



Security Council

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Letter dated 6 May 2024 from the Secretary-General addressed to the President of the Security Council

Pursuant to Security Council resolution [1031 \(1995\)](#), I transmit herewith the sixty-fifth report on the implementation of the Peace Agreement on Bosnia and Herzegovina, covering the period from 16 October 2023 to 15 April 2024 (see annex). It should be noted that not all members of the Security Council acknowledge the High Representative for Bosnia and Herzegovina.

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

(Signed) António Guterres



Annex

Letter dated 24 April 2024 from the High Representative for Bosnia and Herzegovina addressed to the Secretary-General

Pursuant to Security Council resolution [1031 \(1995\)](#), in which the Council requested the Secretary-General to submit to it reports from the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina, in accordance with annex 10 to the General Framework Agreement for Peace in Bosnia and Herzegovina and the conclusions of the London Peace Implementation Conference of 8 and 9 December 1995, I transmit herewith the sixty-fifth report of the High Representative. I kindly ask that the report be distributed to the members of the Council 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 to 15 April 2024.

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

I would also be pleased to have an opportunity to share with you some reflections about the way ahead for the Dayton Peace Agreement, which was signed close to 30 years ago.

(Signed) Christian **Schmidt**
High Representative for Bosnia and Herzegovina

Sixty-fifth report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General

Summary

The present report covers the period from 16 October 2023 to 15 April 2024.

The reporting period was characterized by the progress of Bosnia and Herzegovina towards integration into the European Union, but also by unprecedented attacks on the General Framework Agreement for Peace in Bosnia and Herzegovina.

On 21 and 22 March 2024, the European Council decided to open accession negotiations with Bosnia and Herzegovina and invited the European Commission to prepare the negotiating framework, to be adopted once all relevant steps set out in the Commission's recommendation of 12 October 2022 have been taken. The Council's decision is a watershed moment in terms of the opportunities that are opening up for Bosnia and Herzegovina. The achievements in the implementation of the General Framework Agreement for Peace over the previous three decades demonstrate that the implementation of the General Framework Agreement and European Union integration reinforce each other and underscore the need for continued coordination of the two processes. The General Framework Agreement is the guarantor of the sovereignty, territorial integrity and internal administrative structure of Bosnia and Herzegovina. It is the guardian of peace, stability and progress in Bosnia and Herzegovina since late 1995, and is the foundation of, rather than a contradiction to, the integration of Bosnia and Herzegovina into the European Union. There has to be active cooperation between the structures in charge of implementing the General Framework Agreement and European Union institutions to effectively accompany Bosnia and Herzegovina on its path to institutional functionality, rule of law and citizens' rights in a democratic country.

The European Council's decision is a welcome contribution to efforts to safeguard the country's stability in the light of the geopolitical and internal challenges, and provides an incentive for accelerated progress by Bosnia and Herzegovina. The decision should be seen as a recognition of efforts – first and foremost by the Sarajevo-based political parties that form the so-called troika coalition – to engage responsibly and constructively for a common interest, namely advancing the European Union aspirations of Bosnia and Herzegovina and thereby the well-being of all its citizens. The ability to transcend individual, party, ethnic and 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 Bosnia and Herzegovina.

The European Council's decision is a game changer in terms of the opportunities that will open up for Bosnia and Herzegovina. As High Representative, I have worked intensely to support that decision in terms of ensuring the necessary conditions. However, the decision is insufficient to counter the threats to the stability of Bosnia and Herzegovina. The authorities of the Republika Srpska, led by the President of the Republika Srpska and leader of the Union of Independent Social Democrats, Milorad Dodik, actively subvert the State of Bosnia and Herzegovina, its competences and institutions, and thus the General Framework Agreement for Peace.

Their threat to paralyse 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 Republika Srpska from the constitutional, legal and institutional framework of the State,

including from the Armed Forces of Bosnia and Herzegovina and the State tax, judicial and electoral systems, is a threat to establish a parallel Republika Srpska framework. All political stakeholders have to express their unconditional commitment to the General Framework Agreement for Peace, and to Bosnia and Herzegovina and its statehood and territorial integrity. That commitment is partially missing.

The parties of the ruling coalition in the Republika Srpska continued to organize protests on the Inter-Entity Boundary Line between the two entities, under the slogan “The border exists”. Besides promoting the idea of secessionism, the protests create a divisive environment prone to security incidents.

Unprecedented pressure on judicial institutions continued. In addition to promoting the abolishment of the Court of Bosnia and Herzegovina and the Prosecutor’s Office of Bosnia and Herzegovina, the Republika Srpska ruling coalition is undermining the Constitutional Court of Bosnia and Herzegovina as the guardian of the constitutional and legal order of Bosnia and Herzegovina.

Challenges to the institution and mandate of the High Representative also continued unabated. They involve inflammatory rhetoric but also actions to undermine respect for the international ad hoc institution of the Office of the High Representative and thereby its ability to implement the mandate of the General Framework Agreement for Peace. Representatives of the Republika Srpska ruling coalition blatantly abuse the institutions of Bosnia and Herzegovina to further that goal. The final authority to interpret the General Framework Agreement is fully entrusted to the High Representative, and not to an entity.

The actions of the ruling coalition in the Republika Srpska go hand in hand with their legislative initiatives in the Republika Srpska itself, which limit the civic space in order to silence, discourage, threaten and punish dissenting political opinions. If pursued, such actions could lead to a de facto, if not de jure, dissolution of the State of Bosnia and Herzegovina, which is what Mr. Dodik continuously advocates. That would be a scenario with grave consequences.

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, and glorification of war criminals. Such trends are closely linked to the general backsliding of democracy, respect for human rights and the rule of law, and increasing mistrust and polarization within society. A harbinger of that is the steady decline in inter-community relations in Srebrenica over the past two years.

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 returnees.

Such developments hinder meaningful progress towards the implementation of the General Framework Agreement for Peace and the 5 plus 2 agenda. The report of the technical expert group on State property, which was formed by the Office of the High Representative 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 Fiscal Council of Bosnia and Herzegovina adopted belatedly the Global Framework of Fiscal Balance and Policies for 2024–2026, hindering the budget process at the State level. Negotiations intensified on the new Law on the High Judicial and Prosecutorial Council and the new Law on Courts of Bosnia and Herzegovina, which make up a substantial part of the rule of law cluster, which is one of the European Commission’s 14 key priorities.

Institutional functionality was maintained despite the challenges, albeit with limited legislative output, including on the legislation required under the European Union accession process, such as amendments to the Election Law relating to election integrity. Further delaying efforts to minimize electoral corruption, fraud and irregularities would render the election integrity measures inapplicable to the local elections to be held in October 2024, with serious consequences for democracy, political stability and the country's integration into the European Union. With that in mind, on 26 March 2024, I enacted the Decision Enacting the Law on Amendments to the Election Law of Bosnia and Herzegovina.

The Decision was enacted in response to the persistent failure of the relevant authorities in Bosnia and Herzegovina to reach an agreement to amend the Election Law in accordance with international norms and standards. I kept open the option for the Parliamentary Assembly of Bosnia and Herzegovina 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. That prohibition was acknowledged by victims' associations and by the Special Adviser to the Secretary-General on the Prevention of Genocide, Alice Wairimu Nderitu, who recognized the importance of such a step in contributing to trust-building in the country, both in institutions and among communities affected by the denial of genocide and related crimes, and in advancing intercommunal healing.

The Decision complements other available instruments for generating positive changes in Bosnia and Herzegovina. By helping to restore citizens' trust in the electoral system and by strengthening their ability to influence developments in the country, the Decision also restores their hope in a peaceful, stable and prosperous Bosnia and Herzegovina. I hope that the local elections in October 2024 will not only be conducted in conditions of enhanced transparency and integrity, but also that they will result in other improvements, such as an increase in women's participation in government. In the 2022 general elections, the percentage of female members of parliament was about 17 per cent in the House of Representatives of Bosnia and Herzegovina, 28 per cent in the House of Representatives of the Federation of Bosnia and Herzegovina, 19 per cent in the National Assembly of the Republika Srpska and 31 per cent in the cantonal assemblies. There was only one female minister, as well as the Chairwoman, in the Council of Ministers. Only 5 of the 11 ministers in the Government of the Republika Srpska were women; only 4 of the 12 ministers in the Government of the Federation of Bosnia and Herzegovina were women; and only 5 of 144 mayors were women. Overall, the political representation of women in Bosnia and Herzegovina remains far below the legally required level of 40 per cent. I also discussed the issue in my sixty-third report ([S/2023/318](#)).

Without hope for a peaceful, stable and prosperous Bosnia and Herzegovina, the outflow of people, which has already reached alarming levels, will accelerate further. An estimated 600,000 people left Bosnia and Herzegovina in the period 2013–2023. The country's population is estimated to decrease by approximately 45,000 people every year, of whom over 20,000 are young, skilled people who emigrate abroad on account of political instability, poor standards of living and corruption. In addition, the fertility rate is very low, at 1.35 births per woman, resulting in a national demographic decrease of up to 20,000 persons per year.

I take this opportunity to remind all political actors of their obligation to comply fully with the General Framework Agreement for Peace and all its annexes and call upon them to capitalize on this moment to further integrate Bosnia and Herzegovina into the European family and unlock the many benefits that such integration entails.

I. Introduction

1. The present report is my sixth regular report submitted to the Security Council since I assumed the position of High Representative for Bosnia and Herzegovina, in August 2021. It represents an impartial assessment of the implementation of the civilian aspects of the General Framework Agreement for Peace in Bosnia and Herzegovina, with information on developments and progress towards achieving previously established goals.

2. I am fulfilling my mandate pursuant to annex 10 to the General Framework Agreement for Peace and in accordance with relevant decisions of the Security Council and paragraph XI.2 of the conclusions of the Peace Implementation Council held in Bonn, Germany, on 9 and 10 December 1997. Progress on the five objectives and two conditions (5 plus 2 agenda), established in 2008 as the agenda for Bosnia and Herzegovina to make the transition from international oversight, remains the obligation of the authorities of Bosnia and Herzegovina to fulfil.

3. Throughout the reporting period, challenges to the State of Bosnia and Herzegovina, its constitutional and legal order, and the fundamentals of the General Framework Agreement for Peace, including the Constitutional Court of Bosnia and Herzegovina and the mandate of the High Representative, continued, mainly from the President of the Republika Srpska, Milorad Dodik. Those attacks, lingering inter-ethnic tensions, chronic violence against returnees, and delays in legislative reforms, particularly in the field of rule of law, are all hindrances to progress towards the implementation of the General Framework Agreement and the 5 plus 2 agenda. Some cooperation in legislative work, contributing to the partial fulfilment of the priorities and requirements for accession to the European Union and alignment with its standards, does not lessen the severe problem.

4. Despite the very difficult political environment, the Council of Ministers of Bosnia and Herzegovina and the Parliamentary Assembly of Bosnia and Herzegovina adopted several pieces of legislation relevant to European Union integration. In March 2024, the European Commission noted that the general commitment of Bosnia and Herzegovina to the European Union path had translated into tangible results. Based on the Commission's recommendations, on 21 and 22 March 2024, the European Council decided to open accession negotiations with Bosnia and Herzegovina and invited the Commission to prepare the negotiating framework, with a view to its adoption by the Council once all relevant steps set out in the Commission's recommendation of 12 October 2022 have been taken.

5. As a result, Bosnia and Herzegovina has arrived at a very crucial point, where time is not a luxury. I remind all political actors of their obligation to comply fully with the General Framework Agreement for Peace, which leaves no doubt about the sovereignty, territorial integrity and political independence of Bosnia and Herzegovina, and urge them to seize the opportunity for a prosperous future in the European Union by broadening and accelerating the reform agenda.

II. Political update

A. General political environment

Reform efforts in the context of European Union integration

6. The reporting period was characterized by rhetorical optimism vis-à-vis European Union integration and intensified diplomatic activity in and outside Bosnia and Herzegovina following the issuance by the European Commission of the

communication on European Union enlargement policy on 8 November 2023. In the communication, the Commission commended the reform efforts undertaken by the authorities of Bosnia and Herzegovina since the granting of candidate status to the country by the European Council, and noted several positive developments on the European Union path, despite the secessionist activities of the Republika Srpska, which were intended to undermine the unity, sovereignty, territorial integrity, constitutional and legal order, and international personality of Bosnia and Herzegovina. Based on the Commission's recommendation, the European Council concluded in December 2023 that it would open accession negotiations with Bosnia and Herzegovina once the necessary degree of compliance with the membership criteria was achieved.

