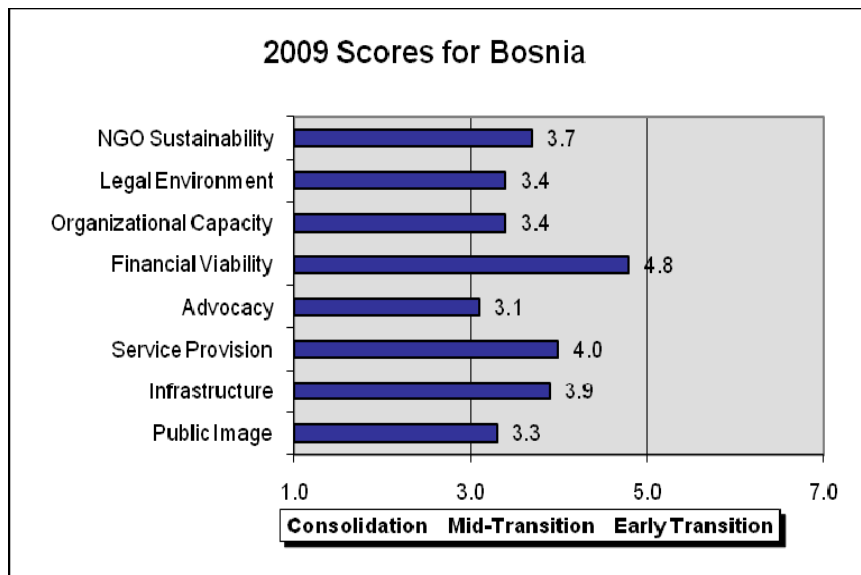


BOSNIA AND HERZEGOVINA



Capital: Sarajevo

Polity:
Emerging Federal Democratic Republic

Population:
4,621,598 (July 2010 est.)

GDP per capita (PPP):
\$6,300 (2009 est.)

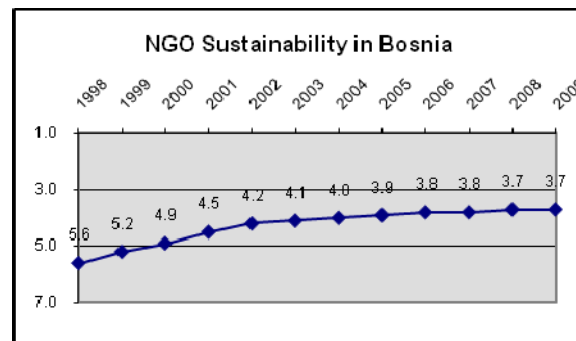
NGO SUSTAINABILITY: 3.7

The overall level of NGO sector sustainability did not improve significantly in 2009, though there were some improvements in organizational capacity, infrastructure and public image. NGOs' organizational capacities seem to have increased in response to EU requirements, the EU integration process, and the new IPA (Instrument for Pre-accession Assistance), which places greater emphasis on strategic planning. NGOs are also becoming more specialized.

New types of NGO coalitions emerged in 2009. NGOs of diverse backgrounds demonstrated capacity to interact with the parliament and to demand participation in decision making. NGOs increased their level of visibility and benefitted from a generally positive public image. The year 2009 also saw the start of a successful public-private initiative, the Open Network.

Although more work needs to be done to increase citizen involvement and philanthropy, there is a clear increase in informal support for diverse NGO initiatives, which can be attributed to the greater use of Internet tools. Resource

centers have expanded their capacities in providing information services.



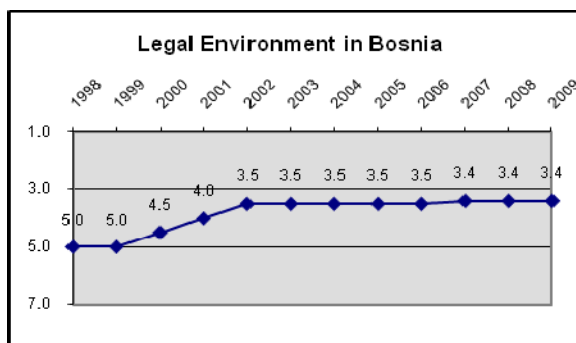
Financial viability remains the most challenging obstacle to overall NGO sustainability. Local support mechanisms still leave much to be desired and the new EU funding instruments are a challenge for NGOs given their relative inexperience and lack of skills compared to large regional and international organizations. Only politically nonthreatening organizations receive local government support.

