

U4 Helpdesk Answer

U4 Helpdesk Answer 2021:20

Bosnia and Herzegovina Overview of corruption:

Focus on patronage systems,
vulnerable groups and contributions
of international actors in
anti-corruption

The power sharing system which was designed to guarantee fair ethnic representation in governance, often results in “severe partisan gridlock” amongst nationalist leaders from BiH’s Bosniak, Serb and Croat communities. What enables the governing parties to rule over a deeply entrenched patronage system is their grip over administrative resources, particularly employment in public administration and state-owned enterprises. There is widespread discrimination against certain vulnerable groups, which can increase their exposure to corruption risks. Efforts towards constitutional reform to address discrimination have failed. Corruption is systemic.

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Query

Please provide a summary of how different forms of corruption in BiH are politically connected and describe patronage systems, describe how different vulnerable groups experience corruption and what different international actors do in the area of anti-corruption.

Contents

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2. Patronage networks and forms of corruption
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Caveat

There is limited information in the public domain on the effects of corruption on vulnerable groups in the context of Bosnia and Herzegovina. This paper presents evidence of discrimination, cites the mutually reinforcing relationship of corruption and discrimination and illustrates how vulnerable groups in the context could be exposed to higher risks of corruption. Please note that information contained in this paper has been updated until November 2021.

Background

Political structure

A highly decentralised parliamentary republic, Bosnia and Herzegovina (BiH), has a complex constitutional regime rooted in the Dayton Peace

MAIN POINTS

- Corruption remains systemic in the BiH context.
- Patronage systems involve various forms of corruption including but not limited to petty, political and grand corruption.
- Elite actors benefit from the status quo and have "little incentive to reform the system".
- The most vulnerable groups susceptible to social exclusion and poverty in BiH include returnees and internally displaced people (IDPs), persons living in distant rural areas, Roma, youth, women, victims of gender-based violence, elderly, those living with HIV/AIDS and tuberculosis, and people with disabilities.
- International actors have myriad anti-corruption projects ongoing in BiH.

Agreement¹ of 1995 (Freedom House 2021). While the Dayton Accords have ensured peace for more than a quarter of a century, it led to the creation of a sovereign state comprised of two parts, the mostly Serb-populated Republika Srpska (RS) and largely Croat-Bosniak-populated Federation of Bosnia and Herzegovina (FBiH) (Ruge 2020; Heinrich Böll Stiftung 2021, 1). Additionally, the Brčko District (BD) was created in 1999 as a single self-governing administrative unit operating under BiH. The FBiH also has a federal structure made up of 10 autonomous cantons, with each having its own constitution and government (Lee-Jones 2018, 2).

The ethnic differences that fuelled the Bosnian War also forms the basis of the distribution of power in the current BiH milieu. The power sharing system, which was designed to guarantee fair ethnic representation in governance, suffers from decision making deadlocks as the country's three ethno-national elites "lack a minimal common vision" (Bertelsmann Stiftung 2020, 11).

However, it is important to note that the "the problem in Bosnia is not one of frozen ethnic conflict but of state capture". "Corrupt ethno-political elites" that have captured parts of the state "drive dysfunctionality and perpetuate divisive ethnic discourse" to serve their own agenda. Thus, it is in the interest of such "opportunistic and unaccountable elites" to keep ethnic cleavages and tensions alive and maintain their patronage networks (Ruge 2020).

¹ The Dayton Peace Agreement (DPA), Dayton Accords, Paris Protocol or Dayton-Paris Agreement ended the Bosnian war, which lasted years 3.5 years. The war took place in the context of the breakup of the Socialist Federal Republic of Yugoslavia. However, it was fought along ethnic lines involving the three Bosnian groups and the Yugoslav army. The current Constitution of Bosnia and

EU membership

BiH has been a potential candidate for European Union (EU) membership since 2003 and applied for membership in 2016. The European Commission (EC) put forth 14 key priorities for the country to fulfil in order to begin negotiations for EU accession. What came forth was a comprehensive roadmap focused on "deep reforms in the areas of democracy/functionality, the rule of law, fundamental rights and public administration reform" (EC n.d.).