7. The Commission reported on 12 March 2024 that the general commitment of Bosnia and Herzegovina to the European Union path had translated into tangible results. The Commission noted the progress achieved in preparing a programme for European Union integration prior to developing and adopting the national programme for the adoption of the European Union acquis. The Commission also noted the achievements, to varying degrees, in the legislative work relating to the Law on the Prevention of Conflict of Interest, the Law on the Prevention of Money Laundering and Financing of Terrorism, the Law on the High Judicial and Prosecutorial Council of Bosnia and Herzegovina, and the Law on Courts of Bosnia and Herzegovina. The Commission took stock of the steps taken towards building an effective border and migration management system, establishing a national preventive mechanism against torture and ill-treatment, and guaranteeing freedom of expression and of the media and the protection of journalists. Furthermore, the Commission reported that Bosnia and Herzegovina had reached and maintained full alignment with the Common Foreign and Security Policy, which was a significant signal of shared values and strategic orientation in the new geopolitical context. That does not hinder representatives of the Republika Srpska from maintaining close relations with the President of the Russian Federation, Vladimir Putin, and the Minister for Foreign Affairs, Sergey Lavrov, who meet with Mr. Dodik. In his provocative statements, Mr. Dodik did not show full commitment to the Common Foreign and Security Policy.

8. Based on the Commission's recommendations, the European Council decided on 22 March 2024 to open accession negotiations with Bosnia and Herzegovina. Despite the progress mentioned in the Commission's recommendations, institutional output did not match the optimism arising from the candidate status of Bosnia and Herzegovina. Of all European Union-related legislative requirements, Bosnia and Herzegovina succeeded in adopting only two laws – the Law on the Prevention of Conflict of Interest and the Law on the Prevention of Money Laundering and Financing of Terrorism – while no agreement was reached on the Law on Courts of Bosnia and Herzegovina or the amendments to the Election Law of Bosnia and Herzegovina relating to election integrity, nor on other European Union priorities that are relevant to the General Framework Agreement for Peace. Too often, tactical partisan political manoeuvres 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 14 priorities set out in the 2019 European Commission opinion on the application of Bosnia and Herzegovina for membership of the European Union have not been achieved yet, especially in the areas of rule of law and the promotion of non-discrimination.

Election integrity

9. Since 2010, the Office for Democratic Institutions and Human Rights of the Organization for Security and Cooperation in Europe (OSCE) and other international election observation missions have been reiterating the need to amend the Election

Law of Bosnia and Herzegovina in order to strengthen the integrity of the electoral process. Those recommendations have been largely ignored despite repeated calls for action, including by the Steering Board of the Peace Implementation Council and by myself as High Representative.

10. My call to the political parties in December 2023 to reach an agreement and adopt the election integrity package of amendments to the Election Law of Bosnia and Herzegovina invigorated the process somewhat, albeit without concrete results. The members of the Party of Democratic Action in the House of Representatives of Bosnia and Herzegovina proposed amendments to the Election Law, which the House of Representatives adopted on 29 December 2023 through an urgent procedure. Regrettably, on 31 January 2024, the House of Peoples of Bosnia and Herzegovina rejected calls for urgent and semi-urgent procedures, leaving the amendment proposal to linger in regular procedure, so it has yet to be deliberated. 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.

11. In order to ensure that the 2024 local elections take place in a framework of enhanced election transparency and integrity, that the citizens of Bosnia and Herzegovina are able to trust the reliability of the election system and that they are sure that their vote will be counted and their choice 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. Further delaying efforts to minimize electoral corruption, fraud and irregularities would render the election integrity measures inapplicable to the local elections in October 2024, with serious consequences for democracy, political stability and the European Union future of the country.

Secessionist rhetoric and actions of the Republika Srpska

12. The ruling coalition in the Republika Srpska, led by the Union of Independent Social Democrats, continued to pursue a secessionist agenda, with persistent attacks on the General Framework Agreement for Peace and the Constitution of Bosnia and Herzegovina. The trial of Mr. Dodik and the acting Director of the Official Gazette of the Republika Srpska, Miloš Lukić, for the criminal offence of failing to implement decisions of the High Representative, as prescribed in the Criminal Code of Bosnia and Herzegovina, was also used for that purpose.

13. Undermining the State and its competences and institutions remained an element of the secessionist agenda, as did inflammatory and nationalistic rhetoric. The sessions of the National Assembly of the Republika Srpska of 28 and 29 March 2024 are illustrative of that.

14. On 28 March 2024, the National Assembly of the Republika Srpska adopted a set of conclusions in which it demanded, among other things, the annulment of all decisions of the High Representative and the prohibition of their application and publication in the Official Gazette. On 25 March 2024, the European Council extended the legal basis for the sanctions regime for two years.

15. Should those demands not be met, the National Assembly of the Republika Srpska requests the elected representatives from the Republika Srpska to stop taking part in decision-making at the level of Bosnia and Herzegovina and to no longer return to that process. Furthermore, the National Assembly announced that the Republika Srpska would withdraw from all previous agreements, including those establishing the High Judicial and Prosecutorial Council of Bosnia and Herzegovina, the indirect tax system of Bosnia and Herzegovina and the Armed Forces of Bosnia and Herzegovina.

16. On 29 March 2024, the National Assembly of the Republika Srpska adopted a draft Election Law of the Republika Srpska. The opposition in the Republika Srpska did not support the legislation, underscoring that Mr. Dodik's moves are dangerous and that the opposition does not intend to follow in his steps. The pressure generated by the decision of the High Representative led to a review of local options by the ruling coalition in a final attempt to pass a State-level Election Law.

17. The draft Election Law of the Republika Srpska, which is currently undergoing public debate before being put to a final vote, is intended to create a parallel election framework for the Republika Srpska, taking over the responsibilities of the Central Election Commission of Bosnia and Herzegovina. As such, it is in clear violation of the Election Law of Bosnia and Herzegovina and the Constitution of Bosnia and Herzegovina. The initiative should be seen in conjunction with the recently adopted Draft Law on Referendum and Citizens' Initiative, which together reveal the intention of the ruling coalition in the Republika Srpska to establish an independent, parallel legal and institutional framework for the conduct of elections and future referendums.

18. The outcome of the sessions of the National Assembly of the Republika Srpska on 28 and 29 March 2024 shows that the authorities in the Republika Srpska still actively move to subvert the State of Bosnia and Herzegovina and its competences and institutions, and thus the General Framework Agreement for Peace. The rhetoric of the members of the ruling coalition in the Republika Srpska, with Mr. Dodik at the forefront, represents a threat to the General Framework Agreement order. In his address to the National Assembly of the Republika Srpska, Mr. Dodik openly suggested that the Bosniak population should live on only 25 per cent of the country's territory, which raised tension and fear. The Islamic community of Bosnia and Herzegovina perceived the statement as a call for ethnic cleansing. It represents a severe violation of the letter and spirit of reconciliation and the General Framework Agreement and its peacekeeping goals.

19. The threat to paralyse 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 Republika Srpska from the constitutional, legal and institutional framework of the State is a destructive threat of establishing a parallel framework in the Republika Srpska. If there were a detailed proposal by the Republika Srpska or the Federation to improve functionality or to redefine competences in certain areas, the way to address it would be through a transparent debate and finding a common position, not through unilateral threats.

20. Members of the parties of the ruling coalition in the Republika Srpska continued to hold weekly protests on the Inter-Entity Boundary Line between two entities, under the slogan "The border exists", promoting the idea of secessionism. That idea is also echoed in the main media in the Republika Srpska and on social networks. The protests not only create a divisive environment and promote inter-ethnic tensions, but are also a breeding ground for security incidents.

21. Unprecedented levels of pressure on judicial institutions continued. Particularly in the context of the trial against him, Mr. Dodik accused the Court of Bosnia and Herzegovina and the Prosecutor's Office of Bosnia and Herzegovina of serving political interests instigated by foreigners and threatened their non-recognition in the Republika Srpska in the event that he is convicted. He even labelled their staff as enemies of the Serb people. Most recently, the Union of Independent Social Democrats proposed laws to abolish the Court and the Prosecutor's Office. The House of Representatives of Bosnia and Herzegovina rejected both proposals on 20 November 2023. Offensive rhetoric is challenging the public debate about

institutions. Putting pressure on staff and hampering their decision-making is anti-Dayton behaviour and it is also legally unacceptable.

22. The Constitutional Court of Bosnia and Herzegovina is a particular target of the ruling coalition in the Republika Srpska. Actions against the Constitutional Court include the denial of its legitimacy and disregard for its final and binding decisions on the territory of the Republika Srpska, persistent calls for the removal of international judges from the Constitutional Court, and the persistent failure to meet the constitutional obligation to appoint two judges from the Republika Srpska, thereby hindering the normal functioning of the Constitutional Court as the guardian of the constitutional and legal order of Bosnia and Herzegovina.

23. The celebration of the unconstitutional Republika Srpska Day on 9 January 2024 exemplifies an act of disrespect for the decisions of the Constitutional Court of Bosnia and Herzegovina on the territory of the Republika Srpska. The repeatedly observed defiance triggered reactions from both the European Union and the United States of America. The European Parliament passed a resolution condemning the Republika Srpska Day celebration and secessionist language, while the Office of Foreign Assets Control of the United States Department of the Treasury imposed sanctions against persons involved in the organization of the celebration. The High Representative also warned against the commemoration of the Republika Srpska Day in his statement. As a result, the Republika Srpska Day did not have a high public profile nor international recognition, except by Serbia and the Russian Federation.

24. On 18 March 2024, a majority of delegates in the House of Peoples of Bosnia and Herzegovina voted in favour of putting on the agenda the proposed Law on the Constitutional Court tabled by a delegate from the Serb Democratic Party, after which the majority of Bosniak delegates left the session. The session was adjourned due to the lack of a quorum. The proposal is intended to, among other things, remove the international judges from the Constitutional Court and introduce ethnic and entity votes in its decision-making. As such, it is incompatible with the Constitution of Bosnia and Herzegovina, 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 Bosnia and Herzegovina, which the Union of Independent Social Democrats submitted to the House of Representatives of Bosnia and Herzegovina 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.

25. The Republika Srpska party representatives in the State-level authorities supported laws that are needed to open the European Union accession talks, and Mr. Dodik even called European Union accession a “Serbian national interest”. However, his support for European Union accession talks, secessionist rhetoric and political actions were all used as part and parcel of the ongoing campaign against the Office of the High Representative and the international judges of the Constitutional Court of Bosnia and Herzegovina.

26. The authorities in the Republika Srpska underlined multiple times their readiness to declare independence if I, as High Representative, impose any piece of legislation, including the amendments to the Election Law of Bosnia and Herzegovina or a law on State property. Mr. Dodik also threatened to block the European Union path of Bosnia and Herzegovina in the event of any imposition, which might trigger unforeseeable political consequences.

Authoritarian measures in the Republika Srpska

27. In July 2023, the National Assembly of the Republika Srpska adopted the Law Amending the Criminal Code of the Republika Srpska, which introduces new criminal offences in the category of crimes against the freedom and rights of citizens, defining them as “unauthorized publication and display of other people’s files, portraits and recordings”, as well as a criminal offence against honour and reputation, namely “defamation, and disclosure of personal and family circumstances”. In an environment that does not guarantee an independent judiciary, the implementation of that law may have far-reaching and serious consequences, further limiting the civic space and silencing, discouraging, threatening and punishing political dissent, independent journalists and the media. It may also be used against all citizens in the Republika Srpska. It is a setback because defamation was decriminalized nationwide in 2002. Moreover, there is concern that the authorities in the Republika Srpska will fail to implement the decision of the Constitutional Court of Bosnia and Herzegovina of 18 January 2024 that annulled the provision of the Criminal Code of the Republika Srpska foreseeing a prison sentence for “Damage to the reputation of the Republika Srpska and its people”.

28. The Proposal Law on the Special Registry and Publicity of the Work of Non-Profit Organizations, also known as the Foreign Agents Law, was adopted by the Government of the Republika Srpska in a telephone session in March 2024 and submitted to the National Assembly of the Republika Srpska for adoption in second reading. The Proposal is intended to restrict the engagement of many civil society organizations and has already contributed to creating a climate of intimidation, thereby affecting the operations of civil society.

29. The ruling coalition in the Republika Srpska also resorts to hate speech and threats to silence critical voices, with Mr. Dodik being the most vocal in that regard. As an illustration, during his address to the National Assembly of the Republika Srpska in late March, he threatened an opposition member of parliament with physical violence. A day later, a smear campaign against the very same member of parliament continued in his native town. The President of the Republika Srpska also disparaged all opposition party leaders who refused to support his agenda in the National Assembly of the Republika Srpska, 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

30. On 26 March 2024, in 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 General Framework Agreement for Peace, I issued the Decision Enacting the Law on Amendments to the Election Law of Bosnia and Herzegovina.

