on 16 March 2024, who led the BiH Presidency with efficiency and effectiveness, as demonstrated by the resolution of some long-standing issues such as the appointment of the BiH Central Bank Governing Council.
- 144. The BiH Presidency took decisions from within its competency in foreign policy domain, defense and engaged in diplomatic activities, various bilateral and multilateral fora, and numerous international summits and conferences, which intensified in relation to BiH's EU path and opening of accession negotiations. Worth singling out is the adoption of the decision initiating negotiations towards the Agreement between BiH and the European Union on operational activities carried out by the European Border and Coast Guard Agency (FRONTEX), which was one of the key EU conditions for the opening of accession negotiations with BiH.
- 145. The Presidency Members continue to hold and express diverging positions on various issues including the constitutional and legal order of BiH, BiH's statehood and holidays, the GFAP, my role as High Representative, State property, Russia's aggression against Ukraine, NATO integration, and many other issues. The conduct of foreign policy was to some degree better harmonized as of late.
- 146. BiH Presidency Chair Bećirović continued to warn of blatant and unprecedented attacks by the RS authorities led by RS President Milorad Dodik against the GFAP and the constitutional and legal order of BiH, with unforeseeable consequences for peace and stability. He continues to condemn their anti-Dayton, unconstitutional, and separatist policies as undermining legal certainty and destabilizing the country, and to appeal to the international community to remain committed to preserving the GFAP and safeguarding peace, stability, and the territorial integrity of BiH. He repeatedly stressed that BiH's accession to the EU and NATO remain the two most important foreign policy goals of BiH and that opening of accession negotiations with the EU would be an encouragement for the country and its citizens.
- 147. BiH Presidency Chair Bećirović was adamant that all attempts to question and undermine the BiH Constitutional Court and the High Representative are part of a well-designed plan aimed at eliminating the guardians of peace, independence, sovereignty, and territorial integrity of BiH.
- 148. BiH Presidency Member Željka Cvijanović continued to challenge the presence of international judges in the BiH Constitutional Court as well as the international community presence in its current mandate and capacity, primarily the powers vested in the High Representative.

## B. Council of Ministers of BiH

149. During the reporting period, the BiH Council of Ministers (CoM) held a total of 20 regular sessions and 15 urgent sessions under the leadership of Chairwoman Borjana Krišto (HDZ BiH).

- 150. Satisfaction with the cooperation with the OHR is mixed. Exchange on issues relevant to the GFAP with some ministers is good, and insufficient with the others. So far, the Chairwoman has not instructed institutions to improve this situation.
- 151. The Chairwoman continued to express strong commitment to EU integration. In expectation of a positive decision of the European Council on opening accession negotiations, she repeatedly shared the conviction that the future of BiH and the Western Balkans depended on the preservation of dialogue, enhancement of cooperation and identification of sustainable solutions. She emphasized that the key to BiH's success lies in continued dialogue of constituent peoples and their legitimate representatives and relevant political actors.
- 152. The reporting period was marked by intensified diplomatic activity, numerous bilateral and multilateral visits, and participation in the international arena, all awaiting further BiH's progress on the EU path. On 5 December 2023, Chairwoman Krišto co-chaired the second high-level forum on European integration of BiH together with European Commissioner for Neighborhood and Enlargement Olivér Várhelyi. The forum was attended by representatives of the legislative and executive authorities of all levels.
- 153. The CoM adopted amendments to five existing laws as well as other documents from within its competence, including the Public Procurement Strategy for the Period 2024-2028 and the Program of Economic Reforms for the Period 2024 2026. Its focus was on improving trans-border cooperation, regional cooperation, managing migrations, digitalization, and energy efficiency.
- 154. The CoM appointed on 17 January 2024 a body for the preparation of a Reform Plan for the Implementation of EU Growth Plan for Western Balkans. The body, presided by Chairwoman Krišto, held its constituent session on 26 January 2024.
- 155. The established practice of not proposing legislation to the BiH Parliamentary Assembly unless there is full political consensus on adoption was duly followed.
- C. Parliamentary Assembly of BiH
- 156. During the reporting period, the BiH HoR held six regular and four urgent sessions, while the BiH HoP held three regular and two urgent sessions.
- 157. The pace of adoption of legislation required under the EU accession process did not meet expectations. The BiH Parliamentary Assembly adopted only two new laws relevant to the EU path, namely the Law on Prevention of Conflict of Interest and the Law on Prevention of Money Laundering and Financing of Terrorism. Additionally, the BiH Parliamentary Assembly adopted only three laws amending the existing legislation, namely the Law on HJPC, Law on Civil Service, and Value Added Tax Law.
- 158. The BiH Parliamentary Assembly at the same time rejected three laws previously adopted by the BiH CoM (new Law on Foreign Affairs, Law on Manner of Conclusion and Execution of International Agreements, Amendments to the Law on BiH Air Navigation Services Agency), and four laws proposed by delegates.