The number of registered NGOs in BiH was estimated to be 12,189 in 2008.⁶

LEGAL ENVIROMENT: 3.4

The legal environment related to the NGO sector was unchanged in 2009. Little progress has been made since 2007 when the Council of Ministers signed the Agreement on Cooperation with the NGO Sector. The civil society sector has organized a coalition of NGOs, Network Plus, to support the provisions of the agreement. In addition, sixty municipalities have signed agreements with local NGOs, laying a foundation for more structured cooperation.

In 2008 the Ministry of Justice established the Department for Cooperation with the NGO Sector. The main role of the department is to create a stimulating environment for civil society development through establishment of an institutional network, monitoring regulations on participation of citizens in lawmaking, and supporting NGO capacity building. The department remains understaffed, but it is demonstrating potential to meet the responsibilities of its mandate. Electronic communication between NGOs and the department has increased.



Under the rules on consultations in legislative drafting adopted in 2006, there have been several instances of successful NGO participation in legislative drafting. The Department for Cooperation is spearheading efforts to draft a national volunteerism law, and fifty NGOs participated in the consultative

ORGANIZATIONAL CAPACITY: 3.4

Positive changes in 2009 contributed to greater coordination and professionalism within the

process. A previous initiative to develop such a law faltered in 2007. A Law on Volunteerism already exists in the Republika Srpska, and an initiative to adopt a volunteering law is underway in the Federation of BiH. A working group of local and international NGOs has finalized revisions to the draft law and has begun lobbying members of parliament. The impact a national law would have in relation to entity-level legislation is still unclear.

Registration and the procedure to change an organizational statute take significantly longer than prescribed by legislation due to registration authorities' inefficiency. In 2009, a working group on amendments to the Law on Associations and Foundations was formed to simplify procedures and clarify the distinction between mutual benefit and public benefit organizations.

The Law on Personal Income Tax and the Law on Company Profit Tax, adopted in 2007 in each entity, entered into force in 2009. Local support to the NGO sector has not yet increased despite the available tax deductions for donations constituting up to 1.5 percent of personal earnings and 3 percent of corporate earnings. The Law on Lottery and Games of Chance, adopted in the Republika Srpska in 2008, has also not resulted in increased support for NGOs. The Parliament of FBiH recently adopted draft amendments to the Law on Games of Chance which allows some percentage of funds collected through games of chance to be used to fund projects for persons with disabilities and for sport-related activities. Only a narrow spectrum of associations such as humanitarian, sports, and veterans' organizations fall under the definition of public benefit organizations and are able to benefit from these laws.

NGO sector. Many organizations had clearly defined missions and improved access to

modern equipment. Greater capacities for strategic planning have been demonstrated in some cases, and local NGOs have improved their capacity to create networks and act in a coordinated manner on issues of public interest. Wider usage of new information technologies aided these developments.

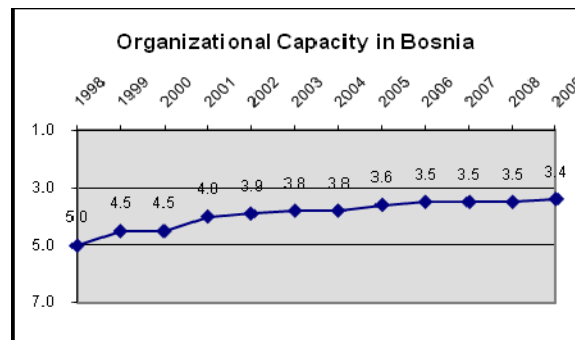
The European Commission noted a significant increase in local NGO proposals for funding in 2009. Given the complexity of the EU application procedure, this reflects improvements in organizational capacities of BiH NGOs. The EU integration process and the new IPA (Instrument for Pre-accession Assistance), which places greater emphasis on strategic planning, is also pushing organizations to work on their proposal writing capacities. Partially as a result, issue-based coalitions have emerged aiming to provide joint services.