31. The ability of the country to conduct free and fair elections and to form authorities reflecting the will of citizens represents one of the core elements of the implementation of the civilian aspects of the General Framework Agreement for Peace. 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 recommendations of the OSCE Office for Democratic Institutions and Human Rights, the Group of States against Corruption and the Venice Commission as soon as possible to ensure that the 2024 local elections could take place in a setting of enhanced election transparency and integrity. The Decision is a response to the persistent failure of the responsible authorities in Bosnia

and Herzegovina to do so themselves, despite repeated calls for action, including by the Steering Board of the Peace Implementation Council and myself as High Representative.

32. The integrity package included in the Decision is a response to the persistent failure of efforts, including several facilitated by the international community, to fulfil the long-standing obligation of the authorities in Bosnia and Herzegovina to improve the electoral process for the benefit of all citizens. Improving the electoral process can be achieved by 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 voting and counting through the introduction of election technologies and the appointment and depoliticization of election administration, as well as other aspects of the electoral process previously susceptible to fraudulent activities.

33. The package makes the introduction of election technologies possible, with a view to 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. That is done primarily by addressing fraud observed in the identification of voters and in the counting process.

34. The amendments enable the introduction of election technologies providing for the use of biometric voter identification and automatic electronic counting equipment, alongside the existing mechanisms of voter identification through a valid identity document, and manual counting. In addition to those two categories of election technologies, the amendments also provide for the possibility of electronic transmission of data from polling stations, subject to pilot project testing to prevent the alteration of results often observed in the past.

35. The introduction of those technologies to improve the identification of voters, the accuracy of counting and the transmission of results will be made possible upon the completion of pilot projects and feasibility studies, while keeping the current system in place as an additional mechanism. Transitional provisions provide the necessary legal basis for the Central Election Commission to regulate and implement the entire process of the conduct of pilot projects, with an obligation to report to the Parliamentary Assembly of Bosnia and Herzegovina. Specific election technologies will be introduced upon completion of all technical requirements for their use.

36. The introduction of election technologies for the purpose of strengthening election integrity is not sufficient, however. The existing mechanisms for the appointment and dismissal of the election administration also need revising. The amendments related to election administration target several aspects. First, all levels of election administration will have their competences expanded to accommodate their new responsibilities in regulating and handling election technologies. Second, in line with the recommendations of the OSCE Office for Democratic Institutions and Human Rights 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 for members of the Central Election Commission. Third, the crucial issue of the role the Polling Station Committees have in upholding the integrity of the voting and counting of votes on election day is targeted through a revision of the appointment mechanism, to ensure the impartiality and professionalism of the Committees and increase voters' trust in the system. To that end, the presidents and deputy presidents of the Committees shall be professionalized, non-partisan and selected by the Central Election Commission through an open call, while the other members of the Committees shall be selected through a lottery procedure from nominations made by political parties. The number of eligible

political parties for nominations has been limited, again in line with the recommendations of the Office for Democratic Institutions and Human Rights, to eliminate fictitious party representation that enabled political control over the Committees.

37. Another set of amendments addresses the accuracy of the central voter register, including active registration of out-of-country voters, refugees and displaced persons. It provides for a procedure for increased transparency and publicity of the register and enables auditing of the register.

38. The integrity package also tightens regulations on several crucial technical aspects of the election process that have been identified as shortcomings by the OSCE Office for Democratic Institutions and Human Rights, the Group of States against Corruption and the Venice Commission. They include the protection of electoral rights through the 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 by regulating reporting obligations and requiring political subjects to open a designated bank account, increased transparency of media ownership and regulation of the conduct of the media with respect to political advertising, and the improvement of the position of election observers in the event they establish the existence of an irregularity during the election process.

39. Lastly, the amendments introduce the prohibition for persons 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. That 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 the crime of genocide, crimes against humanity or war crimes runs the risk of further eroding the public's perception of and confidence in institutions.

40. The High Representative did not integrate any changes pertaining to election rules that some had requested, referring to them as a way of safeguarding the election of members of the Presidency of Bosnia and Herzegovina 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 judgments of the European Court of Human Rights in the Sejdić-Finci group of cases and similar pending questions.

C. Five objectives and two conditions for the closure of the Office of the High Representative

Progress of the objectives

41. There was no major breakthrough in the implementation of the 5 plus 2 agenda during the reporting period. The report of the technical expert group on State property, which was formed by the Office of the High Representative 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 Fiscal Council of Bosnia and Herzegovina adopted belatedly the Global Framework of Fiscal Balance and Policies for 2024–2026, hindering the budget process at the State level. Negotiations intensified during the reporting period regarding the new Law on the High Judicial and Prosecutorial Council and the new Law on Courts of Bosnia and Herzegovina, which make up a

substantial part of the rule of law cluster, one of the European Commission's 14 key priorities.

State and defence property

42. There was a lot of preparatory work based on the results of the initiative undertaken by the Office of the High Representative in the form of a working group, but there was no major breakthrough on the resolution of the State property objective during the reporting period. The Republika Srpska is reluctant, arguing that implementation would be done through the Office of the High Representative. The High Representative underlined several times that he is offering to facilitate a local solution in accordance with the decisions of the Constitutional Court of Bosnia and Herzegovina.

43. Through the adoption and implementation of a series of contested and unconstitutional laws, the Republika Srpska consistently and openly disregarded the final and binding decisions of the Constitutional Court of Bosnia and Herzegovina and denied the State as the titleholder of State property, as well as its legal capacity to be the subject of relevant ownership rights. The Government of the Republika Srpska has been regularly adopting 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, in particular forests and agricultural land, in the name of the Republika Srpska has already occurred. I expect the Prosecutor's Office of Bosnia and Herzegovina to investigate the criminal liability of the responsible authorities in the Republika Srpska.

44. On 28 December 2023, the Government of the Republika Srpska adopted the Decision on the Sale of Immovable Property located within the Special Area of Jahorina. Pursuant to that Decision, immovable property subject to public competition is owned by the Republika Srpska; however, according to available information, the list of land plots for sale also includes agricultural and forest land, in violation of the State property disposal ban and contrary to the relevant decisions of the Constitutional Court of Bosnia and Herzegovina. Following media reports, the Public Attorney filed a lawsuit against the Republika Srpska in February, requesting the Court of Bosnia and Herzegovina to declare the sale of land in Jahorina and the relevant documentation null and void. That includes the relevant decision of the Government of the Republika Srpska, the public announcement of the sale, and the relevant sale contract.

45. In addition, laws regulating public assets at all levels of authority, including in the Federation of Bosnia and Herzegovina, cantons and the Republika Srpska, 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 Constitutional Court of Bosnia and Herzegovina. In my letter dated 5 May 2022 to the Federation and cantonal authorities, I requested them to review and appropriately harmonize those laws with the decisions of the Constitutional Court. However, only a few have complied with that request, including the Government of the Federation of Bosnia and Herzegovina and the governments of the Sarajevo and Una-Sana cantons.

46. Pending the 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 Republika Srpska, but also throughout the rest of the country, in violation of the State property disposal ban and contrary to the relevant decisions of the Constitutional Court of Bosnia and Herzegovina. The risks posed by illegal disposal and transfers of State property are enormous. First, they create legal chaos and prevent investment, as many projects ceased or were suspended because of

legal uncertainty. Second, illegal transfers of property are an opportunity for corruption. Third, 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 citizens of Bosnia and Herzegovina.

47. On 15 November 2023, the Government of the Federation of Bosnia and Herzegovina adopted the Decision on Change of Purpose of Forestland and Temporary Use of Forestland for Other Purposes. Pursuant to that Decision, forestland 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 Government was to fill the legal void caused by the long absence of a Federation-level law on forests, and at the same time to attempt to abide by the State property disposal ban and enable the implementation of important investment projects. The Speaker of the House of Peoples of Bosnia and Herzegovina, Kemal Ademović, recently submitted a request for a review of the constitutionality of that Decision to the Constitutional Court of Bosnia and Herzegovina (case No. U-3/24).

48. The technical expert group on State property 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. The analyses, results and conclusions of the consultation processes will be summarized in a technical report, which should constitute an important resource and starting point for a subsequent political process aimed at achieving a State-level agreement on future State property legislation in the Parliamentary Assembly of Bosnia and Herzegovina. The Office of the High Representative will continue to invest in local efforts to resolve the issue, relying on the essential support of the international community.

Completion of the Brčko Final Award

49. Although the focus of reforms in the Brčko District 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 during the reporting period.

50. The change of District Mayor in mid-March 2023 led to further changes in the parliamentary majority in the Brčko District, as described in the previous reports. Those political developments caused the number of delegates in the parliamentary majority to drop. Consequently, decision makers in the Brčko District have prioritized political negotiations and efforts to enlarge their parliamentary majority, shifting their focus from the reform agenda. As a result, the authorities postponed most of the legislation adoption deadlines and reform agenda implementation deadlines mentioned in the previous report by several months.

51. Despite those political developments, the focus remained on strengthening financial stability in the Brčko District and promoting fiscal discipline and transparency in spending public resources, demonstrated through, among other things, the timely preparation and adoption of the 2024 budget, the implementation of the Law on Sports, the 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 non-governmental sector. 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.

52. As noted in the previous report, a draft law strengthening the Anti-Corruption Office was prepared by the Anti-Corruption Office in coordination with legal experts from the Office of the High Representative, the European Union Delegation and OSCE. It has been ready for adoption by the Assembly of the Brčko District for several months. However, owing to opposition from one political party, which insisted on a fixed term of office for managerial staff, rather than an indefinite civil service appointment, the Assembly failed to adopt the law. It is expected that the series of meetings that the Supervisor of the Brčko District holds with local interlocutors will result in the adoption of the law no later than the end of May 2024.
53. The Assembly of the Brčko District amended its Code of Conduct to align it with relevant international standards and best practices, strengthening accountability, efficiency and public trust.
54. To address issues related to 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.
55. The Brčko District continued to invest in retrofitting public buildings for better energy efficiency, in line with its Sustainable Energy and Climate Action Plan.
56. Although the drafting of legislation on civil service and public administration reform reached its final phase during the previous reporting period, there was only minimal further progress.
57. The year-long Brčko Port project initiated by the port authorities to strengthen corporate governance is in progress. The project is being carried out in cooperation with the European Bank for Reconstruction and Development.
58. Given the importance of infrastructure development for increased investment, the authorities of the Brčko District proceeded with further preparations for five infrastructure projects in cooperation with the World Bank, as part of the Sava and Drina Rivers Corridors Integrated Development Programme.
59. The second phase of the implementation of the Brčko Port modernization project – the delivery of a new crane – was completed successfully. Implementation of the third phase – new rail and road access to the port – is in progress.
60. In November 2023, the Presidency of Bosnia and Herzegovina agreed to a loan from the European Bank for Reconstruction and Development to finance a water infrastructure project aimed at ensuring uninterrupted water supply to the centre of Brčko and suburban areas. The completion deadline is 360 days from the day the contractor receives access to and gains possession of the site.
61. During the previous reporting period, Croatia and Bosnia and Herzegovina agreed to share the costs of reconstructing the Brčko-Gunja Bridge, connecting Brčko to the commercially crucial Zagreb-Belgrade highway in Croatia. Following the ratification of the agreement by an inter-State committee in September 2023, preparation of technical documentation and design work is in progress.
62. As previously reported, the construction of the Brčko District's first business zone commenced on the basis of an agreement signed with an Austria-based consortium. 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 Brčko District is obligated to provide under the agreement. The consortium is working on meeting technical requirements for three more investment projects in the District. The Assembly of the Brčko District approved the regulatory plans for the location of two projects, the key prerequisite to initiating the preparation of corresponding technical documentation. The third project – the construction of an ethnographic village – is in progress.

63. Remarkable progress continued to be made with respect to efforts to clear mines in the entire territory of the Brčko District by the end of 2024.

64. Owing to the overall political situation in Bosnia and Herzegovina and the local elections scheduled for October 2024, State and entity representatives visited Brčko more often.

65. Both entity governments have offices in Brčko to connect the citizens of the Brčko District who maintain residency in one of the two entities with the entity ministries. The Prime Minister of the Federation of Bosnia and Herzegovina appointed a new Coordinator of the Office and the Government of the Federation of Bosnia and Herzegovina to reflect changes in the District Government.

Fiscal sustainability

66. Certainty and adequacy of financing are key elements affecting the ability of the institutions of Bosnia and Herzegovina to carry out their constitutional and legal obligations. However, no steps have been taken to provide assurances to that end regarding the 2024 budget.