# III. Developments Related to the Federation of BiH

- A. Executive and Legislative Authorities of the FBiH
- 159. As already reported, after all constitutional deadlines for the Government formation expired, my Decision of 27 April 2023 unblocked the appointment of the FBiH Government and helped to overcome the continual political stalemate at the entity level.
- 160. An integral part of this Decision was the amendment to the FBiH Constitution that will enter into force in May 2024 if the FBiH Parliament fails to amend the Constitution to overcome similar government formation blockages. The FBiH Parliament was expected to develop a long-term solution to prevent future obstacles in the formation of the government. The 12-month period between the Decision and the Amendment's entry into force should have been sufficient for an agreement to emerge on constitutional changes relating to this issue. An initiative to that end was launched only on 12 April 2024, when a majority of delegates in the Bosniak Caucus in the FBiH House of Peoples (FBiH HoP) proposed an amendment to the FBiH Constitution in place of the enacted amendment. By the end of the reporting period, consideration in the parliament has not been scheduled.
- 161. The Government met regularly throughout the reporting period, holding 15 regular sessions and 50 extraordinary sessions. On the other hand, the FBiH Parliament met far less frequently, with the FBiH HoP holding two extraordinary sessions and three regular sessions and the FBiH House of Representatives (FBiH HoR) holding one extraordinary session and five regular sessions.
- 162. The Parliament adopted two new laws as well as two proposals amending the current laws. On 31 January 2024, the FBiH HoP amended its own Rules of Procedure harmonizing it with my 27 April Decision in order to prevent blockages in the HoR working bodies and make the work of the House more efficient.
- 163. On 25 September 2023, Mirjana Marinković-Lepić (Naša Stranka) resigned from the position of FBiH HoR Speaker for health reasons. In the absence of a replacement, HoR sessions are chaired by FBiH HoR Deputy Speaker Mladen Bošković (HDZ BiH).
- 164. After the adoption of the amendments to the FBiH HoR Rules of Procedures, the opposition led by SDA and DF filed requests for dispute resolution before the FBiH Constitutional Court regarding, among others, procedural matters related to the chairmanship of the 8<sup>th</sup> and 9<sup>th</sup> FBiH HoR sessions.
- 165. On 28 November 2023, the FBiH HoR adopted the proposal by Slaven Raguž (HRS) of declaration on introduction of modern technologies in control of election process, asking the BiH Central Election Commission (CEC) and all political parties represented in the BiH Parliamentary Assembly to amend the BiH Election Law without delay, so that the local elections in 2024 could meet democratic standards protecting the integrity of the process.
- 166. The FBiH HoR has not yet met its constitutional obligation to appoint a replacement for BiH Constitutional Court judge Mato Tadić who retired in November 2022. The Selection and Appointment Committee of the FBiH HoR has still not come to an agreement whether to propose only the top-ranked candidate or the full list of the successful candidates to the FBiH HoR for a final vote.

- 167. In parallel, following the failure of the Federation President with the concurrence of the Vice-Presidents to nominate from the submitted HJPC list within 30 days a replacement for FBiH Constitutional Court judge Kata Senjak who met the retirement requirements on 14 January 2023, it became the responsibility of the FBiH HoP to complete this appointment. This has not been done to date. It is important to note that, by virtue of the amendment to the FBiH Constitution that I enacted on 2 October 2022, if a new judge is not appointed by the date when the judge to be replaced reached 70 years of age, the judge who reached 70 years of age shall continue to serve until a new judge assumes office. As a result, sitting judge Kata Senjak may continue to serve until the responsible authorities meet their constitutional obligation.
- 168. The appointment of members of the Governing Board of the FBiH Radio-Television has also been long outstanding. As a consequence, there is no oversight and governance structure in place to fulfil its mandate effectively, which also undermines public trust in the integrity and impartiality of this media institution. On 27 February 2024, my Office joined the EU and the OSCE in a joint letter to the FBiH Parliament, urging it to finalize the appointment without further delay.

## Closure of 'respirators affair'

- 169. On 26 January 2024, the Appellate Chamber of the BiH Court confirmed the first-instance verdict in the 'Ventilators' case sentencing former FBiH Prime Minister Fadil Novalić (SDA) to four years in prison over the procurement of 100 overpriced ventilators from China in 2020 during the COVID pandemic, at a cost to the budget of BAM 10.53 million. FBiH Deputy Prime Minister and Minister of Finance Jelka Miličević (HDZ BiH) was acquitted.
- 170. The director of the company Srebrena malina, Fikret Hodžić, and the suspended director of the FBiH Administration for Civil Protection, Fahrudin Solak, were also found guilty and sentenced to five and six years in prison, respectively.
- 171. The charges against Novalić, Hodzić and Solak included conspiring to commit various crimes related to misuse of power, receiving rewards or other benefits for influence peddling, money laundering, forging or destroying business or trade documents, forging official documents, violating obligations to maintain business or trade records, and preparing financial reports and falsifying or destroying them.