Cooperative actions on issues of public interest increased. The Citizens' Coordination (CC) coalition initiated by the organizations DOSTA (Enough), Zasto Ne, and ACIPS is a loose network of diverse civil society associations representing labor unions, veterans, pensioners, persons with disabilities, farmers, professional associations and other NGOs.⁷ Despite the diverse interests of its members, the CC acted in a unified manner and developed a joint proposal of measures needed for BiH to overcome the financial crisis. CC lobbied the government to have its proposal presented at the emergency parliamentary session in May 2009. The proposal was not properly considered under parliamentary procedure on the grounds that it was not distributed to the parliamentarians in a timely manner. Still, this was the first large-scale, cross-sector civil society action of its kind.

Informal NGO coalitions and activist networks increased at the local level. DOSTA is an

FINANCIAL VIABILITY: 4.8

Financial viability remains the most difficult aspect of NGO sustainability. The continuing withdrawal of "traditional" donor funding continues to propel competition among NGOs, forcing smaller and less competent NGOs to

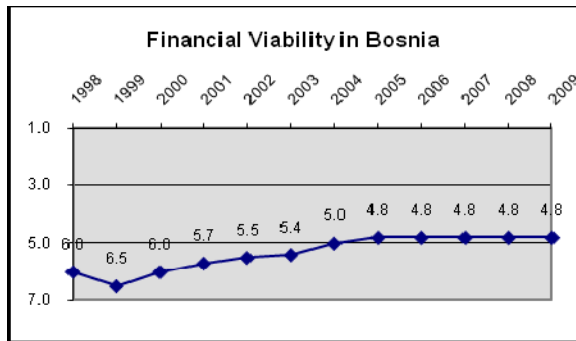


informal citizens' social movement that pressures the government on all levels to be responsible and accountable. It is known for organizing protests and other actions on behalf of marginalized groups of citizens. DOSTA has grown from around 100 activists to over 3,000 supporters throughout the country, a 300 percent increase in four years. Several other NGOs are directly involved in DOSTA's work.

Another positive trend is the visible increase in the use of new technologies such as Internet forums and online petitions. NGOs use the Internet more than any other method to disseminate information to the public. The Center for Civil Society Promotion Resource Center website has 7,000 individual visits per month.

Recruitment of volunteers by NGOs has slightly increased, yet few organizations have made it a practice to recruit interns or volunteers. NGOs generally remain unable to sustain full-time staff, and most employees work on a volunteer or project basis. Few donors provide grants to address this issue. Furthermore, many organizations lack transparency in the operation of their executive boards and other leadership positions. Many NGOs still need to build up their strategic planning skills.

close. Public support mechanisms and regulations are still underdeveloped. Instead of following set guidelines and criteria, the government commissions that allocate public benefit funds seem to base many of their



decisions on political interest and allocate large percentages of funds to predetermined beneficiaries such as religious communities, sports organizations and veterans' associations. The methods of allocation remain nontransparent and subject to corruption. The government tries to satisfy NGOs by providing minimal funding, while expecting NGOs to implement fully developed projects. Additionally, there are no monitoring and evaluation mechanisms.

NGO capacity to access EU funding, specifically the IPA funds, remains poor. The pre-accession assistance is primarily awarded to consortia of larger international firms and agencies. Local

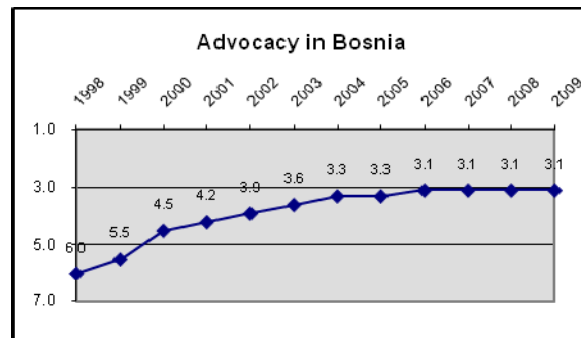
NGOs tend to participate as local partners handling project logistics or administration. Most NGOs still lack the capacity to fully utilize the benefits of local philanthropy, and need to raise awareness among individuals and businesses about tax-deductible contributions. In most cases, membership fees and donations do not contribute greatly to overall NGO financing. The attitude of average citizens is that NGO donations are superfluous. Nor is the NGO sector capable of generating funding through supplementary economic activities; organizations and enterprises receiving subsidies monopolize the economic fields in which some NGOs could engage.