The [Commission Opinion](#) on Bosnia and Herzegovina's application for membership of the EU (2019, 9) noted that "corruption is widespread, and all levels of government show signs of political capture directly affecting the daily life of citizens, notably in health, education, employment and public procurement matters".

The seventh key priority that BiH ought to fulfil to be considered for EU membership is on "strengthening the prevention and fight against corruption and organised crime, including money laundering and terrorism" (EC 2019, 15). According to the EC, this could be achieved through applying the following (EC 2019, 15):

- a) "adopting and implementing legislation on conflict of interest and whistle-blowers' protection
- b) ensuring the effective functioning and coordination of anti-corruption bodies
- c) aligning the legislation and strengthen capacities on public procurement

Herzegovina is contained in Annex 4 of the Agreement (OSCE n.d.). While the agreement ensured that the warring elites ended the conflict and joined the state, it was unsuccessful in securing "institutional functionality" or a "common state identity" (Bertelsmann Stiftung 2020, 5).

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- d) ensuring effective cooperation among law enforcement bodies and with prosecutors' offices
- e) demonstrating progress towards establishing a track record of proactive investigations, confirmed indictments, prosecutions and final convictions against organised crime and corruption, including at high-level
- f) de-politicising and restructuring public enterprises and ensuring transparency of privatisation processes”

Apart from the above-mentioned priority exclusively relating to anti-corruption, other priority areas also include elements for good governance and rule of law. For example, priority six deals with improving the functioning of the judiciary via the adoption of “new legislation on the High Judicial and Prosecutorial Council and of the Courts of Bosnia and Herzegovina” and priority one is ensuring that “elections are conducted in line with European standards²” and pressing for transparency in political party financing (EC 2019, 15). Apart from these, priority 13 deals with “protection and inclusion of vulnerable groups, in particular persons with disabilities, children, LGBTI persons, members of the Roma community, detainees, migrants and asylum seekers, as well as displaced persons and refugees in line with the objective of closure of Annex VII of the Dayton Peace Agreement” (EC 2019, 16).

Recent assessments³ by the European Commission and Group of States against Corruption (GRECO) for BiH point out that the country has not made

any significant progress in addressing the key priority areas and that its non-compliance is now “globally unsatisfactory” (GRECO 2020, 16). The country will have to thoroughly improve its legislative and institutional framework to ensure that the criteria for the 14 priority areas are met (TI BiH 2021, 2).

When it comes to addressing corruption, the overall status of the phenomenon in the country seems to be stuck at a status quo (Bak 2020, 2; Ruge 2020; Garding 2019, 8). However, academics Richter and Wunsch (2020, 42-44) opine that EU conditionality has been “unable to effectively counter state capture”, and in some ways “it has involuntarily entrenched informal networks in the Western Balkans and enabled them to strengthen their grip on power”. While noting that EU conditionality did not necessarily create state capture, three points showcase the links between the two:

- The demand for the liberalisation of markets without a thorough legal framework gave a small section of the economic elite an opportunity to garner private gains and develop powerful networks that influence political decision-making “(*money*)”.
- National discussion and internal mechanisms of accountability are weakened in the presence of “strong top-down” conditionality, providing ruling elites with an opportunity to silence domestic opponents “(*power*)”.

² By implementing recommendations from the Office for Democratic Institutions and Human Rights (ODIHR) of the Organisation for Security and Cooperation in Europe (OSCE) and the Council of Europe’s European Commission for Democracy through Law (Venice Commission).

³ GRECO published two compliance reports of Third and Fourth Evaluation Rounds on Bosnia and Herzegovina, following the authorisation of the authorities of Bosnia and Herzegovina (both reports were adopted by GRECO at its 85th Plenary Meeting, Strasbourg, 21-25 September 2020).

Indicator ⁴	2018	2019	2020
Control of corruption	31.3	30.3	28.8
Government effectiveness	28.4	28.4	15.4
Political stability and absence of violence/terrorism	31.6	29.7	27.8
Regulatory quality	45.2	47.1	42.3
The rule of law	46.2	46.6	43.3
Voice and accountability	36.7	37.2	36.7

- EU membership discussions involve regular interactions of these elites with high-ranking EU and member state officials. This often helps to legitimise ruling elites “(glory)”.