67. The Fiscal Council of Bosnia and Herzegovina held only one session during the reporting period, on 23 January 2024, adopting the Global Framework of Fiscal Balance and Policies for 2024–2026. The document sets the financing of the institutions of Bosnia and Herzegovina at KM 1.355 billion, an increase of KM 40 million compared with 2023. The increase is thanks to the legally mandated transfer of the profits of the Central Bank of Bosnia and Herzegovina 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 KM 1.020 billion.

68. The Fiscal Council should have adopted the Global Framework of Fiscal Balance and Policies for 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 the writing of the present report, the budget was still outstanding, and institutions were still on temporary financing.

69. Certainty and adequacy of financing of the State and all other levels of government in Bosnia and Herzegovina are directly dependent on the stability and functionality of the single indirect tax system and its institutional structure: the Indirect Taxation Authority of Bosnia and Herzegovina and the Governing Board. The Governing Board met only twice during the reporting period, on 21 December 2023 and 9 February 2024. On 21 December 2023, the Governing Board failed to adopt the indirect tax revenue allocation coefficients for the fourth quarter of 2023, which showed a significant increase for the Federation of Bosnia and Herzegovina and a decrease for the Republika Srpska. The adoption was blocked by the Minister of Finance and Treasury of Bosnia and Herzegovina, Srđan Amidžić, the Minister of Finance of the Republika Srpska, Zora Vidović, and Republika Srpska expert member, Dalibor Tomas – all from the Republika Srpska and associated with the Union of Independent Social Democrats – which prompted the Minister of Finance of the Federation of Bosnia and Herzegovina, Toni Kraljević (Croat Democratic Union of Bosnia and Herzegovina) to leave the session in protest. On 9 February 2024, the Governing Board further failed to adopt the coefficients for the first quarter of 2024, owing to the absence of the Minister of Finance of the Federation of Bosnia and Herzegovina. Consequently, the last agreed coefficients – those from the third quarter of 2023 that benefit the Republika Srpska – continue to apply.

70. There was no progress on at least two long-standing issues with financial implications.

71. The Board has not yet identified an alternative enforcement source for the outstanding KM 30 million debt of the Indirect Taxation Authority to the Republika Srpska on the basis of a 2015 Court of Bosnia and Herzegovina decision. The attempted debt enforcement by the Republika Srpska in 2018 from public revenue accounts of the Indirect Taxation Authority caused financial damage to all indirect tax revenue beneficiaries, including both entities and the Brčko District, as well as to recipients of value-added tax refunds and customs insurance depositors. The suspension of the enforcement by the Court of Bosnia and Herzegovina expires in June 2024.

72. The Board has not yet agreed to a model of distribution of road toll revenue reserves, which have accumulated to about KM 251 million. The absence of an agreement prevents the use of the funds for highway and road construction. It also damages the Indirect Taxation Authority financially, as it must pay charges on the deposit accounts.

73. Addressing the issues pertaining to certainty and adequacy of the financing of institutions in Bosnia and Herzegovina, as well as the stability and functionality of the single indirect tax system, is crucial to strengthening the fiscal sustainability of Bosnia and Herzegovina and thereby its political stability.

74. Another important element is that of the Central Bank of Bosnia and Herzegovina as the guardian of the monetary and financial sector stability of Bosnia and Herzegovina. 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 over two years, which was unprecedented in the post-war period. The new members were appointed only on 18 December 2023 and assumed duty on 3 January 2024. The mandate expiry posed a threat to the continuity of the 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 the legislation of Bosnia and Herzegovina. Guidance from the Office of the High Representative and political engagement were vital for preventing the problem from escalating and ensuring the uninterrupted operations of the Central Bank.

Rule of law

75. The concrete requirements that are part of the 14 key priorities set out in the European Commission Opinion on Bosnia and Herzegovina's application for membership of the European Union, namely the adoption of the new Law on the High Judicial and Prosecutorial Council and the new Law on Courts of Bosnia and Herzegovina, are still in preparation but drafting and negotiations have intensified.

76. The new Draft Law on the High Judicial and Prosecutorial Council 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. That situation does not meet the expectations of the Steering Board of the Peace Implementation Council and the international community, including OSCE and the Office of the High Representative, which were expressed formally to the Collegium of the Parliamentary Assembly of Bosnia and Herzegovina. The current law is thus insufficient, as it makes the application of the State-level law dependent on entity and Brčko District legislation, which 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.

77. The Draft Law on Courts of Bosnia and Herzegovina 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 representatives of the Republika Srpska seem to insist that it be moved from the capital and placed not only in the Republika Srpska but explicitly in Banja Luka. Given the geographical distance from the imprisonment facility and other technical problems associated with such a solution, including the need to relocate judges and staff, the demand of the Republika Srpska was not accepted. Furthermore, the authorities in the Republika Srpska are requesting that the criminal jurisdiction of the State of Bosnia and Herzegovina be substantially diminished, so that the State Court is 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. That jurisdiction is the ultimate tool that the State has to defend its constitutional values and to fulfil its constitutional obligation of ensuring the rule of law in its entire territory.

78. The authorities in the Republika Srpska try to use the processes designed to improve rule of law conditions in Bosnia and Herzegovina to undo previous reforms. That is combined with constant verbal attacks by Republika Srpska officials, predominantly on the Prosecutor's Office of Bosnia and Herzegovina, the Court of Bosnia and Herzegovina and the Constitutional Court of Bosnia and Herzegovina. As reported above, the Republika Srpska directly rejects the authority of the judicial institutions of Bosnia and Herzegovina and the applicability of their decisions, thereby effectively opting out of the judicial system of the State of Bosnia and Herzegovina and thus fundamentally rejecting the sovereignty of Bosnia and Herzegovina. This goes hand in hand with the rejection by the Republika Srpska authorities of my authority as High Representative, disregarding their legal commitments under annex 10 to the General Framework Agreement for Peace.

79. While the rule of law is being questioned, Bosnia and Herzegovina needs serious reforms, many of which were already identified in the 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

80. Criminal records in Bosnia and Herzegovina do not contain information on convictions of citizens of Bosnia and Herzegovina by international judicial bodies. No judgment of the International Tribunal for the Former Yugoslavia or its successor is registered in the domestic criminal records of Bosnia and Herzegovina. Persons who are convicted internationally of genocide, crimes against humanity or war crimes can obtain a clean certificate in Bosnia and Herzegovina. Regrettably, international judgments regarding 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 various parts of the country still glorify war criminals.

81. Under the committed leadership of the present Minister of Justice of Bosnia and Herzegovina, Davor Bunoza (Croat Democratic Union of Bosnia and Herzegovina), the Ministry of Justice of Bosnia and Herzegovina 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 judgments of the International Tribunal for the Former Yugoslavia

into the criminal records of Bosnia and Herzegovina. At the time of the writing of the present report, Bosnia and Herzegovina is yet to receive official information from the Residual 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.

D. Further challenges to the General Framework Agreement for Peace

Attacks on the High Representative

82. Challenges to the institution and mandate of the High Representative orchestrated by the President of the Republika Srpska and his confederates continued unabated. They include inflammatory and actions to undermine the credibility of the High Representative and his ability to implement his mandate under the General Framework Agreement for Peace.

83. Representatives of the ruling coalition in the Republika Srpska blatantly abuse the institutions of Bosnia and Herzegovina to further that goal. The Minister of Security of Bosnia and Herzegovina, Nenad Nešić (Democratic People's Alliance), deployed State security agencies to investigate and act against the High Representative. He publicly disclosed and misrepresented their responses, including confidential information regarding the personal security of the High Representative. Moreover, he instigated politically motivated sanctions against non-compliant employees of the State institutions.

84. Moreover, the authorities in the Republika Srpska refuse to provide official documents to the Office of the High Representative, prevent my staff from attending sessions of the National Assembly of the Republika Srpska, disregard my decisions, and reduce contacts to a minimum.

85. Such actions are in direct violation of annex 10 to the General Framework Agreement for Peace, which mandates full cooperation of the parties to the Agreement with the High Representative.

Threats to transitional justice

86. An issue paper entitled "Dealing with the past for a better future: achieving justice, peace and social cohesion in the region of the former Yugoslavia", published by the Commissioner for Human Rights of the Council of Europe 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 those trends are closely linked to the general backsliding of democracy, respect for human rights, and the rule of law, which increases mistrust and polarization within society. Detrimental effects include the increase in hate speech, inter-ethnic violence and intolerance, with recurrent violent incidents against returnees from minority groups and against religious and cultural buildings. That trend also creates a hostile environment for civil society and human rights defenders, especially those actors seeking transitional justice.

87. The denial of genocide and other war crimes and the glorification of war criminals persist in Bosnia and Herzegovina and across the region, often perpetrated by high-level political representatives and in the media. Recently, in the context of the unconstitutional celebration of 9 January as Republika Srpska Day, the President of the Republika Srpska again denied the Srebrenica genocide and glorified two convicted war criminals, Radovan Karadžić and Ratko Mladić, referring to them as individuals who had led the Republika Srpska 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 Ćorić, who was convicted and sentenced to 16 years in prison by the International Tribunal for the Former Yugoslavia for war crimes and crimes against humanity, promoted his book, an autobiographical report from The Hague, in Mostar. The President of the Croat Democratic Union of Bosnia and Herzegovina, Dragan Čović, and other politicians attended the event, albeit without commenting, honouring Mr. Ćorić at a public cultural institution. They showed no distance to the ethnically divisive institution of “Herzeg-Bosnia” nor to a criminal offender. Following the 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 and glorifying the perpetrators of such crimes has a detrimental effect on social cohesion and political stability, prolongs the pain of the victims of the atrocities, and undermines incipient and fragile steps towards reconciliation on the ground.

88. Two and a half years since the criminalization of genocide denial and glorification of war criminals in July 2021, the Prosecutor’s Office of Bosnia and Herzegovina has registered over 70 complaints concerning the criminal offence. Most of the reports were dismissed outright, while some indictments were brought and then dismissed by the Court of Bosnia and Herzegovina.

89. On a positive note, the Prosecutor’s Office of Bosnia and Herzegovina issued an indictment for glorification of war criminals, which was confirmed by the Court of Bosnia and Herzegovina. On 22 January 2024, the 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 dating from 10 March 2023, when a banner with a picture and message congratulating Ratko Mladić on his birthday was displayed in the centre of Bratunac, in the Republika Srpska, knowingly glorifying and supporting a war criminal convicted by the International Tribunal for the Former Yugoslavia of the crime of genocide in a final judgment. In doing so, the accused caused anxiety and fear among a majority of residents in the area who saw the banner, in particular among returnees who had endured severe suffering during the war.

90. That first indictment points to a positive development in the application of the amendments to the Criminal Code of Bosnia and Herzegovina. It was followed by another indictment concerning hate speech filed by the Prosecutor’s Office in late February 2024 and confirmed by the Court of Bosnia and Herzegovina. Samir Nukić of Bihać, in the Federation of Bosnia and Herzegovina, was indicted for expressions of hatred on social media towards the victims of the 1993 grenade explosion in Vitez, also in the Federation of Bosnia and Herzegovina, that killed eight children.

91. In addition to the 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 Republika Srpska. Most recently, an existing mural in Čapljina, Federation of Bosnia and Herzegovina, glorifying the war criminal Slobodan Praljak was expanded instead of being removed. Despite the criminalization of such practices, murals remain unreported or unsanctioned in most cases. A swift response is important, as on 9 January 2024, in Karuše, Doboju Jug municipality, Federation of Bosnia and Herzegovina, when 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”.

92. Commemorations remain a space for glorification and provocative behaviour. That includes the “traditional” gathering of the Ravna Gora Chetnik movement

marking the anniversary of the apprehension of General Draža Mihajlović. After the court verdict that sentenced three movement members for inciting ethnic hatred in 2022 and the 2024 ban on the usual gathering in Višegrad, it was held at the nearby Mihajlović memorial in Dobrun instead. The gathering provided a platform for extremist rhetoric and calls for the unification of Montenegro, Serbia and the Republika Srpska.

93. Bosnia and Herzegovina needs an efficient institutional response to such 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 offences become normalized as acceptable. Impunity represents an insult to the victims of such crimes, threatens their security and decreases prospects for reconciliation.

94. Stronger efforts are also needed to promote local efforts for better coexistence. In that regard, I am pleased to see the first successes of the *Možemo bolje* project implemented by the European Union, OSCE, the Council of Europe and the United Nations, which is intended to empower trust and cohesion in the communities of Bosnia and Herzegovina.