#### B. Mostar

### Statute

- 172. Following the earlier unsuccessful attempts by the Mostar City Council to adopt the City Statute, as mandated by the High Representative in 2004, the Mostar City Council revisited the issue on 14 November 2023. Despite support from the SDA-led coalition, the Council failed to achieve the required two-thirds majority (24 out of 35 city councilors) for adoption.
- 173. Fully cognizant of the non-implementation of the Mostar Agreement signed in June 2020, I urge the involved parties to elevate their discourse regarding the adoption and execution of the agreed Statute. It is imperative that they strive for a functional, equitable and unified urban framework for Mostar

## Issues of discontent

- 174. On 24 February 2024, a sign announcing the construction of an Intercultural Center Mevlana in the Mostar Central Zone, near newly built Croat National Theatre, was vandalized and then removed. While SDA, NIP, SDP, and NES voiced their support for the project, HDZ BiH criticized it as an illegal act, attributing it to a religious institution that allegedly placed the sign in the absence of proper legal documentation. Given the area's intricate relationships and historical context, the construction triggered heightened tensions and risks evolving into a political and legal issue.
- 175. Mayor Mario Kordic intended to overcome the ethnic division in Mostar in several fields. Unfortunately, this has not led to broad participation.
- 147. The OHR urged Mostar's politicians to engage in constructive dialogue for the benefit of the citizens. On 6 March, the Muftiship of Mostar unveiled the Center's design, envisioning it as a hub for interreligious dialogue and promoting intercultural dimensions. On 8 March, a new billboard announced the project's commencement. Mostar Mufti Salem Dedović asked for my assistance in resolving the issue and further requested the formation of an international expert commission to assist in enabling the construction of the Center. I will remain engaged with the relevant parties.

# C. Cantonal Developments

- 176. Five Cantons got new governments in the reporting period.
- 177. Herzegovina-Neretva and Canton 10 were the last to appoint their governments, 13 and 16 months after the 2022 General Elections, respectively. In Herzegovina-Neretva, after lengthy negotiations, HDZ BiH, SDA and SDP formed the government on 9 November 2023. Canton 10 formed its government on 14 February 2023. The majority is composed of six political parties led by two HDZ BiH's splinter parties (HNP and HDZ 1990), leaving HDZ BiH in the opposition. SDA and SNSD, alongside two Serb opposition parties, also joined the majority in this Canton.
- 178. Una-Sana, Zenica-Doboj and Sarajevo had their governments reconstructed or reshuffled.
- 179. In Sarajevo, the government reshuffle was confirmed on 15 November 2023 to reflect the changes within the Troika-led parliamentary majority (SDP BiH-NiP-NS). The Troika kept its leading position. The PM and eight Ministers in the government remained in place, while two new Ministers from the Troika (i.e. ten in total) and two from the only newcomer to the government, ZNG, were appointed in this reshuffle.
- 180. In Una-Sana, SDA broke the coalition with the second strongest party there, NES, and formed a new one with SDP, NiP, and POMAK. Consequently, on 5 December 2023, the Una-Sana Cantonal Assembly elected a new Speaker from POMAK and appointed a new Government led by the SDA Prime Minister and consisting of SDA, SDP, and NiP ministers. It is also important to note that the Anti-Corruption Office of the Una-Sana Canton was opened on 23 October 2023 in Bihać. This was the first step in the process, but also an important achievement in the Canton's institutional and systematic fight against corruption and for ensuring fairness and transparency.
- 181. In Zenica-Doboj, following SDA's takeover of the parliamentary majority from the Troika and its partners, the process of government reconstruction was finalized on 26 October 2023. The

- Cantonal Assembly appointed a new government consisting of five SDA, two DF, one NES and three ministers nominated by the independent representatives.
- 182. All ten Cantons adopted their 2024 budgets. They vary from slightly less than BAM 67 million in the Posavina Canton to BAM 1.5 billion in the Sarajevo Canton.
- 183. The Zenica-Doboj Canton and the Una-Sana Canton adopted laws regulating public gatherings. The laws are compliant with applicable international standards on the right to freedom of peaceful assembly, including General Comment No. 37 of the United Nations Committee on Human Rights on Article 21 of the International Covenant on Civil and Political Rights (Right to Peaceful Assembly).

# D. Municipalities/Cities

- 184. Citizens of Stari Grad Sarajevo elected their new Mayor, Irfan Čengić (SDP), on 29 October 2023, after they recalled the previous Mayor, Ibrahim Hadžibajrić (NES), on 23 July 2023 (following his arrest and confirmed indictment at the Sarajevo Municipal Court). Čengić won nearly 63% of votes against his SDA opponent.
- 185. Another Sarajevo Municipality Centar Sarajevo was also on the way to recalling the Mayor, Srđan Mandić (NS), following an initiative led by NiP in the Municipal Council. However, preparatory procedures for a referendum on the Mayor's recall failed and the referendum could not be organized in time prescribed by the relevant legislation, i.e. before the end of that calendar year.

## IV. Developments Related to Republika Srpska

#### A. Executive authorities of the RS

- 186. During the reporting period, the climate was influenced by the events occurring in the previous period. These events included the indictment and the subsequent trial of RS President Milorad Dodik and RS Official Gazette Acting Director Miloš Lukić for breaching obligations in office as indicated earlier.
- 187. The RS Government held 23 regular sessions until 29 March 2024.