In the one positive example of a public-private initiative, the Open Network, introduced by the public radio station Kameleon in cooperation with fifty-two other radio stations, established agreements with fourteen leading domestic production companies. The companies allocated a portion of their profits to the Open Network fund in return for free airtime for advertisements. The 2.5 million BAM (\$1.9 million) raised in a six-month period will finance surgeries for low-income individuals suffering from serious illnesses.

ADVOCACY: 3.1

NGO advocacy activities became more diverse, using methods such as policy papers, public announcements, and street actions. The government has invited NGOs for consultations in several instances. The NGO sector still lacks capacity for structured and effective advocacy efforts, however.

The 2008 demonstrations sparked by the murder of a student in Sarajevo drew the government's attention to juvenile delinquency. A new law in Sarajevo Canton prohibits minors from being in clubs or public places after 11 p.m. without their legal guardians. In the last local elections, voters elected a different political party in Sarajevo Canton, possibly as a result of sustained advocacy activities.



The Employment Strategy in the Federation of BiH was adopted largely as a result of NGO advocacy efforts. More than 100 NGOs organized by Centers for Civic Initiatives (CCI) took part in developing this document. CCI also lobbied for the adoption of the Law on Lottery and Games of Chance, and successfully lobbied against the decision of the Tuzla Canton government to terminate allowances for children

of unemployed parents. In Zenica-Doboj Canton, the local government contracted Medica to conduct specialized education on gender equality. The Romani NGO sector also had successful collaboration with the government following BiH's joining of the Decade of Roma Inclusion in 2008. Finally, as a result of intense public pressure partly generated by NGO advocacy efforts, the Council of Ministers and BiH Parliament sped up the implementation of measures required by the Roadmap on Visa Liberalization for BiH.

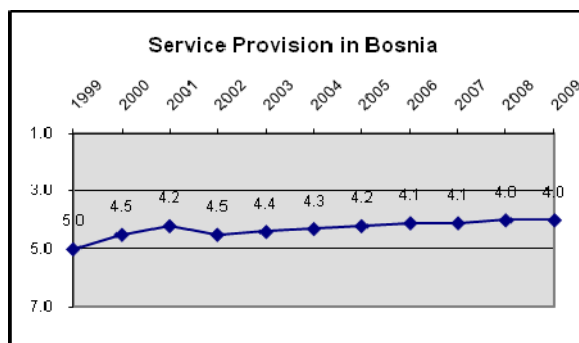
NGO participation in decision-making processes is still insufficient and ad hoc. Both the government and the NGO sector lack sufficient knowledge about the existing mechanisms for NGO participation. The Council of Ministers has the right to return any legislative draft which did not go through the NGO consultation process, but to date has not used this mechanism. The organization ADI in Sarajevo provided technical

advice to the Ministry of Justice on the implementation of the consultative procedures.

Despite some successful advocacy initiatives in 2009, NGOs are still excluded from decisions of greater political importance or sensitivity, such as the Butmir Process of discussion on constitutional reform taking place between political party leaders and the international community. Despite the involvement of a large spectrum of organizations representing some 800,000 individuals, parliament did not adopt the Citizens Coordination proposal for overcoming the economic crisis, claiming that the proposal was not delivered on time. NGOs demanded that Federation Prime Minister Neđad Branković resign due to his failure to improve the economy, the nontransparent privatization of state property, and instances of corruption. He resigned in 2009, but it is questionable whether this was the result of NGO advocacy or party politics.

SERVICE PROVISION: 4.0

The government recognizes NGO expertise in analysis and identification of target groups' needs, but the government does not sufficiently recognize the benefits of utilizing NGOs to provide basic services. This is particularly evident at the local level of governance, where officials consult NGOs on issues related to their specific areas of expertise, but engage these organizations as service providers only in isolated instances.



The range of goods and services provided by the NGO sector is still underdeveloped and services in spheres other than social services remain

underfunded. Most service-providing NGOs are in the medical field, offering free health consultations, education, physical examination, and testing.

With the influx of EU funding and its related guidelines, which encourage government collaboration with NGOs, the government is slowly beginning to realize it has vested interests in developing this cooperation. In Zenica, the safe house Medica participated in creating minimal operational standards for safe houses to provide services to victims of trafficking. The Ministry of Human Rights and Refugees led an evaluation of safe houses in BiH, and signed contractual agreements with the three organizations receiving the highest scores.