Violence against returnees

95. Incidents against returnees continued. During the reporting period, there was a steady flow of reports of violence or provocations against the returnee population, feeding further into the sense of insecurity among that category of the population. Ethnic or returnee-related incidents were particularly noted in conjunction with the marking of prominent religious and other holidays. Several reports were made during the period around Serb Orthodox Christmas on 7 January 2024 and during the marking of the unconstitutional Republika Srpska Day on 9 January 2024.

96. In some cases, safety concerns motivated returnees to consider leaving their homes. The returnee population, besides being an ethnic minority in their places of return, consists of predominantly elderly people, who are particularly vulnerable.

97. The most serious incidents included physical violence, often in combination with attempted burglary or robbery in 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 (Republika Srpska) in October 2023 succumbed to the injuries inflicted in November 2023.

98. Other cases of physical violence during the past six months include an attack on an elderly female Serb returnee in Vozuća, Zavidovići (Federation of Bosnia and Herzegovina) in December 2023, during an attempted robbery, as well as another burglary reported at another returnee household nearby. A similar case happened in January 2024 in Tumare, Lukavac (Federation of Bosnia and Herzegovina), where another Serb female returnee was physically attacked and injured. In the most recent incident, four young Bosniaks aged 18–22 from Stolac (Federation of Bosnia and Herzegovina) were attacked by 10 masked persons armed with baseball bats at the entrance to their hometown. The police detained the perpetrators the following day, but the incident itself prompted new frustration and triggered a host of condemnation from all sides.

99. A Bosniak returnee was physically attacked and beaten in the town of Višegrad (Republika Srpska) in late January 2024, during a municipal celebration in a local restaurant. Other cases of burglary and damage to returnee property were reported near Višegrad in January 2024, and more notably in Vlasenica (Republika Srpska), where the property of the Salaharević family was once again the target of an attack,

following a chilling symbolic message left in their yard in September 2023. Teenage soccer players from Drvar (Federation of Bosnia and Herzegovina) were verbally and physically attacked during a tournament in Bihać (Federation of Bosnia and Herzegovina) in December 2023, with one player sustaining 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 from the hunting associations.

100. Threats and harassment directed against the non-Serb population occurred throughout the Republika Srpska, including the celebratory use of firearms, the chanting of offensive songs and the glorification of war criminals, most prominently in Vlasenica, Višegrad and Srebrenica, in the vicinity of the Srebrenica genocide memorial centre.

101. There were also incidents in the Federation of Bosnia and Herzegovina, in which Serb returnees were targeted. On 7 January 2024, a Serb returnee household near Mostar was stoned, creating fear among the small Serb returnee community there, in particular 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 the Serb flag was the target of attacks, which caused tensions, in particular in Konjic, where a flag was taken down from a church, and Zenica, where a Serb flag was burnt on 9 January 2024.

102. Cases of returnee-related or ethnically motivated violence generally remain unresolved. To improve the situation, the Parliamentary Assembly of Bosnia and Herzegovina appointed a body to investigate returnee-related incidents and develop proposals for action. The 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 the relevant legislation to better protect returnees. Some members of the Parliamentary Assembly noted the need to look at returnee-related incidents together, rather than dividing them on the basis of ethnicity, which is predominantly the case.

103. The listed forms of ethnic disputes go beyond returnee-related violence and serve to perpetuate ethnic antagonisms and fuel the continuation of the conflict narrative. Some members of the Parliamentary Assembly rightfully see inflammatory rhetoric as one of the underlying problems. Politicians feed the inter-ethnic tensions and capitalize on them. Social media also plays a key role, as such attitudes can be presented and distributed without entailing responsibility.

104. Safety and security problems have pushed the day-to-day struggles of returnees down the list of priorities. Such struggles include insufficient or non-existing integration, lack of employment, inadequate living conditions, property issues and poor infrastructure, including in some places lack of connection to the electricity network.

105. As High Representative, I remind all citizens that the right to return is protected under the General Framework Agreement for Peace, which obligates all sides to ensure the secure return of refugees and displaced persons, without the risk of harassment, intimidation, persecution or discrimination based on their ethnicity, religious beliefs or political views.

Deteriorating situation in Srebrenica

106. Inter-community relations in the Srebrenica municipality have declined steadily over the past two years. Since the previous local elections in 2020/2021, apart from an initial effort, there has been no joint approach to dealing with 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 a fig leaf of multi-ethnicity in the municipal leadership by keeping a Bosniak Municipal Assembly Speaker.

107. 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. Those actions were largely driven by the personal interests of the individuals involved, but there is also a sense of anti-Bosniak sentiment within the ruling Serb coalition. Incidents during the Orthodox Christmas period in January 2023 and subsequent reactions deepened the community divide.

108. Another divisive topic was the initiative to rename certain streets, which was done without clear and transparent procedures, the inclusion of Bosniak representatives in the work of the relevant commission, or direct citizen participation in general. Despite assurances by the Mayor of Srebrenica 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 representatives of the international community. I regret very much that there was no sign of respect, including remembrance for the victims of the genocide.

109. The construction of a church in the Bosniak-populated area of Osatica is another cause of tension. Bosniaks see it as a provocation, whereas Serbs see it as a response to the earlier construction of a Bosniak memorial across the road from the new church.

110. The approaching local elections, to be held 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.

111. In the neighbouring municipality of Bratunac, the new Mayor, Lazar Prodanović (Union of Independent Social Democrats) invests a lot of effort in reinstating “normality” in community life, trying to change the paradigm and transcend the ethnic divide. His endeavours are insufficiently noticed and supported.

112. 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. Out-of-country residents of Srebrenica are expected by some observers to come from places in Serbia and the Republika Srpska. It is not clear how proof of living in Srebrenica and being a resident of the town can be verified for those actually living elsewhere.

Missing persons

113. According to the updated list of the Missing Persons Institute of Bosnia and Herzegovina, more than 7,600 people are still unaccounted for from the 1992–1995 conflict.

114. A lack of reliable information on potential gravesite locations continues to be the main obstacle in the tracing process, coupled with a lack of local capacity to process available information. Government agencies and institutions, in particular the Missing Persons Institute, 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.

115. There has been no progress on the full implementation of the Law on Missing Persons, including towards establishing a fund for the families and harmonizing the entities' legislation with the State-level law. The issue of missing persons no longer appears to be a priority and the families have been marginalized.

116. 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

117. 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. That applies mainly to history teaching, where ethnocentric perspectives persist in the new generation of textbooks.

118. The two judgments of the Supreme Court of the Federation of Bosnia and Herzegovina that found the practice of “two schools under one roof” to be discriminatory (in 2014, regarding Stolac and Čapljina, in the Herzegovina-Neretva Canton, and in 2021, regarding Central Bosnia Canton) remain unimplemented. Instead of supporting integration towards multi-ethnic, inclusive, quality institutions, the local authorities are working towards full separation by establishing mono-ethnic schools in mixed areas and transporting children to schools in areas where they are the ethnic majority.

119. Positive developments were noted in relation to the lawsuits submitted by Bosniak parents from Liplje (Zvornik, Republika Srpska, 2022) and Janja (Bijeljina, Republika Srpska, 2023), regarding the right of Bosniak children to call their language “Bosnian” and have it recorded as such in school documents. On 12 January 2024, the Basic Court of Bijeljina adopted a first instance ruling in the case of parents of Bosniak children from Janja against the Republika Srpska and the Meša Selimović school in Janja, ruling that Bosniak children were being treated unequally and ordering that discrimination be eliminated. The Ministry of Education of the Republika Srpska filed an appeal before the District Court in Bijeljina. In the Liplje case, the Basic Court of Zvornik had ruled, during the previous reporting period, that the plaintiffs had been discriminated against on ethnic and language grounds because the defendants had denied them the equal right to education in their mother tongue by not allowing them to call their mother tongue “Bosnian” during the education process and by not using that name in official school documentation, which was not the case for Serb pupils. The defendants had submitted an appeal.

Compensation for victims of war

120. 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 families of missing persons. While some individuals have obtained the legal designation of “war victim” that entitles them to specific benefits, certain societal groups cannot assert their rights because of restrictive criteria outlined in the laws of the entities.

121. On 1 January 2024, the new Law on Protection of Civilian Victims of War of the Federation of Bosnia and Herzegovina entered into force. 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.

122. The Law on Protection of Victims of War Torture of the Republika Srpska has been applied in discriminatory ways, with the result that many victims have been

unable to realize the rights safeguarded by the law. Moreover, the law had a brief preclusion period that expired on 5 October 2023 and the authorities have not shown willingness to extend it. As a result, survivors are no longer able to apply for victim status and exercise their rights in the Republika Srpska. My intention is to extend the deadline for compensation for victims.

123. While important, existing entity and Brčko District laws do not secure a non-discriminatory approach to the recognition and compensation of all categories of civilian victims of war throughout the country. No steps were taken to adopt a State-level framework law clearly defining countrywide criteria on the rights of wartime victims.

124. 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 authorities in the Republika Srpska 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.

125. Moreover, despite the availability of formal mechanisms allowing victims to seek compensation through criminal proceedings, judicial authorities throughout Bosnia and Herzegovina have not ensured that victims are able to exercise that right. According to the comprehensive trial monitoring programme of OSCE, compensation was awarded in just 19 of nearly 700 adjudicated war crimes cases.

126. In 2023, after children born of war were symbolically first recognized by the Brčko District, the Federation of Bosnia and Herzegovina 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 Republika Srpska and the Brčko District need to harmonize their laws in that regard.

127. Overall, decisions by international mechanisms affirming the rights of civilian victims of war to effective forms of redress remain unimplemented, including several recommendations of United Nations treaty bodies and the 2019 decision of the Committee against Torture.

128. I welcome the engagement of the Council of Europe, the European Union Delegation, OSCE, the United Nations Resident Coordinator and TRIAL International in following developments closely and prompting the authorities of Bosnia and Herzegovina to act.

Peacebuilding Fund

129. Following the confirmation of the eligibility of Bosnia and Herzegovina for support from the Peacebuilding Fund in 2022, various programmes have been developed and agreed with Government covering women and peace and security, youth, peace and security, and strengthening trust with institutions and civil society. The first meeting of the newly established Peacebuilding Steering Committee, co-chaired by the Minister for Foreign Affairs of Bosnia and Herzegovina and the United Nations Resident Coordinator in Bosnia and Herzegovina, 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 peacebuilding initiatives in Bosnia and Herzegovina and is aligned with the Government's progress in implementing key priority 5 of the European Union's accession priorities, which is focused on creating an environment conducive to reconciliation. Its establishment was referenced by the President of the European Commission in her address to the European Council on 12 March 2024 as one of five factors demonstrating the progress made by Bosnia and Herzegovina towards the opening of full European Union negotiations.

Gender-based violence

130. Gender-based violence remains widespread and is reflected in increasing numbers of femicide cases. The increased violence rate in general clearly draws attention to the need for urgent institutional action to ensure higher levels of security through legislation and more efficient preventive measures.

131. In the past 14 months, 12 women have been murdered, primarily by their partners or relatives, five of whom subsequently committed or attempted to commit suicide. A particularly worrying case was one from February 2024, in which an off-duty police inspector in Tuzla murdered the owner of a café. The case resulted in citizen protests and calls for the resignation of the Cantonal Minister of Interior and the Police Commissioner.

132. A pride parade was previously held in Sarajevo. Nevertheless, lesbian, gay, bisexual and transgender persons are not fully accepted, and progress in that regard is inadequate. I will continue to work with the United Nations, the Council of Europe and other organizations to support non-governmental organizations and politicians in Bosnia and Herzegovina that are active on lesbian, gay, bisexual and transgender issues.

Gender equality

133. During the reporting period, there were several key developments related to gender equality in the country. A new gender action plan for the period 2023–2027 was adopted by the Council of Ministers of Bosnia and Herzegovina, setting out key priorities for gender equality in Bosnia and Herzegovina. Unfortunately, owing to blockages from the Republika Srpska, the new national action plan for the implementation of Security Council resolution [1325 \(2000\)](#) in Bosnia and Herzegovina was not adopted.

134. Bosnia and Herzegovina played a prominent role and engaged actively in the sixty-eighth session of the Commission on the Status of Women, calling for feminist financing and collective action for women's economic justice. The first ever parallel audit report on progress regarding Sustainable Development Goal 5 in Bosnia and Herzegovina was prepared jointly by the audit institutions of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina and the Republika Srpska, outlining clear recommendations for all three levels of government on how to improve achievement of the commitments contained in Goal 5. The second Gender Equality Index for Bosnia and Herzegovina was published by the Agency for Statistics of Bosnia and Herzegovina and the Ministry of Human Rights and Refugees of Bosnia and Herzegovina and measures the level of gender equality achieved in six key areas: knowledge, power, work, health, time and money. In all areas, Bosnia and Herzegovina scores significantly lower than the European Union average, pointing to a worrying trend of regression in gender equality.