#### B. RS National Assembly

- 188. In the same period, the RS National Assembly (RSNA) held three regular and three special sessions, during which twenty-one laws were passed.
- 189. The decisions made by the RSNA in the previous reporting period are also coming into force. Although no problematic legislation was passed in the RSNA during the reporting period, some bills had been introduced in the parliamentary procedure earlier (first reading or public debate), indicating a set timeframe for their adoption. These include the Law on Referendum, the Law on Immunity, the Law on Special Register and Transparency of Non-Profit Organizations, colloquially known as Foreign Agents Law, and the Election Law of Republika Srpska. Out of these four laws, the Foreign Agents Law and the Election Law were passed in the first reading,

- while the other two (Referendum and Immunity) passed the public debate stage and are in line for final adoption.
- 190. In the previous reporting period, defamation was reintroduced in the RS Criminal Code, which, along with two other laws, clearly bolsters authoritarian tendencies in RS politics. These developments help the RS authorities reduce civic liberties and allow politicians to act with impunity.

# V. Public Security and Law Enforcement

- 191. The practice of inappropriate political interference in operational policing has not diminished during the reporting period.
- 192. In October 2023, the Herzegovina-Neretva Canton Independent Board released a public vacancy for the position of deputy police commissioner due to the impending retirement of the current deputy police commissioner. Following the completion of the vacancy procedure, the Board forwarded to the Herzegovina-Neretva Canton Minister of Interior the name of the selected candidate to replace the outgoing deputy police commissioner. However, to date, the Herzegovina-Neretva Canton Government has not completed the appointment procedure due to questions about the retirement records of the outgoing deputy police commissioner and related disagreements within the ruling coalition.
- 193. On 25 January 2024, the Independent Board of the BiH Parliamentary Assembly reviewed letters from the BiH Directorate for Coordination of Police Bodies and the BiH Border Police regarding amendments to the BiH Law on Police Officials. The Board supported efforts to find solutions for filling vacant positions within these agencies. The Board forwarded the materials, including the proposed amendments to the BiH Law on Police Officials, to the Joint Collegium of both the BiH Parliamentary Assembly and the BiH Ministry of Security.
- 194. The post of FBiH Police Director has been vacant since January 2019, and the post of FBiH Deputy Police Director has been vacant since February 2023. The FBiH Independent Board, responsible inter alia for recruiting the police director and deputy director, disbanded in August 2022. The FBiH Parliament has not appointed a new Independent Board.
- 195. In January 2024, the Zenica Doboj Cantonal Assembly removed three members of the Independent Board and appointed 'temporary' replacements, sparking sharp claims by opposition political parties of political interference in professional policing. In February 2024, the United States Embassy in BiH wrote to the Zenica-Doboj Cantonal authorities questioning the commitment to police independence and professional policing. In March 2024, the Zenica-Doboj Cantonal Assembly appointed three new Independent Board members to four-year mandates. Media in the Zenica-Doboj Canton have carried claims of serious irregularities in the appointment. Also in March 2024, the FBiH Constitutional Court ruled that the Amendments to the Cantonal Law on Internal Affairs used in the procedure of removal of the previous Police Commissioner are unconstitutional due to the retroactive implementation of the amendments.
- 196. In February 2024, following several high-profile security incidents, a murder committed by an active police official in the Tuzla canton sparked protests by citizens, including demands for the resignations of the Cantonal Minister of Interior and the Police Director. On 15 February 2024,

- the Tuzla Cantonal Assembly held an urgent session, but evaluated the security situation as positive. An initiative to remove the Independent Board failed to secure enough votes, and no resignations took place.
- 197. In March, the Una-Sana Cantonal Assembly adopted extensive amendments to the Una-Sana Cantonal Law on Internal Affairs and the Law on Police Officials. The amendments introduced a new post of Deputy Police Director appointed by the Una-Sana Cantonal Government outside the standard merit-based selection process. The amendments included other departures from the police independence model in the previous legislation. The Una-Sana Canton has been without a police commissioner (now director) since October 2022.
- 198. In March 2024, the Sarajevo Canton Minister of Interior formed an expert team for the prevention of crime and other security risks in Sarajevo in response to a worsening public security environment. Also in March, the Sarajevo Cantonal Assembly held a session devoted to addressing security concerns in the canton.
- 199. The mandate of the current SIPA Director will expire in July 2024. It is expected that the BiH Parliamentary Assembly Independent Board will release a public vacancy for a successor to the post in late April.

## VI. Economic and Social Developments

#### A. Economic Trends

- 200. Economic activity in BiH has slowed down. The growth rate in Q3 was 1.9%, substantially below the growth rate of 3.8% in 2022. Economic indicators such as foreign trade exchange and industrial production confirm the slowdown. In 2023, BiH's exports and imports dropped by 7.1% and 3%, respectively. Industrial production dropped by 8%. Inflation was 6.5%. Foreign direct investments in Q3 amounted to BAM 1.433 billion (up by 23.9% compared to same period in 2022).
- 201. The social indicators improved but progress is merely statistical. In December 2023, the average net salary was BAM 1,297, an increase of 8.9% compared to December 2022. The average pension of BAM 582 in Federation and of BAM 541 in the RS increased by 20.7% and 13.8%, respectively. Still, the income levels remain significantly below the average price of the basket of goods of over BAM 2,800 for a four-member family, suggesting that even those with steady incomes struggle to make ends meet. The number of unemployed persons in December 2023 was 343,500. This is a 3.9% decrease compared to December 2022. The registered unemployment rate is about 28.7%, while the real (labor survey-based) unemployment rate is about 13.1% for Q2 of 2023. The number of employed persons is 852,813 (up by 0.9%). The number of pensioners is 727,337 (up by 2.3%).
- 202. The outflow of people has accelerated. The BiH Union for Sustainable Return estimated the number of those who have left BiH in the period 2013-2023 at 600,000. According to population projections and youth emigration aspirations survey conducted by the UNFPA in BiH, the total population decreases by approximately 45,000 people every year, of which over 20,000 are young, skilled people who emigrate abroad. This represents about 4% of the total youth population. These population trends are likely to persist in the coming years and result in less dynamic postemigration BiH as the pool of young people available and willing to emigrate will shrink, while increased losses will result from increased mortality caused by the proportionally higher number