Extent of corruption

Corruption remains a huge challenge in the country. Despite the frequent corruption reports in the media, the amounts of official investigations and prosecutions is minimal (Bertelsmann Stiftung 2020, 14). BiH scores 35 out of 100 (0 indicating the most corruption and 100 the least corrupt) in Transparency International's 2020 [Corruption Perception Index \(CPI\)](#), ranking 111 out of 180 countries.

⁴ All scores are in percentile rank which showcases the country's position among all nations under the aggregate indicator, with 0

According to Transparency International's Global Corruption Barometer (GCB) (2016, 29), BiH citizens view their country as one of the worst performers in Europe and Central Asia with “perceptions of corruption among members of parliament, high bribery rates and a negative social environment for engaging in anti-corruption actions” being the main challenges. Four out of five respondents to the GCB survey believe that their government is doing badly in curbing corruption (Transparency International 2016, 5).

The Worldwide Governance Indicators (WGI) by the World Bank also indicate weak governance conditions in BiH, with a decline in conditions noted between 2018 and 2020, especially in government effectiveness. Please refer to the table below (World Bank 2020):

For a detailed overview of corruption and anti-corruption in BiH please refer to:

- [Western Balkans and Turkey: Overview of corruption and anti-corruption \(2020\)](#)
- [Bosnia and Herzegovina: Overview of corruption and anti-corruption \(2018\)](#)

Patronage systems and forms of corruption

The consociational model of democracy in the country, made up of the three major Bosnian ethnic groups (Bosniaks, Serbs and Croats) was adopted to enable the representation of and compromise between the groups (Piacentini 2020, 4). However, this “ethnic patchwork” led to the state structure and institutional functioning being dominated by

relating to the lowest position and 100 to the highest (World Bank 2020).

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ethno-national forms of political organisation (Mayr et al. 2021; Piacentini 2020, 4).

It comes as little surprise then that “upholding interethnic tensions [enable] all ethnic elites to maintain patronage systems” (Bertelsmann Stiftung 2020, 5). BiH’s existing patronage system has evolved from its late socialist era’s one-party system wherein semi-formal networks “formed the basis for the distribution of power and resources, of privileges and corruption”. With ethnic power sharing being institutionalised in the post-war Dayton constitution of BiH, control of the state was passed on to the current three (ethnic) one-party systems (Weber 2017, 11).

Effectively, the BiH constitution which was designed to protect the rights and national interests of constituent groups ended up safeguarding the ruling elite from accountability. Bosnia’s ethno-political leaders have previously used the constitution’s veto mechanisms⁵ as well as legal loopholes to “drain public resources and capture key government institutions” (Ruge 2020).

A recent report by Transparency International echoes that state capture in the Western Balkans, including BiH, is driven by patronage systems and clientelist networks (Zúñiga 2020, 7). Several experts believe that Bosnia’s “entrenched ethnic parties benefit tremendously from the status quo and have little incentive to reform the system” (Garding 2019, 8).

Political parties, use their command over public administrations and the broader public sector, to exert considerable influence over significant portions of the economy and the society (Weber 2020, 11).

The ethnicisation of politics,⁶ wherein citizens almost exclusively vote along ethnic lines, creates conditions that are ideal for patronage networks to develop and become entrenched. This acts as a significant barrier to addressing corruption in the country (Lee-Jones 2018, 6).

It ought to be noted that, while alliances at all levels of government change regularly, incumbent factions continue to retain their influence and positions with the assistance of these vast patronage networks. Such a scenario makes it all the more difficult for “smaller reform-oriented forces to achieve meaningful breakthroughs” (Weber 2020, 11).