As the result of a successful civic initiative to establish a Strategic Plan for Prevention of Domestic Violence in the Federation BiH for 2009–2010, a coalition of NGOs created a hotline for victims of domestic violence in the Federation.

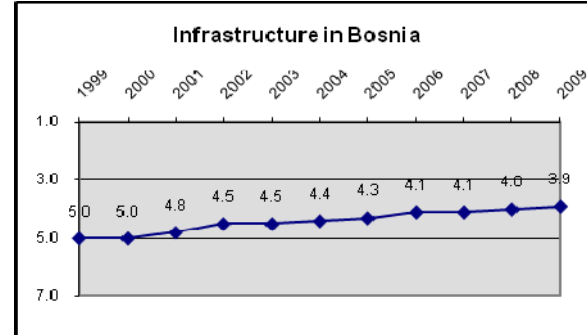
INFRASTRUCTURE: 3.9

Expansion in the use of technology had a significant impact on overall NGO infrastructure. The public more actively participates in Internet forums, some of which are operated by NGOs and which also serve as resources for NGOs to more effectively monitor issues of public interest. The Internet is the favored tool for the communication and organization of initiatives by both individuals and organizations.

The Civil Society Resource Center established by the Civil Society Promotion Center (CPCD) continues to facilitate information flow among NGOs. It provides information on grants and on education and consultancy services. The number of visitors to the resource center's website increased 30 percent in 2009. Additionally, CPCD has put in place six regional resource centers within local NGOs for support to organizations working in rural areas.

The previously mentioned Open Network introduced by public radio station Kameleon is a good example of a public-private partnership, although it also reflects the preference of local donors to support humanitarian activities as opposed to a diverse range of initiatives.

NGOs formed issue-based coalitions as well as coalitions that focus on strategic development of the NGO sector. The largest NGO coalition,



Network Plus, has over 370 NGO members. Its mission is to promote and advocate key public policies relevant to development of civil society, intersectoral cooperation and good governance. NGO cooperation on specific project activities also increased. The Citizens' Coalition brought together a wide spectrum of civil society associations who came to a consensus about the measures needed to lead the country out of the economic crisis. The development of local networks such as DOSTA, with active members throughout BiH, is also important for rallying local support.

NGOs continue to establish greater cooperation with the government. In addition to the existing Agreement on Cooperation signed by the Council of Ministers, sixty municipalities drafted and signed agreements with local NGOs.

PUBLIC IMAGE: 3.3

The NGO sector is well covered by the media, especially in larger urban centers. Positive media coverage of NGOs continued to increase in 2009. The media showed greater willingness to follow and support the work of the NGO community, although this willingness extends only to NGO work that does not threaten government interests. Still, there were slight improvements in the media's awareness of NGOs' watchdog role. Some media cover more controversial issues, such as organized crime and corruption in the health, education and

public administration sectors, and recognize NGOs as relevant sources of information.

The NGO presence in the media has not significantly increased, but the quality of reporting on civil society initiatives has improved. Media ask for statements by NGO representatives on diverse issues. The media closely followed ACIPS' monitoring of visa regime liberalization. The calls for the resignation of the FBiH prime minister and NGOs' demands for accountability were followed by the media daily. NGOs are

frequently invited to talk shows and TV debates to represent students on educational reform issues. NGO representatives have become active contributors to political news magazines.

Political control of media channels remains a problem, especially in Republika Srpska, where the ruling political party controls a large percentage of media outlets. This has a negative impact on the perception of NGOs that oppose ruling party actions. Transparency International in Banja Luka, which has put sustained pressure on the RS government for its lack of transparency, suspended its activities in 2008 and is still facing considerable obstacles to presenting its work through the media in RS.

NGOs themselves are showing growing awareness of the importance of communicating to the public through the media. Instead of using media only when holding a press conference with sensational news or when celebrating anniversaries, NGOs tend to communicate with the media on a regular basis, informing

journalists and editors on the progress of their projects as well as providing information on important policy developments.

The public shows greater understanding of and support for NGOs' work. Web technology allows the public to find information about NGOs and to participate in NGOs' activities and debates. NGOs still lag behind when it comes to self-regulation, transparency in their internal operations, and the publishing of annual reports.