- of older people in country. The infrastructure and health conditions will improve but cause doubts about the country's ability to withstand potential existential challenges.
- 203. Political instability and poor standards of living are quoted as the key factors that drive people away. As for the latter, according to Eurostat, indicators that measure the level of economic wellbeing of countries place BiH at the European bottom. The BiH Agency for Statistics published the results of the European Price Gross Domestic Product (GDP) Comparison Program, which show that, in 2022, GDP per capita in BiH expressed in purchasing power standards was only 35% of the EU average, while the actual individual consumption per capita expressed in purchasing power standards was 41% of the EU average. An additional factor quoted as a reason for leaving the country is corruption. The Transparency International's Corruption Perceptions Index 2023 ranked BiH as 108th of 180 countries. The BiH rank is again the lowest in the region and the second worst in Europe.
- 204. The financial sector appears stable. According to the preliminary data, the banking sector in BiH had a record profit in 2023, amounting to BAM 709 million. This is a 41.2% increase over 2022.
- 205. The BiH Ministry of Finance and Treasury estimates BiH's overall public debt at the end of Q4 of 2023 at BAM 12.95 billion, which is ca. 26.73% of BiH's GDP. Out of this amount, the foreign debt is BAM 8.92 billion (68.88%) and the domestic debt is BAM 4.03 billion (31.12%). The Federation share in the overall debt is 50.97%, the RS share is 48.212%, and the share of the State institutions and BD is 0.47% and 0.35%, respectively.
- 206. On 2 February, the rating agency Standard & Poor's (S&P) confirmed BiH's sovereign credit rating of "B+" with stable outlook.

#### B. Fiscal Issues

- 207. There were no delays in debt servicing and regular budget payments in the reporting period. This was foremost due to the continued growth of indirect tax revenue, which accounts for most budget revenue for all levels of government. In 2023, the BiH Indirect Taxation Authority collected BAM 10.640 billion. This is an increase of 7.19% or BAM 714 million over 2022, which is a record collection of indirect tax revenue. The regular execution of financial commitments should also be attributed to borrowing, which is particularly excessive in the RS.
- 208. It has become the practice that the 31 December deadline for the adoption of a State budget for the following year is not met. At the time of reporting, a State budget for 2024 was not even finalized by the BiH Ministry of Finance and Treasury, let alone adopted by the BiH Parliamentary Assembly. While this can be attributed to the eight-month delay in the adoption of the Global Framework of Fiscal Balance and Policy in BiH for the Period 2024-2026 as the first step in the budget process at the State level, the 2024 budget preparation and adoption may also be held hostage to political party calculations.
- 209. While my Decision of 7 June 2022 secured uninterrupted temporary financing of the State institutions in the absence of a budget, temporary financing is only a stop-gap measure, as it restricts the amount of funds available to the State institutions and their scope of operations. Under the BiH Constitution, the responsible authorities have an obligation to ensure financing of the State