However, while the linkages between ethnic division and patronage systems exist, they ought not to be simplified. Parties and groupings of the ethno-political elites also suffer factional divisions. Source of tensions relate to control of the party as well as the institutions it controls, division of public resources, funds, positions for appointments and employment. For example, the deputy leader of the largest Bosniak party in the country - Party of Democratic Action (SDA), Asim Sarajlic, resigned from his party position due to the leakage of an audio recording of a corrupt deal. In a bid to secure

⁵ Representatives from each BiH entity and each of the three “constituent people”, are granted veto powers in voting in the central state parliament and presidency. Initially set up with the spirit to allow fair ethnic representation, ethnic elites use veto powers to block joint decision-making as they lack a minimal shared vision. In addition, both FBiH and RS, also have similar power-sharing systems in place at their level. Such a scenario leads to a lack of meaningful decision making in shared governance (Bertelsmann Stiftung 2020, 11).

⁶ What is unique about ethnicity in the BiH context is that it acts as a distinguishing feature. The various ethnic groups identify with their own ethnic identity and simultaneously exclude those who do not share the same identity. Thus, ethnicity acts as a matter of contrast, and it is this “exclusiveness” that was used and continues to be used by ethno-nationalist elites for their political ends and power (Sotiropoulou n.d., 5).

greater party control, Sarajlic and another party member Sabahudin Delalic were allegedly promising a job to the wife of a delegate in exchange for votes to their preferred candidate in internal party elections. Sarajlic continues to be a member of the House of Peoples of Bosnian state parliament. Sarajlic is being tried for a separate case for offences, including abuse of office and influence-peddling at a municipal court in Sarajevo (Kovacevic 2020b).

Associated forms of corruption

With systemic patronage systems operating along ethnic lines, distinguishing petty from grand corruption can be challenging as proceeds from petty corruption can also be passed up the chain to the top of patronage systems, into the hands of political elites that have captured the state.

The complex political division further accentuates the opportunities for corruption at the sub-national and local levels. One example showcasing the operation of patronage networks involving various forms of corruption (such as grand, political and extortion) is a scheme that operated in the Ministry of Agriculture of the FBiH from 2011 to 2014.

Former agricultural minister, Jerko Ivanković-Lijanović, allegedly gave agricultural subsidies in the form of incentives only to those farmers who agreed to return half, and sometimes more than half, of the allocated funds to Lijanović and his associates (Aljić 2018).

Money was reportedly extorted from the farmers by four members of the People's Party for Work and Betterment (NSRZB) – Mersed Šerifović (the party's vice-president and the president of the party's Cantonal Board in Tuzla), Edin Ajanović (former minister of agriculture, water management and forestry in Tuzla Canton, and at that time

minister for trade, tourism and transport in the same government) as well as Ivanković-Lijanović's advisers Stipo Šakić and Suad Čamdžić (Transparency International 2021a).

The extorted funds were sent to Ivanković-Lijanović's associates who kept 10% of the dirty proceeds for themselves and then handed over the rest to the former minister (Zúñiga 2020, 12). Farmers that refused to pay were denied future grants (Transparency International 2021a). The amount extorted from farmers was estimated to be KM 652,000 (approximately €334,000/US\$387500) (Aljić 2018).

Operating per existing patronage systems, the former minister also widely distributed grant funds to firms associated with his family (Transparency International 2021a). It is alleged that members of Ivanković-Lijanović's family set up different firms to evade paying value-added tax. They used these firms to continue their meat processing business when the accounts of their former businesses were frozen because of outstanding taxes. It is interesting to note that all of their registered companies were listed at the same facility as the Lijanović Meat Industry. All employees, company equipment and goods were also common to the listed businesses (CIN 2015).

In relation to this case, Ivanković-Lijanović and his associates were convicted for "organised crime, tax evasion, money laundering and destroying business records". The court found that the group deprived the government of approximately €6 million (US\$6.9 million) as a result of tax evasion, illicit use of state incentives for agriculture and illegally trading stolen government stocks (OCCRP 2018).

Ivankovic Lijanović was also previously accused of buying votes that ultimately got him the ministerial post that he used to run the subsidies scam

(OCCRP 2018). Testimonies from at least 400 people, plus “material evidence such as payment slips, inspections, and advice on how to vote” show the vote-buying exercise undertaken by the former minister (CIN 2014).