135. The mounting rhetoric against women's rights in the Republika Srpska, 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.

136. In addition, the very low level of women's political participation at different levels of government is a worrying trend and greater efforts should be made to encourage women to engage and run in the upcoming local elections.

III. Developments related to the State institutions of Bosnia and Herzegovina

A. Presidency of Bosnia and Herzegovina

137. In accordance with the eight-month rotation, Denis Bećirović took over the chairmanship of the Presidency of Bosnia and Herzegovina from Željko Komšić on 16 March 2024, who led the Presidency with efficiency and effectiveness, as demonstrated by the resolution of some long-standing issues, such as the appointment of the Governing Council of the Central Bank of Bosnia and Herzegovina.

138. The Presidency of Bosnia and Herzegovina took decisions from within its competency in the domain of foreign policy and defence and engaged in diplomatic activities in various bilateral and multilateral forums and international summits and conferences, which intensified in relation to the country's European Union path and the opening of accession negotiations. Worth singling out is the adoption of the decision initiating negotiations towards the Agreement between the European Union and Bosnia and Herzegovina on operational activities carried out by the European Border and Coast Guard Agency (Frontex), which was one of the European Union's key conditions for opening accession negotiations with Bosnia and Herzegovina.

139. The members of the Presidency continue to hold and express diverging positions on various issues, including the constitutional and legal order of Bosnia and Herzegovina, the statehood and holidays of Bosnia and Herzegovina, the General Framework Agreement for Peace, my role as High Representative, State property, Russian aggression against Ukraine, and North Atlantic Treaty Organization (NATO) integration. The conduct of foreign policy has to a certain degree been better harmonized as of late.

140. The Chair of the Presidency, Mr. Bećirović, continued to warn of blatant and unprecedented attacks by the authorities of the Republika Srpska, led by Mr. Dodik, against the General Framework Agreement for Peace and the constitutional and legal order of Bosnia and Herzegovina, with unforeseeable consequences for peace and stability. Mr. Bećirović 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 General Framework Agreement and to safeguarding peace, stability and the territorial integrity of Bosnia and Herzegovina. He repeatedly stressed that the accession of Bosnia and Herzegovina to the European Union and NATO remain the two most important foreign policy goals of Bosnia and Herzegovina and that the opening of accession negotiations with the European Union would be an encouragement for the country and its citizens.

141. Mr. Bećirović was adamant that all attempts to question and undermine the Constitutional Court of Bosnia and Herzegovina and the High Representative are part of a well-designed plan aimed at eliminating the guardians of peace, independence, sovereignty and territorial integrity of Bosnia and Herzegovina.

142. Presidency member Željka Cvijanović continued to challenge the presence of international judges in the Constitutional Court of Bosnia and Herzegovina, as well as the international community's presence in its current mandate and capacity, primarily the powers vested in the High Representative.

B. Council of Ministers of Bosnia and Herzegovina

143. During the reporting period, the Council of Ministers of Bosnia and Herzegovina held 20 regular sessions and 15 urgent sessions, under the leadership of the Chair, Borjana Krišto (Croat Democratic Union of Bosnia and Herzegovina).

144. Satisfaction with cooperation with the Office of the High Representative is mixed. Dialogue on issues relevant to the General Framework Agreement for Peace with some ministers is good, and insufficient with others. So far, the Chair has not instructed institutions to improve the situation.

145. The Chair continued to express strong commitment to European Union integration. In expectation of a positive decision of the European Council on opening accession negotiations, she repeatedly said that the future of Bosnia and Herzegovina and the Western Balkans depended on the preservation of dialogue, the enhancement of cooperation and the identification of sustainable solutions. She emphasized that the key to the success of Bosnia and Herzegovina lay in continued dialogue of the constituent peoples and their legitimate representatives and relevant political actors.

146. The reporting period was marked by intensified diplomatic activity, numerous bilateral and multilateral visits, and participation in the international arena, in expectation of further progress on the country's European Union path. On 5 December 2023, Ms. Krišto co-chaired the second high-level political forum on European integration of Bosnia and Herzegovina, together with European Commissioner for Neighbourhood and Enlargement, Olivér Várhelyi. The forum was attended by representatives of the legislative and executive authorities at all levels.

147. The Council of Ministers adopted amendments to five laws, as well as other documents in its competence, including the public procurement strategy for the period 2024–2028 and the programme of economic reforms for the period 2024–2026. The Council's focus was on improving transborder and regional cooperation, managing migration, digitalization and energy efficiency.

148. On 17 January 2024, the Council of Ministers appointed a body for the preparation of a reform plan for the implementation of European Union Growth Plan for the Western Balkans. The body, presided by Ms. Krišto, held its constituent session on 26 January 2024.

149. The established practice of not proposing legislation to the Parliamentary Assembly of Bosnia and Herzegovina unless there is full political consensus on adoption was duly followed.

C. Parliamentary Assembly of Bosnia and Herzegovina

150. During the reporting period, the House of Representatives of Bosnia and Herzegovina held six regular and four urgent sessions, while the House of Peoples of Bosnia and Herzegovina held three regular and two urgent sessions.

151. The pace of adoption of legislation required under the European Union accession process did not meet expectations. The Parliamentary Assembly of Bosnia and Herzegovina adopted only two new laws relevant to the European Union path, namely the Law on the Prevention of Conflict of Interest and the Law on the Prevention of Money Laundering and Financing of Terrorism. In addition, the Parliamentary Assembly adopted only three laws amending the existing legislation, namely the Law on the High Judicial and Prosecutorial Council, the Law on Civil Service and the Value Added Tax Law.

152. At the same time, the Parliamentary Assembly rejected three laws previously adopted by the Council of Ministers (the new Law on Foreign Affairs, the Law on Manner of Conclusion and Execution of International Agreements, and amendments to the Law on the Bosnia and Herzegovina Air Navigation Services Agency), and four laws proposed by delegates.

IV. Developments related to the Federation of Bosnia and Herzegovina

A. Executive and legislative authorities of the Federation of Bosnia and Herzegovina

153. As already reported, after all constitutional deadlines for the formation of a Government expired, my Decision of 27 April 2023 unblocked the appointment of the Government of the Federation of Bosnia and Herzegovina and helped to overcome the continual political stalemate at the entity level.

154. An integral part of the Decision was the amendment to the Constitution of the Federation of Bosnia and Herzegovina, which will enter into force in May 2024 if the Parliament of the Federation of Bosnia and Herzegovina fails to amend the Constitution to overcome similar blockages in the formation of a Government. The Parliament was expected to develop a long-term solution to prevent future obstacles in the formation of a 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 that issue. An initiative to that end was launched only on 12 April 2024, when a majority of delegates in the Bosniak Caucus of the House of Peoples proposed an amendment to the Constitution in place of the enacted amendment. As at the end of the reporting period, consideration in the Parliament had not been scheduled.

155. The Government met regularly throughout the reporting period, holding 15 regular sessions and 50 extraordinary sessions. The Parliament of the Federation of Bosnia and Herzegovina met far less frequently, with the House of Peoples holding two extraordinary sessions and three regular sessions and the House of Representatives holding one extraordinary session and five regular sessions.

156. The Parliament adopted two new laws and two proposals amending current laws. On 31 January 2024, the House of Peoples amended its own rules of procedure, harmonizing them with my Decision of 27 April in order to prevent blockages in the working bodies of the House of Representatives and make the work of the House of Representatives more efficient.

157. On 25 September 2023, Mirjana Marinković-Lepić (Naša Stranka) resigned as Speaker of the House of Representatives for health reasons. In the absence of a replacement, sessions of the House are chaired by the Deputy Speaker, Mladen Bošković (Croat Democratic Union of Bosnia and Herzegovina).

158. After the adoption of the amendments to the rules of procedure of the House of Representatives, the opposition, led by the Party of Democratic Action and the Democratic Front, filed requests for dispute resolution before the Constitutional Court of the Federation of Bosnia and Herzegovina regarding, among other things, procedural matters related to the chairmanship of the eighth and ninth sessions of the House of Representatives.

159. On 28 November 2023, the House of Representatives adopted the Declaration on Introduction of Modern Technologies in the Control of the Election Process,

proposed by Slaven Raguž (Croat Republican Party), in which the Central Election Commission of Bosnia and Herzegovina and all political parties represented in the Parliamentary Assembly of Bosnia and Herzegovina were requested to amend the Election Law of Bosnia and Herzegovina without delay, so that the local elections in 2024 could meet democratic standards protecting the integrity of the process.

160. The House of Representatives has not yet met its constitutional obligation to appoint a replacement for Mato Tadić, a judge on the Constitutional Court of Bosnia and Herzegovina who retired in November 2022. The Selection and Appointment Committee of the House of Representatives has still not come to an agreement on whether to propose only the top-ranked candidate or the full list of successful candidates to the House of Representatives for a final vote.

161. In parallel, following the failure of the President of the Federation of Bosnia and Herzegovina to nominate within 30 days, with the concurrence of the Vice-Presidents, a replacement for Kata Senjak, a judge on the Constitutional Court of the Federation of Bosnia and Herzegovina who met the retirement requirements on 14 January 2023, from the list submitted by the High Judicial and Prosecutorial Council, it became the responsibility of the House of Peoples to complete the appointment. To date, a replacement has not been appointed. It is important to note that, by virtue of the amendment to the Constitution of the Federation of Bosnia and Herzegovina that I enacted on 2 October 2022, if a new judge is not appointed by the date when the judge to be replaced reaches 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, Kata Senjak may continue to serve until the responsible authorities meet their constitutional obligation.

162. The appointment of members of the Governing Board of the Radio-Television of the Federation of Bosnia and Herzegovina has long been outstanding. As a consequence, there is no oversight and governance structure in place to ensure that the media institution fulfils its mandate effectively, which undermines public trust in its integrity and impartiality. On 27 February 2024, my Office joined the European Union and OSCE in addressing a joint letter to the Parliament of the Federation of Bosnia and Herzegovina, urging it to finalize the appointment of the Governing Board without further delay.

Closure of the “ventilators case”

163. On 26 January 2024, the Appellate Chamber of the Court of Bosnia and Herzegovina confirmed the first instance verdict in the so-called ventilators case, sentencing the former Prime Minister of the Federation of Bosnia and Herzegovina, Fadil Novalić (Party of Democratic Action), to four years in prison for abuse of office, over the procurement of 100 overpriced ventilators from China in 2020 during the coronavirus disease (COVID-19) pandemic, at a cost to the budget of KM 10.53 million. The Deputy Prime Minister and Minister of Finance, Jelka Miličević (Croat Democratic Union of Bosnia and Herzegovina), was acquitted. Fikret Hodžić, the director of the company involved, Srebrena malina, and Fahrudin Solak, the suspended director of the Administration for Civil Protection of the Federation of Bosnia and Herzegovina, were also found guilty and sentenced to five and six years in prison, respectively.

B. Mostar

City Statute

164. Following the earlier unsuccessful attempts by the Mostar City Council to adopt the City Statute, as mandated by the High Representative in 2004, the Council

revisited the issue on 14 November 2023. Despite support from the Party of Democratic Action-led coalition, the Council failed to achieve the required two-thirds majority (24 of 35 city councillors) for adoption.

165. Fully cognizant of the non-implementation of the Mostar Agreement signed in June 2020, I urge the parties involved 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

166. On 24 February 2024, a sign announcing the construction of the Mevlana Intercultural Centre in the Mostar Central Zone, near the newly built Croat National Theatre, was vandalized and then removed. While the Party of Democratic Action, People and Justice, the Social Democratic Party and the Peoples' European Union voiced their support for the project, the Croat Democratic Union of Bosnia and Herzegovina criticized the installation of the sign as an illegal act and claimed that it had been placed by a religious institution without proper legal documentation. Given the area's intricate relationships and the historical context, the construction of the Centre triggered heightened tensions and risks evolving into a political and legal issue. The Mayor, Mario Kordić, intended to overcome ethnic divisions in Mostar in several fields. Unfortunately, that has not led to broad participation.

167. The Office of the High Representative urged politicians in Mostar to engage in constructive dialogue for the benefit of citizens. On 6 March, the Muftiship of Mostar unveiled the design for the Mevlana Intercultural Centre, which is envisioned as a hub for interreligious dialogue and promoting intercultural dimensions. On 8 March, a new billboard announced the project's commencement. The Mostar Mufti, Salem Dedović, asked for my assistance in resolving the issue and further requested the formation of an international expert commission to enable the construction of the Centre. I will remain engaged with the relevant parties.