- institutions so they may fully discharge their constitutional and legal responsibilities. Thus, the problem of financing of the State institutions requires a sustainable solution.
- 210. The FBiH maintained its budget stability, which should be attributed to the sustained growth of indirect tax revenues and the continued domestic borrowing, mainly through the issuance of treasury bills and bonds. The FBiH Parliament at the HoR session of 22 January 2024 and the HoP session of 25 January 2024 adopted the FBiH Budget for 2024 in the total amount of BAM 7.474 billion, an increase of BAM 537 million or 8% over the rebalanced 2023 Budget.
- 211. The total domestic revenue is projected in the amount of BAM 5.978 billion, which is 6% more compared to the 2023 budget and includes among others: indirect tax revenue in the amount of BAM 2.256 billion (up by 7%), revenue from pension contributions in the amount of BAM 2.991 billion (up by 6%), and non-tax revenue in the amount of BAM 618.8 million (up by 18%). Current transfers and donations are planned in the amount of BAM 14.3 million (down by 82%). Borrowings and receipts from financial assets are planned in the amount of 1.395 billion (up by 52%), with plans to be covered through short-term and long-term domestic borrowings and international loans realized through the State. Funds for the construction of highways and expressways in the amount of BAM 101.3 million are also planned on the revenue side.
- 212. On the expenditure side, the budget foresees, among others, BAM 346.7 million for gross salaries and allowances (up by 12%), BAM 44 million for employee contributions (up by 9%), BAM 149.4 million for material and service expenditures (up by 19%), and BAM 5.083 billion for current transfers (up by 7%) that also include transfers for social and veterans' categories, pensions, economy, and lower levels of government. Expenditures for the acquisition of fixed assets are planned in the amount of BAM 66.6 million (up by 87%). The Federation debt payment totals BAM 1.203 billion (up by 7%), of which foreign debt totals BAM 750.4 million (up by 3%).
- 213. The RS maintained the stability of budget payments thanks to the sustained growth of public revenues and the continued domestic borrowing. On 14 December 2023, the RSNA adopted the 2024 Budget in the amount of BAM 5.735 billion. This represents a 4% increase compared to the 2023 Budget. More than half of the budget funds have been allocated for pensions and civil servant salaries, with BAM 1.785 billion and BAM 1.134 billion, respectively. The Government planned a budget deficit of BAM 201 million in 2024, which is 3.5% of the total budget and 1.2% of the estimated 2024 GDP of BAM 16.6 billion.
- 214. To meet its financial needs, the RS Government plans to borrow BAM 952 million long-term and BAM 338 million short-term. It has also included a debt service of BAM 922 million in its budget. The RS Government has been servicing its financial obligations regularly until now. However, the RS operates in a fragile financial environment and finances almost a quarter of its regular budgetary needs through borrowing. The entity authorities will continue to borrow from the local capital market to cover the regular budgetary needs planned in the 2024 Budget. So far, the Government has raised BAM 130.5 million by selling securities through the Banja Luka Stock Exchange (BAM 50.5 million in 6-month Treasury Bills and BAM 80 million in 5-year Bonds). According to the RS Ministry of Finance, the entity's total debt as of the end of September 2023 was BAM 6.3 billion, which is 41% of the estimated 2023 GDP.

## C. Specific International Obligations

- 215. BiH has not rectified its non-compliance with the Energy Community Treaty due to which it has been sanctioned on and off by the Energy Community Ministerial Council since 2015. Despite the invitation extended to the country by the Council to step up efforts towards full compliance, no progress has been made to date.
- 216. BiH is breaching the Treaty in six different cases (related to the areas of Electricity, Energy Efficiency, Infrastructure, Gas, Environment, and Third Energy Package). The most serious breach concerns the long-standing failure of BiH to establish a gas sector regulator at the State level, which the RS persistently rejects. Also, BiH has the highest overall number of cases/breaches and the lowest implementation of obligations stemming from the Treaty with a score of 35%. The Ministerial Council, during its regular annual meeting held on 14 December 2023, again called upon all Contracting Parties to accelerate the full and swift implementation of the Acquis Communautaire in all areas and announced infringement procedures to accelerate this process.

### D. Sustainable Development Goals

- 217. Following the first presentation of first Voluntary National Review by BiH at the High-Level Political Forum in New York in 2019, the country adopted the most important document for the implementation of Agenda 2030 since 2007, the first country-wide strategic vision on sustainable development: Sustainable Development Goals Framework in BiH, endorsed by State, entity and Brcko District authorities in April 2021. Significant efforts have been made across all levels of government to align and harmonize key development strategies with the framework.
- 218. The presentation of the second Voluntary National Review in July 2023 at the High Level Political Forum in New York detailed the impacts of the COVID-19 pandemic, war in Ukraine and record inflationary pressures on SDG progress. It also detailed the strong efforts being made to improve vertical cooperation and coherence across different levels of institutions, as well as the benefits of horizontal exchange of best practices, especially between local communities and different stakeholders. Despite the complex institutional structures in BiH, an ambitious SDG localization process was launched, also seeking to engage the private sector, citizens and academia to help accelerate SDG progress.
- 219. Specific achievements include the work of the SDG Financing Working Group to recommend options for mobilizing innovative financing, including with the private sector, for accelerating the SDGs. Progress was made in digitalization, energy transition and efforts to bring new jobs and environmental protection opportunities. Areas of further focus included investment in research and development, science and technology. The SDG Business Pioneers Award was established with the private sector, and similar awards were created for the most progressive leaders in local communities and the academic sector.
- 220. BiH has actively promoted regional cooperation on SDGs and Agenda 2030. Examples include the meeting of the states of the EU Adriatic-Ionian macro-region focusing on a mid-term evaluation of the progress in achieving the SDGs, the annual meetings of the Western Balkan experts, launched at the end of 2021, activities within the Central European Initiative, and active participation in the annual Regional Forum on Sustainable Development in Geneva.

# E. Problems of Specific State Legal Entities

Electricity Transmission Company of Bosnia and Herzegovina

- 221. The appointment of members of the management and the management board of the Electricity Transmission Company of Bosnia and Herzegovina is awaiting its resolution and the procedure for more than six years, while the current office holders continue to carry out their responsibilities in an acting capacity. First steps towards new appointments were taken at the end of February, when the vacancies for the General Manager and the Executive Directors were finally published. The vacancies for the Management Board are still in process. Prolonging the appointment may eventually affect the work and decision-making of this company to the detriment of the country and all its citizens.
- 222. As a reminder, the company was established by the BiH Law Establishing the Electricity Transmission Company, adopted by the Parliamentary Assembly of BiH in 2004, following the June 2003 agreement between the two Entities regulating the issue of the establishment of a joint transmission company and independent system operator at the state level, based on Article III (5) (b) of the Constitution of BiH.