The case of Ivanković-Lijanović is not the only one which showcases corruption via the vast patronage networks in the country. Amir Zukić, as the General Secretariat of the Party of Democratic Action (SDA), and two other former top SDA officials had illegally secured employment for people in public companies in exchange for bribes. Zukić has been banned from entering the United States due to his “involvement in significant corruption,” (NI Sarajevo 2020).

Even in voting, ethnicity plays a substantive role in keeping these patronage systems alive. For example, ethno-political power over government bodies and public companies and institutions enables “established parties tend to a voter base”. State employees are often blackmailed or coerced into voting for ethnic parties in exchange for public employment (Ruge 2020). Such threats are often public⁷. For example, Dodik, as president of RS, prior to the 2018 general election, openly declared that the “contracts of public sector employees who voted for the opposition would effectively be terminated”. Pod Lupom, a civil society group in Bosnia, found several cases in the same year of voters being illegally pressured, with tactics including “conditional dismissals” and deals of “new employment in exchange for votes” (Ruge 2020).

Recently, Dodik has fanned ethnic tensions by threatening to cut ties between RS and the rest of

BiH. Blaming foreign powers of trying to create a “Muslim state”, he announced the takeover of military barracks in RS, which are now managed by the Bosnian Armed Forces (Kuloglija et al. 2021). Following the announcement of withdrawing from key institutions of the Bosnian state, BiH prosecutors have launched an investigation into Dodik for “undermining the constitutional order”. Dodik and his party members have been accused of being corrupt, and protests broke out in RS over “criminal behaviour, cronyism, and corruption” of Dodik’s ruling party (Radio Free Europe / Radio Liberty 2021). The ruling party, with Dodik at the helm was accused of widespread corruption especially in the pandemic response including but limited to procurement of ventilators and other equipment (Luka 2021). The US has also imposed sanctions on Dodik for obstructing the Dayton Agreement (Garding 2019, 21).

Patronage systems and public administration

What enables the governing parties to rule over a “deeply entrenched patronage system” is their grip over administrative resources, particularly the employment in public administration and state-owned enterprises (Bertelsmann Stiftung 2020, 17).

Political influence over the public administrations’ selection commissions enables elites to fill positions in public employment along lines of political party membership, family and other personal affiliation. An example of the increasing influence of the BiH patronage system is that employment in public administration is deemed to

⁷ Dodik also threatened employees of coal mining and energy company RiTE Gacko, medical staff, pensioners and other

segments of the population with the aim of influencing voters ahead of the general elections (Garaca 2018).

be less merit-based currently than it was in 2005 (Maslo n.d.; Weber 2020, 12).

Politicised public administration and the nationalistically legitimised fragmentation of state institutions together substantially hamper service delivery and infrastructure in BiH. For example, in the healthcare sector, stemming from the country's labour and hiring context, there is rampant employment of "so-called non-medical staff". This contributes to substantial increases in health expenditure, with prices being close to Eurozone levels. The lack of a meritorious workforce, however, contributes to services being extremely poor despite a comparatively large healthcare workforce. There is also a shortage of basic goods wherein most medicines for serious illnesses like cancer have to be acquired privately by patients (Weber 2020, 12).

Constraints in accessing lucrative jobs for individuals who are highly educated but without political connections are causing an enormous "brain drain". It is estimated that about 100,000 young Bosnians and Herzegovinians left the country between 2018 and 2020 in search of greener pastures (Weber 2020, 13).

Vulnerable groups and corruption

When it comes to marginalised groups, the United Nations Development Programme (UNDP) notes that there is a "chronic lack of credible data in BiH and absence of evidence-based policy making in the

country". Nonetheless, it added that "socio-economic polarisation and social exclusion with increasing inequalities in income, education, and health" characterise BiH's society (UNDP 2021).