C. Cantonal developments

168. Five cantons got new governments during the reporting period. 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, the Croat Democratic Union of Bosnia and Herzegovina, the Party of Democratic Action and the Social Democratic Party formed a 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 splinter parties of the Croat Democratic Union of Bosnia and Herzegovina (Croat National Advancement and Croat Democratic Union 1990), leaving the Croat Democratic Union in opposition. The Party of Democratic Action and the Union of Independent Social Democrats, alongside two Serb opposition parties, also joined the majority in Canton 10.

169. Una-Sana, Zenica-Doboj and Sarajevo had their governments reconstructed or reshuffled.

170. In Sarajevo, the government reshuffle was confirmed on 15 November 2023, to reflect the changes within the troika-led parliamentary majority (Social Democratic Party, People and Justice, and Our Party). The troika kept its leading position. The Prime Minister and eight ministers in the government remained in place, while two new ministers from the troika (i.e. 10 in total) and two from the only newcomer to the government, For New Generations, were appointed in the reshuffle.

171. In Una-Sana, the Party of Democratic Action broke the coalition with the second strongest party there, the Peoples' European Union, and formed a new one with the Social Democratic Party, People and Justice, and the Movement for Modern and Active Krajina. On 5 December 2023, the Una-Sana Cantonal Assembly elected a new Speaker from the Movement for Modern and Active Krajina and appointed a new government led by the Party of Democratic Action Prime Minister and consisting of ministers from the Party of Democratic Action, the Social Democratic Party, and People and Justice. It is also important to note that the Anti-Corruption Office of the Una-Sana Canton opened on 23 October 2023 in Bihać. While that is just the first step in the process, it is an important achievement in the Canton's institutional and systematic efforts to combat corruption and ensure fairness and transparency.

172. In Zenica-Doboj, following the takeover by the Party of Democratic Action 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 ministers from the Party of Democratic Action, two ministers from the Democratic Front, one minister from the Peoples' European Union, and three ministers nominated by the independent representatives.

173. All 10 cantons adopted their 2024 budgets. They vary from slightly less than KM 67 million in the Posavina Canton to KM 1.5 billion in the Sarajevo Canton.

174. The cantons of Zenica-Doboj and Una-Sana 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 (2020) on the right of peaceful assembly.

D. Municipalities and cities

175. Citizens of the municipality of Stari Grad in Sarajevo elected their new Mayor, Irfan Čengić (Social Democratic Party), on 29 October 2023, after they recalled the previous Mayor, Ibrahim Hadžibajrić (Peoples' European Union), on 23 July 2023, following his arrest and confirmed indictment at Sarajevo Municipal Court. Mr. Čengić won nearly 63 per cent of votes, beating his Party of Democratic Action opponent.

176. Another Sarajevo municipality, Centar Sarajevo, was also on the way to recalling its Mayor, Srđan Mandić (Our Party), following an initiative led by the People and Justice party in the Municipal Council. However, preparatory procedures for a referendum on the Mayor's recall failed and the referendum could not be organized in the time prescribed by the relevant legislation, that is to say before the end of that calendar year.

V. Developments related to the Republika Srpska

A. Executive authorities of the Republika Srpska

177. During the reporting period, the climate was influenced by the events that had occurred in the previous period, such as the indictment and subsequent trial of the President of the Republika Srpska, Milorad Dodik, and the acting Director of the Official Gazette of the Republika Srpska, Miloš Lukić, for breaching obligations in office.

178. The Government of the Republika Srpska held 23 regular sessions during the reporting period (as at 29 March 2024).

B. National Assembly of the Republika Srpska

179. During the reporting period, the National Assembly of the Republika Srpska held three regular and three special sessions, during which 21 laws were passed.

180. The decisions made by the National Assembly during the previous reporting period are also coming into force. Although no problematic legislation was passed in the National Assembly during the reporting period, some contentious bills had already been introduced in the parliamentary procedure previously (first reading or public debate), awaiting a set time frame for their adoption. They include the Law on Referendum and Citizens' Initiative, the Law on Immunity, the Proposal Law on Special Registry and Publicity of the Work of Non-Profit Organizations, also known as the Foreign Agents Law, and the Election Law of the Republika Srpska. Of those four laws, the Foreign Agents Law and the Election Law were passed at the first reading, while the other two passed the public debate stage and are in line for final adoption.

181. During the previous reporting period, defamation was recriminalized and reintroduced into the Criminal Code of the Republika Srpska, which, along with two other laws, clearly bolsters authoritarian tendencies in the politics of the Republika Srpska. Those developments help the authorities of the Republika Srpska to reduce civic liberties and allow politicians to act with impunity.

VI. Public security and law enforcement

182. The practice of inappropriate political interference in operational policing has not diminished during the reporting period.

183. In October 2023, the Independent Board of the Herzegovina-Neretva Canton released a public vacancy announcement for the position of Deputy Police Commissioner owing to the impending retirement of the current Deputy Police Commissioner. Following the completion of the vacancy procedure, the Board forwarded to the Minister for Interior of the Herzegovina-Neretva Canton the name of the selected candidate to replace the outgoing Deputy Police Commissioner. However, to date, the Herzegovina-Neretva Canton has not completed the appointment procedure owing to questions about the retirement records of the outgoing Deputy Police Commissioner and related disagreements within the ruling coalition.

184. On 25 January 2024, the Independent Board of the Parliamentary Assembly of Bosnia and Herzegovina reviewed letters from the Directorate for Coordination of Police Bodies and the Border Police regarding amendments to the Law on Police Officials of Bosnia and Herzegovina. 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 Law on Police Officials, to the Joint Collegium of the Parliamentary Assembly of Bosnia and Herzegovina and to the Ministry of Security of Bosnia and Herzegovina.

185. The post of Police Director of the Federation of Bosnia and Herzegovina has been vacant since January 2019, and the post of Deputy Police Director of the Federation of Bosnia and Herzegovina has been vacant since February 2023. The Independent Board of the Federation of Bosnia and Herzegovina, responsible, inter alia, for recruiting the Police Director and Deputy Director, disbanded in August 2022. The Parliament of the Federation of Bosnia and Herzegovina has not appointed a new Independent Board.

186. 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 Bosnia and Herzegovina wrote to the authorities of the Zenica-Doboj Canton questioning the commitment to police independence and professional policing. In March 2024, the Zenica-Doboj Cantonal Assembly appointed three new members to the Independent Board for a term of four years. Media in the Zenica-Doboj Canton have carried claims of serious irregularities with regard to the appointments. Also in March 2024, the Constitutional Court of the Federation of Bosnia and Herzegovina ruled that the amendments to the Zenica-Doboj Cantonal Law on Internal Affairs used in the procedure of removal of the previous Police Commissioner were unconstitutional owing to the retroactive implementation of the amendments.

187. 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 for 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.

188. 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 Canton outside the standard merit-based selection process. The amendments included other departures from the model of police independence in the previous legislation. The Una-Sana Canton has been without a Police Commissioner (now Director) since October 2022.

189. In March 2024, the Sarajevo Canton Minister for 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.

190. The mandate of the current Director of the State Investigation and Protection Agency will expire in July 2024. It was expected that the Independent Board of the Parliamentary Assembly of Bosnia and Herzegovina would release a public vacancy announcement for a successor to the post in late April.

VII. Economic and social developments

A. Economic trends

191. Economic activity in Bosnia and Herzegovina has slowed. The growth rate in the third quarter of 2023 was 1.9 per cent, substantially below the growth rate of 3.8 per cent in 2022. Economic indicators – such as foreign trade exchange and industrial production – confirm the slowdown. In 2023, the country’s exports and imports dropped by 7.1 per cent and 3.0 per cent, respectively. Industrial production dropped by 8 per cent. Inflation was 6.5 per cent. Foreign direct investment in the third quarter amounted to KM 1.433 billion (an increase of 23.9 per cent compared with same period in 2022).

192. The social indicators improved, but progress is merely statistical. In December 2023, the average net salary was KM 1,297, an increase of 8.9 per cent compared with December 2022. The average pension of KM 582 in the Federation of Bosnia and Herzegovina and of KM 541 in the Republika Srpska increased by 20.7 per cent and

13.8 per cent, respectively. Still, the income levels remain significantly below the average price of the basket of goods of more than KM 2,800 for a family of four, 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 per cent decrease compared with December 2022. The registered unemployment rate is about 28.7 per cent, while the real (labour survey-based) unemployment rate is about 13.1 per cent for the second quarter of 2023. The number of employed persons is 852,813 (an increase of 0.9 per cent). The number of pensioners is 727,337 (an increase of 2.3 per cent).

193. The outflow of people has accelerated. The Union for Sustainable Return and Integrations in Bosnia and Herzegovina estimated the number of those who left Bosnia and Herzegovina during the period 2013–2023 at 600,000. According to population projections and a youth emigration aspirations survey conducted by the United Nations Population Fund in Bosnia and Herzegovina, the total population decreases by approximately 45,000 people every year; of those, more than 20,000 are young, skilled people who emigrate abroad. This represents about 4 per cent of the total youth population. These population trends are likely to persist in the coming years and result in a less dynamic post-emigration Bosnia and Herzegovina, 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 the country. The infrastructure and health conditions will improve but will cause doubts about the country's ability to withstand potential existential challenges.

194. Political instability and poor standards of living are cited as the key factors that drive people away. With regard to the latter, according to Eurostat, indicators that measure the level of economic well-being of countries rank Bosnia and Herzegovina as the worst in Europe. The Agency for Statistics of Bosnia and Herzegovina published the results of the European Comparison Programme, which show that, in 2022, gross domestic product (GDP) per capita in Bosnia and Herzegovina expressed in purchasing power standards was only 35 per cent of the European Union average, while the actual individual consumption per capita expressed in purchasing power standards was 41 per cent of the European Union average. An additional factor cited as a reason for leaving the country is corruption. Transparency International's Corruption Perceptions Index 2023 ranked Bosnia and Herzegovina as 108th out of 180 countries. Bosnia and Herzegovina was once again ranked the lowest in the region and the second-worst in Europe.

195. The financial sector appears stable. According to preliminary data, the banking sector in Bosnia and Herzegovina had a record profit in 2023, amounting to KM 709 million. This is a 41.2 per cent increase over 2022.

196. The Ministry of Finance and Treasury of Bosnia and Herzegovina estimates the overall public debt of Bosnia and Herzegovina at the end of the fourth quarter of 2023 to be KM 12.95 billion, which is 26.73 per cent of its GDP. Of this amount, foreign debt is KM 8.92 billion (68.88 per cent) and domestic debt is KM 4.03 billion (31.12 per cent). The Federation share in the overall debt is 50.97 per cent, the Republika Srpska share is 48.21 per cent and the share of the State institutions and the Brčko District is 0.47 per cent and 0.35 per cent, respectively.

197. On 2 February, the credit rating agency S&P Global Ratings confirmed the "B+" rating of Bosnia and Herzegovina, with a stable outlook.

B. Fiscal issues

198. There were no delays in debt servicing and regular budget payments in the reporting period. This was foremost a result of the continued growth of indirect tax revenue, which accounts for most budget revenue for all levels of government. In 2023, the Indirect Taxation Authority of Bosnia and Herzegovina collected KM 10.64 billion. This is an increase of 7.19 per cent, or KM 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 Republika Srpska.

199. 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 had not even been finalized by the Ministry of Finance and Treasury of Bosnia and Herzegovina, let alone adopted by its Parliamentary Assembly. While this can be attributed to the eight-month delay in the adoption of the Global Framework of Fiscal Balance and Policy for 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.

200. 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 Constitution of Bosnia and Herzegovina, the responsible authorities have an obligation to ensure the financing of the State institutions so they may fully discharge their constitutional and legal responsibilities. Thus, the problem of the financing of State institutions requires a sustainable solution.

201. The Federation of Bosnia and Herzegovina maintained its budget stability, which should be attributed to the sustained growth of indirect tax revenues and continued domestic borrowing, mainly through the issuance of treasury bills and bonds. The Parliament of the Federation – at the session of the House of Representatives on 22 January 2024 and the session of the House of Peoples on 25 January 2024 – adopted the budget of the Federation of Bosnia and Herzegovina for 2024 in the total amount of KM 7.474 billion, an increase of KM 537 million, or 8 per cent, over the rebalanced budget for 2023.

202. The total domestic revenue is projected in the amount of KM 5.978 billion, which is 6 per cent more compared with the 2023 budget and includes, among others: indirect tax revenue in the amount of KM 2.256 billion (an increase of 7 per cent), revenue from pension contributions in the amount of KM 2.991 billion (an increase of 6 per cent) and non-tax revenue in the amount of KM 618.8 million (an increase of 18 per cent). Current transfers and donations are planned in the amount of KM 14.3 million (a decrease of 82 per cent). Borrowings and receipts from financial assets are planned in the amount of 1.395 billion (an increase of 52 per cent), 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 KM 101.3 million are also planned with regard to revenue.