Public Railways Corporation of Bosnia and Herzegovina

- 223. The Public Railways Corporation of Bosnia and Herzegovina remains underfunded despite being the only mechanism for a harmonized approach to reconstructing railway routes in the country. The cause of its financial vulnerability is the full dependence on entity financial transfers that have proven unreliable. While the Federation respects its payment obligations, the RS continues contributing below its share of 40 percent. The Corporation has resorted to reserves to cover the budget gaps but those have now been exhausted. This puts at risk the ability of the Corporation to settle its financial obligations, including salaries and operational expenses.
- 224. The downward trend in financing over the last years has already affected the work and stalled the development of the Corporation to the detriment of the country's economy and all its citizens. Should the financial uncertainty and restraints continue, there is a risk to the sustainability of the Public Railways Corporation of Bosnia and Herzegovina as the only corporation established under Annex 9 of the General Framework Agreement for Peace.

Financial Sustainability of the Public Broadcasting System

225. The Public Broadcasting System (PBS) faces significant financial challenges, particularly following the expiration of the agreement for RTV tax collection at the end of 2023. The BiH Radio-Television (BHRT), one of the main public broadcasters, did not renew its agreement with the power company Elektroprivreda BiH and the FBiH Radio-Television (RTFBiH), citing violations of the Law on Public Broadcasting System due to misallocation of funds by the entity broadcasters. The RS Radio-Television (RTRS) has been independently collecting the RTV tax since 2017 without contributing to BHRT, leading to a lawsuit from BHRT for some BAM 85 million. In the FBiH, RTV tax collection is at about 56% of households, with notable non-payment in western Herzegovina. RTFBiH, which manages these funds, has been retaining a portion intended for RTRS, further complicating the situation.

- 226. The issue of fund collection and distribution remains contentious. In early 2024, BHRT proposed a new method of tax collection with Elektroprivreda BiH, which RTFBiH rejected as illegal under the Law on PBS. However, a breakthrough occurred on 29 February 2024, when BHRT and RTFBiH agreed with Elektroprivreda BiH to resume tax collection from March 2024, though the issue of equitable fund distribution is still unresolved and further 60 days were given to BHRT and RTFBiH to come to an agreement. Additionally, on 27 February, the international community wrote to the FBiH Parliament to express concerns arising from the fact that RTFBiH has been operating with only one of four members of the Governing Board for more than 10 years, and to ask the Parliament to fulfill its responsibility and appoint Board members so that this body, part of the PBS System Board, could function properly.
- 227. This situation is critical regarding BiH's efforts to meet the EU's 14 priorities, which include ensuring the financial sustainability of the PBS. The proposed solutions include short-term measures for immediate stability and long-term strategies such as legislative changes and internal restructuring for PBS efficiency.

## VII. Developments Related to Annex 8

- 228. Following decisions by the BiH Presidency in early 2000s, the Commission to Preserve National Monuments worked well with five professional expert members, including two international and three local members (two from the FBiH and one from the RS). In 2016, the BiH Presidency decided not to fill the two international positions in the Commission. At the same time, a new rule was introduced whereby the presence of the three domestic members constituted a quorum for work and decision-making. Despite advocacy from the international community at the time, the remaining two members have not been appointed to the Commission to date. The 2016 decision of the BiH Presidency was temporary as it was supposed to be applicable until 30 May 2017. Nevertheless, the quorum and decision-making rules (presence of three and consensus of three) were incorporated in the Commission rules of procedure, which are still applicable.
- 229. The Commission currently has three domestic members. This situation impacts the Commission's ability to function. In addition, the independence of the Commission is compromised as two of its members are active members of political parties and were included in the candidates' list for the 2022 elections to the cantonal assemblies.
- 230. In the reporting period, there were no changes regarding the situation and functioning of the Commission. The last session of this Commission was held on 27 February 2024.

## VIII. Media Developments

Intimidation of journalists

231. The intimidation of journalists continues to be a major problem, especially in the RS. Denying access to information and governmental institutions to journalists who are not aligned with the ruling party remains a frequent practice. Several pieces of new RS legislation risk curtailing media freedom.

Regulatory changes

- 232. The mandate of the members of the BiH Communications Regulatory Agency (CRA) Governing Council expired at the end of 2017. In March 2024, the BiH CoM established a candidates list and submitted it to the BiH Parliamentary Assembly to carry out the appointment procedure for new members of the Governing Council, but it is yet to be finalized. The delay in appointing the CRA Council indicates political factors are at play. This prolonged interval since the previous Council's mandate expired in December 2017 suggests significant political influence in what should be a procedural appointment, raising concerns about the independence and neutrality of this regulatory body crucial for fair governance in the communication and broadcasting sectors.
- 233. In terms of its operations, on 26 January 2024, the CRA made a public call for the allocation of a license for Multiplex C to optimize available capacities for digital broadcasting. This is an addition to the already established Multiplex D within which 18 stations already broadcast digitally. CRA also granted a license for Multiplex 1 for digital radio, enabling commencement of digital radio broadcasting.