Discrimination and corruption in the BiH environment

The most vulnerable groups susceptible to social exclusion and poverty in BiH include returnees and internally displaced people (IDPs), persons living in distant rural areas, Roma⁸, youth, women, victims of gender-based violence, elderly, those living with HIV/AIDS and tuberculosis, and people with disabilities (UNDP 2021). Roma women, in particular, face multiple forms of discrimination due to their ethnic as well as gender identity (EC 2020, 34). Therefore, when considering discrimination, it is worth taking intersectional factors into account.⁹

Equal treatment is guaranteed by law, but it is unevenly upheld in practice. For instance, the Romani minority particularly suffers discrimination across the country. Bosniaks and Croats in the RS encounter barriers when accessing social services, and Bosniak returnees in the RS are known to face notable discrimination and harassment (Freedom House 2021). Ethnic Serbs living in FBiH with a majority of Bosnian Croats and Bosniaks face discrimination (HRW 2019). Overall, those who constitute a minority in the area where they reside face discrimination (Freedom House 2021).

Due to the framing of the constitution along ethnic lines, Bosnian Herzegovinian citizens who do not

⁸ The Roma or Romani (also spelt Romany) are a "traditionally itinerant ethnic group" that primarily live in Europe. The Roma were persecuted on racial grounds by the Nazis before and during World War II, and they continue to face discrimination in Europe and other parts of the world (Diversity Style Guide 2021).

⁹ Such as race, indigeneity, socio-economic status, gender, gender identity, sexual orientation, age, (dis)ability, spirituality, immigration/refugee status, language and education.

“declare/do not belong to any of the three major ethnic groups” are officially not represented and included in some of the main state bodies. This creates a situation where there is “no representation without ethnic affiliation”. In fact, as per Bosnian law, political candidates are required to state their ethnicity in all the government institutions (except for the constitutional court), and they are elected based on ethnic and regional factors (Piacentini 2020, 3).

There are regular conflicts over fair ethnic representation emanating from the constitution and electoral laws. For example, the European Court of Human Rights in 2009 and 2016 ruled that the exclusion of members from other ethnic groups apart from the prominent three, violates the European Convention on Human Rights. Nevertheless, citizens that do not belong to Bosniak, Serb or Croat “constitutive peoples” continue to be prohibited from the presidency and membership in the House of Peoples (Freedom House 2021). Approximately 400,000 Bosnians (12% of the population) are not allowed to run for president or parliament because of their religion, ethnicity, or where they live (HRW 2019). BiH is considered to be the only country in the world labelling some of its citizens as “others” (Sandić-Hadžihasanović 2019).

The effective functioning of state machinery also suffers in such an environment. For example, the House of People, Bosnia’s upper legislative body was not seated for several months after elections concluded in 2018 due to disputes over its system of ethnic seat allocations. Unsettled legal dispute around the distribution of city council offices between Croats and Bosniaks in Mostar had prevented elections from taking place for a period of 12 years (Freedom House 2020). The city of

Mostar finally held elections in 2020 (Behram 2020).

It ought to be noted that discrimination and corruption do not take place in isolation. A recent study exploring links between discrimination and corruption found a mutually reinforcing relationship between the two (McDonald et al. 2021, 4):

- Discrimination can result in higher exposure to corruption.
- Specific forms of corruption are intrinsically discriminatory.
- Discrimination creates a situation wherein the impact of corruption is felt disproportionately.
- Discrimination results in barriers to confronting corruption, hindering access to justice for victims of discrimination.

Case studies from the report show that discrimination on the basis of race or ethnicity and corruption often goes hand in hand to block distinct racial or ethnic groups from seeking justice. Also, there is evidence of the “mutually reinforcing relationship between freedom of religion or belief violations and corruption”, ranging from “petty corruption to the preferential treatment of favoured religious communities in the allocation of state resources” (McDonald et al. 2021, 5).

Putting these lessons into the context of BiH, the effect of corruption on the lives of vulnerable groups can be discerned. For example, gender-based discrimination is widespread in BiH, with gender-based violence being the most common form (CEDAW 2019). Apart from this, there are known cases of gendered forms of corruption, such

as sextortion,¹⁰ where sex rather than money is the currency of the bribe, in BiH. For example, an art teacher in exchange for his academic references demanded sex from his student and threatened to block the young girl's admission to the academy if she denied his demands. He was later sentenced to five years in prison under BiH's trafficking in persons law.