203. With regard to expenditure, the budget foresees, among other things, KM 346.7 million for gross salaries and allowances (an increase of 12 per cent), KM 44 million for employee contributions (an increase of 9 per cent), KM 149.4 million for material and service expenditures (an increase of 19 per cent) and KM 5.083 billion for current transfers (an increase of 7 per cent), which also include transfers for social and veterans' categories, pensions, the economy and lower levels of government. Expenditures for the acquisition of fixed assets are planned in the

amount of KM 66.6 million (an increase of 87 per cent). The Federation debt payment totals KM 1.203 billion (an increase of 7 per cent), of which foreign debt totals KM 750.4 million (an increase of 3 per cent).

204. The Republika Srpska maintained the stability of budget payments thanks to the sustained growth of public revenues and continued domestic borrowing. On 14 December 2023, the National Assembly of the Republika Srpska adopted its budget for 2024 in the amount of KM 5.735 billion. This represents a 4 per cent increase compared with the budget for 2023. More than half of the budget funds have been allocated for pensions and civil servant salaries (KM 1.785 billion and KM 1.134 billion, respectively). The Republika Srpska planned a budget deficit of KM 201 million in 2024, which is 3.5 per cent of its total budget and 1.2 per cent of its estimated 2024 GDP of KM 16.6 billion.

205. To meet its financial needs, the Republika Srpska plans to borrow KM 952 million in the long-term and KM 338 million in the short-term. It has also included a debt service of KM 922 million in its budget. The Republika Srpska has been servicing its financial obligations regularly until now. However, the Republika Srpska 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 Republic Srpska has raised KM 130.5 million by selling securities through the Banja Luka Stock Exchange (KM 50.5 million in six-month treasury bills and KM 80 million in five-year bonds). According to the Ministry of Finance of the Republika Srpska, the entity's total debt as of the end of September 2023 was KM 6.3 billion, which is 41 per cent of the estimated GDP for 2023.

C. Specific international obligations

206. Bosnia and Herzegovina has not rectified its non-compliance with the Energy Community Treaty, which is the reason for on-and-off sanctions by the Energy Community Ministerial Council since 2015. Notwithstanding the invitation extended to the country by the Council to step up its efforts towards full compliance, no progress has been made to date.

207. Bosnia and Herzegovina is breaching the Energy Community Treaty in six different cases (in relation to the areas of electricity, energy efficiency, infrastructure, gas, environment and "third energy package"). The most serious breach concerns the long-standing failure of Bosnia and Herzegovina to establish a gas sector regulator at the State level, which the Republika Srpska persistently rejects. In addition, Bosnia and Herzegovina has the highest overall number of cases/breaches and the lowest implementation of obligations stemming from the Treaty, with a score of 35 per cent. The Ministerial Council of the Treaty, 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 Treaty's *acquis communautaire* in all areas and announced infringement procedures to accelerate this process.

D. Sustainable Development Goals

208. Following the first presentation by Bosnia and Herzegovina of its first voluntary national review at the high-level political forum on sustainable development in New York in 2019, the country adopted the most important document for the implementation of the 2030 Agenda for Sustainable Development since 2007 and the first country-wide strategic vision on sustainable development, the Sustainable Development Goal Framework, endorsed by State, entity and Brčko 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.

209. 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, the war in Ukraine and record inflationary pressures on progress in achieving the Sustainable Development Goals. 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 exchanges of best practices, especially between local communities and different stakeholders. Despite the complex institutional structures in Bosnia and Herzegovina, an ambitious process to localize the Goals was launched, which also sought to engage the private sector, citizens and academia to help accelerate progress on the Goals.

210. Specific achievements include the work of the Sustainable Development Goal Financing Working Group of Bosnia and Herzegovina to recommend options for mobilizing innovative financing, including with the private sector, to accelerate the achievement of the Sustainable Development Goals. 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 and in 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.

211. Bosnia and Herzegovina has actively promoted regional cooperation on the Sustainable Development Goals and the 2030 Agenda. Examples include the meeting of the States of the European Union Adriatic-Ionian macroregion that focused on a midterm evaluation of the progress in achieving the Goals; 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 for the Economic Commission for Europe Region in Geneva.

E. Problems of specific State legal entities

Electricity Transmission Company of Bosnia and Herzegovina

212. The appointment of members of the management and the management board of the Electricity Transmission Company of Bosnia and Herzegovina has been awaiting resolution 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 2024, when the vacancies for the general manager and the executive directors were finally published. The publishing of vacancies for the management board are still in process. Prolonging the appointments may eventually affect the work and decision-making of this company to the detriment of the country and all its citizens.

213. As a reminder, the company was established by the Bosnia and Herzegovina Law Establishing the Electricity Transmission Company, adopted by the Parliamentary Assembly of Bosnia and Herzegovina 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 Bosnia and Herzegovina.

Public Railways Corporation of Bosnia and Herzegovina

214. The Public Railways Corporation of Bosnia and Herzegovina remains underfunded despite being the only mechanism for a harmonized approach to

reconstructing the country's railway routes. 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 Republika Srpska continues to contribute less than its share of 40 per cent. The Corporation has resorted to using its 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.

215. The downward trend in financing over the past 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 to the General Framework Agreement for Peace.

Financial sustainability of the public broadcasting system

216. The public broadcasting system faces significant financial challenges, particularly following the expiration of the agreement on radio and television (RTV) tax collection at the end of 2023. Bosnia and Herzegovina Radio-Television, one of the main public broadcasters, did not renew its agreement with the Electricity Transmission Company of Bosnia and Herzegovina and Radio-Television of the Federation of Bosnia and Herzegovina, citing violations of the Law on the Public Broadcasting System of Bosnia and Herzegovina owing to misallocation of funds by the entity broadcasters. Radio-Television Republika Srpska has been independently collecting the RTV tax since 2017 without contributing to Bosnia and Herzegovina Radio-Television, leading to a lawsuit from Bosnia and Herzegovina Radio-Television for some KM 85 million. In the Federation of Bosnia and Herzegovina, RTV tax collection is at about 56 per cent of households, with notable non-payment in western Herzegovina. Radio-Television of the Federation of Bosnia and Herzegovina, which manages these funds, has been retaining a portion intended for Radio-Television Republika Srpska, further complicating the situation.

217. The issue of fund collection and distribution remains contentious. In early 2024, Bosnia and Herzegovina Radio-Television proposed a new method of tax collection with the Electricity Transmission Company of Bosnia and Herzegovina, which Radio-Television of the Federation of Bosnia and Herzegovina rejected as illegal under the Law on the Public Broadcasting System. However, a breakthrough occurred on 29 February 2024, when Bosnia and Herzegovina Radio-Television and Radio-Television of the Federation of Bosnia and Herzegovina agreed with the Electricity Transmission Company of Bosnia and Herzegovina to resume tax collection from March 2024, though the issue of equitable fund distribution is still unresolved and a further 60 days were given to Bosnia and Herzegovina Radio-Television and Radio-Television of the Federation of Bosnia and Herzegovina to come to an agreement. In addition, on 27 February, the international community wrote to the Parliament of the Federation of Bosnia and Herzegovina to express concerns arising from the fact that Radio-Television of the Federation of Bosnia and Herzegovina has been operating with only one of four members of its Governing Board for more than 10 years, and to ask the Parliament to fulfil its responsibility and appoint Board members so that this body, part of the Public Broadcasting System Board, could function properly.

218. This situation is critical with regard to the efforts of Bosnia and Herzegovina to meet the European Union's 14 priorities, which include ensuring the financial sustainability of the public broadcasting system. The proposed solutions include short-term measures for immediate stability and long-term strategies such as legislative changes and internal restructuring to ensure the efficiency of the public broadcasting system.

VIII. Developments related to annex 8 to the General Framework Agreement for Peace

219. Following decisions by the Presidency of Bosnia and Herzegovina 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 Federation of Bosnia and Herzegovina and one from the Republika Srpska). In 2016, the Presidency of Bosnia and Herzegovina 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 as of the time of writing. The 2016 decision of the Presidency was temporary, as it was supposed to be applicable until 30 May 2017. Nevertheless, the quorum and decision-making rules (i.e. the presence of three members and the consensus of three members) were incorporated into the Commission's rules of procedure, which are still applicable.

220. The Commission currently has three domestic members. This situation affects 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 list of candidates for the 2022 elections to the cantonal assemblies.

221. During the reporting period, there were no changes regarding the situation and functioning of the Commission. The most recent session of the Commission was held on 27 February 2024.

IX. Media developments

Intimidation of journalists

222. The intimidation of journalists continues to be a major problem, especially in the Republika Srpska. 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 Republika Srpska legislation risk curtailing the freedom of the media.

Regulatory changes

223. The mandate of the members of the Governing Council of the Communications Regulatory Agency of Bosnia and Herzegovina expired at the end of 2017. In March 2024, the Council of Ministers of Bosnia and Herzegovina established a list of candidates and submitted it to the Parliamentary Assembly of Bosnia and Herzegovina to carry out the appointment procedure for new members of the Governing Council, but it has yet to be finalized. The delay in appointing the Governing Council indicates that political factors are at play. This prolonged interval since the previous Governing 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, which are crucial to fair governance in the communication and broadcasting sectors.

224. In terms of its operations, on 26 January 2024, the Communications Regulatory Agency made a public call for the allocation of a licence 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. The

Agency also granted a licence to Multiplex 1 for digital radio, enabling the commencement of digital radio broadcasting.

Digitalization progress

225. 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 Ministry of Communications and Transport of Bosnia and Herzegovina and a consortium of companies from Banja Luka and Zagreb – for the procurement of equipment for the digital transmission and broadcasting of public radio and television services in Bosnia and Herzegovina (i.e. equipment necessary to finalize phases I and II of the country’s digitalization project). Meanwhile, according to the Communications Regulatory Agency, Multiplex D is on track to cover 90 per cent of the territory of Bosnia and Herzegovina with digital terrestrial signals by the end of the year, and is currently hosting 17 television stations, with an ongoing invitation for new participants.

X. European Union military mission in Bosnia and Herzegovina

226. The unanimous approval of the United Nations Security Council on 2 November 2023 to extend the mission of EUFOR-Althea was of utmost importance for peace and stability in Bosnia and Herzegovina. The international community cannot permit a security vacuum to develop in Bosnia and Herzegovina.

227. EUFOR-Althea is needed now more than ever. Visibility and mobility of the deployed EUFOR troops and the availability of the intermediate reserve forces for EUFOR-Althea remain essential given the challenging political situation in Bosnia and Herzegovina and the associated security risks. EUFOR-Althea also monitors military facilities and arms factories based on a detailed inspection plan. Arms control is one of its main tasks in creating a safe and secure environment and is carried out in close coordination with the relevant ministries. According to articles I and II of annex 1-A and articles I, II and IV of annex 1-B to the General Framework Agreement for Peace, all parties are committed to arms control and have agreed to cooperate with international organizations.

228. Since the invitation to the NATO membership action plan in 2010, the Armed Forces of Bosnia and Herzegovina have continuously evolved to become a reliable partner in the Euro-Atlantic security architecture. Although the Armed Forces of Bosnia and Herzegovina is a crucial State-level institution in which cooperation within the multi-ethnic structure functions best, its operational and command capabilities remain dependent on the support of strong NATO and European Union partners.

XI. Operations of the Office of the High Representative

229. While the Office of the High Representative has faced substantial reductions to its budget and staff over the past few years, its remaining tasks have not decreased commensurately. The current annual operating budget of the organization is €5.8 million. Collecting budgeted funds remains challenging, with more than €600,000 of the budget expected to go uncollected in the current operating period. As previously noted, the Russian Federation suspended its contribution to the Office’s budget in February 2022, and this remains its position. The Office employs 73

national staff and 20 international staff, 16 of whom are seconded to Sarajevo and its regional and field offices.

230. To achieve progress on the 5 plus 2 agenda, a robust and efficient Office of the High Representative is indispensable. Its capacity to fulfil 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 mandate of the Office.

231. As 2025 will be the thirtieth anniversary of the Srebrenica genocide and the peace in Bosnia and Herzegovina through the General Framework Agreement for Peace, I am planning to hold a high-level political evaluation conference and work on a new approach to the implementation of the General Framework Agreement and the integration of Bosnia and Herzegovina into the European Union.

XII. Reporting schedule

232. I submit the present report in accordance with the requirement in Security Council resolution [1031 \(1995\)](#) for the High Representative to submit regular reports to the Secretary-General for transmission to the 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.