## Digitalization Progress

234. The digitalization process is advancing through two Multiplexes. Multiplex A, primarily for public broadcasters, saw an expedited procurement procedure - finalized in January 2024 with the signing of an agreement between the BiH Ministry of Communications and Transport and the consortium of companies from Banja Luka and Zagreb - for the procurement of equipment for digital transmission and broadcasting of public radio and television services in BiH, i.e., equipment necessary to finalize the Digitalization Project (Phases II and III). Meanwhile, according to the CRA, Multiplex D is on track to cover 90% of BiH's territory with digital terrestrial signals by the end of the year, currently hosting 17 TV stations, with an ongoing invitation for new participants.

## IX. EU Military Mission in BiH

- 235. The UNSC's unanimous approval on 2 November 2023 to extend the EUFOR Althea Mission was of utmost importance for peace and stability in BiH. The international community cannot permit a security vacuum to develop in BiH.
- 236. The EUFOR Althea Mission is needed now more than ever. Visibility and mobility of the deployed EUFOR troops and availability of the intermediate reserve forces (IRF) for EUFOR Althea remain essential given the challenging political situation in BiH and the associated security risks. EUFOR also monitors military facilities and arms factories based on a detailed inspection plan. Arms control is one of EUFOR's main tasks in creating a safe and secure environment and is carried out in close coordination with the relevant ministries. According to Annex 1-A, Article I and II, and Annex 1-B, Article I, II and IV, of the GFAP, all parties are committed to arms control and have agreed to cooperate with international organizations.
- 237. Since the invitation to the NATO Membership Action Plan (MAP) in 2010, the Armed Forces of BiH (AFBiH) have continuously evolved to become a reliable partner in the Euro-Atlantic security architecture. Although the AFBiH is a crucial State-level institution where cooperation within the multi-ethnic structure functions best, its operational and command capabilities remain dependent on the support of strong NATO and EU partners.

## X. OHR Operations

- 238. While the OHR has faced substantial reductions to budgets and staff over the last few years, its remaining tasks have not decreased commensurately. The current annual operating budget of the organization is EUR 5.8 million. Collecting budgeted funds remains challenging, with more than EUR 600,000 of the budget expected to be uncollected in the current operating period. As previously noted, the Russian Federation suspended its contribution to the OHR budget in February 2022 and this remains their position. The OHR employs 73 national staff and 20 internationals, of which 16 are seconded in Sarajevo and its regional and field offices.
- 239. To achieve progress on the 5+2 Agenda, a robust and efficient OHR is indispensable. Its capacity to fulfill the mandated responsibilities is restricted without the appropriate resources. This financial situation is counterproductive to the goals established by the Steering Board of the Peace Implementation Council and could threaten the core OHR mandate.
- 240. As 2025 will be the 30<sup>th</sup> anniversary of the Srebrenica Genocide and the peace in BiH through the GFAP, I am planning to work on a high-level political evaluation conference and a new approach to GFAP implementation and EU integration.

# XI. Reporting Schedule

241. I submit this report in accordance with the requirement in UN Security Council Resolution 1031 (1995) for the High Representative to submit regular reports to the Secretary-General for transmission to the Security Council. Should the Secretary-General or any member of the Council require further information, I am at their disposal. The next regular report is scheduled for November 2024.

#### **Abbreviations**

BiH Bosnia and Herzegovina

BAM Convertible Marks
BD Brčko District

BHRT Radiotelevizija BiH / BiH Radio-Television

CA Cantonal Assembly
CoE Council of Europe
CoM Council of Ministers

CRA Communications Regulatory Agency
DF Demokratska fronta / Democratic Front

EBRD European Bank for Reconstruction and Development

FBiH Federation of BiH

GFAP General Framework Agreement for Peace

HDZ 1990 Hrvatska demokratska zajednica 1990 / Croat Democratic Union 1990 HDZ BiH Hrvatska demokratska zajednica BiH / Croat Democratic Union BiH

HJPC High Judicial and Prosecutorial Council

HNP Hrvatski nacionalni pomak / Croat National Advancement

HoP House of Peoples

HoR House of Representatives

ICTY International Criminal Tribunal for Former Yugoslavia

IEBL Inter-Entity Boundary Line
ITA Indirect Taxation Authority

NES Narodni evropski savez / Peoples' European Union

NS Naša Stranka / Our Party

NiP Narod i Pravda / People & Justice
OHR Office of the High Representative

OSCE Organization for Security and Cooperation in Europe

PBS Public Broadcasting System

POMAK Pokret za modernu i aktivnu Krajinu / Movement for Modern and Active Krajina

RS Republika Srpska

RSNA Republika Srpska National Assembly

RTFBiH Radio-televizija FBiH / FBiH Radio-Television RTRS Radio-televizija RS / RS Radio Television

SBiH Stranka za BiH / Party for BiH

SDA Stranka demokratske akcije / Party of Democratic Action

SDP BiH Socijaldemokratska partija BiH / Social Democratic Party BiH

SNSD Savez nezavisnih socijaldemokrata / Union of Independent Social Democrats

UNFPA United Nations Population Fund

ZNG Za nove generacije / For New Generations