According to International Association of Women Judges (IAWJ), sextortion has a “devastating impact on women and other vulnerable persons”, with far-reaching impacts on “gender equity, democratic governance, economic development, and peace and stability” (IBA n.d.). IAWJ in alliance with the Association of Women Judges in Bosnia and Herzegovina has developed a [sextortion toolkit](#) for the country to increase awareness and offer the “tools”, including guidance and information, on addressing the phenomenon (IAWJ 2012).

It is recognised that corruption affects disadvantaged/vulnerable persons and groups disproportionately as they often “depend on public goods and services” with “limited means to look for alternative private services” (UNHRC 2020). In the context of the ongoing pandemic, corruption risks increased, with the health sector being specifically affected, especially due to the rise in the “immediate need for medical supplies and the simplification of procurement rules, overcrowded medical facilities and overburdened medical staff” (Banjalučki Centar Za Ljudska Prava 2020, 42).

Such a context also exacerbated existing issues and presented new ones for marginalised groups in BiH. For example, the marginalisation of the Roma

community was amplified during the pandemic (Banjalučki Centar Za Ljudska Prava 2020, 47). This resulted in the community facing greater risks of encountering corruption in accessing health services.

Efforts towards constitutional reform to address discrimination have failed and have been stalled since 2016 (HRW 2019; COE 2017).

Contributions of international actors in anti-corruption

Legal and institutional framework

While the criminal code in BiH criminalises several forms of corruption, including passive and active bribery and foreign officials' bribery, the government does not adequately enforce the relevant laws, and the prosecution of corruption offences remains selective with officials engaging in corruption with impunity (Risk & Compliance Portal 2020).

The main body for the prevention of corruption in the country is the Agency for the Prevention of Corruption and Coordination of the Fight against Corruption (APIK). However, the coordination of APIK bodies at the lower levels remains inefficient (TI BiH 2021, 9).

For a complete overview of legal and institutional framework please refer to:

- [Western Balkans and Turkey: Overview of corruption and anti-corruption \(2020\)](#)

¹⁰ Sextortion as defined by the IAWJ is “a form of sexual exploitation and corruption that occurs when people in positions of authority ... seek to extort sexual favours in exchange for something

within their power to grant or withhold. In effect, sextortion is a form of corruption in which sex, rather than money, is the currency of the bribe”.

- [Bosnia and Herzegovina: Overview of corruption and anti-corruption \(2018\)](#)

International actors' ongoing anti-corruption projects

Several international actors, including the EU and the US have pressed for reforms in BiH, contributing to a variety of governance and anti-corruption projects (Ruge 2020). However, experts opine that there ought to be “more commitment and solidarity in the region and Europe to fight ethno-political manipulations-corruption and authoritarianism” in BiH (Gačanica et al. 2021, 4).

A few illustrative examples of ongoing anti-corruption projects in BiH include:

USAID's project: Assistance to Citizens in the Fight Against Corruption

The project aims to improve citizens' participation in countering corruption and enhancing the credibility of anti-corruption civil society organisations (CSOs) (USAID 2020). The programme's activities are designed to (USAID 2020):

- support local CSOs to advocate for legislative reforms in anti-corruption areas, such as conflict of interest, public procurement, whistleblower protection, and abuse of public resources in election campaigns
- provide small grants to local CSOs to “draft and advocate new legislation, monitor the implementation of current laws, and report their findings to the public”.
- offer whistleblowers legal protection via the existing Advocacy and Legal Advice Center (ALAC), which Transparency International BiH manages. This entails free legal advice,

legal counselling through field visits, and representation before the courts or other institutions to encourage and protect whistleblowers reporting corruption.

- provide small grants (totalling US\$3 million) to support citizens to “build a culture that rejects corruption”. This includes small grants to NGOs and in-kind assistance to individual citizens working on community-led initiatives to raise awareness of and combat corruption.
- motivate citizens to report corruption by sharing success stories
- collaborate with other USAID projects related to “investigative journalism, the justice sector, e-governance, and the rule of law”

UNDP and FCDO: Strengthening Public Integrity and Transparency at Sub-National Level

The project is a part of the Good Governance Fund: Supporting Economic and Governance Reform in Bosnia and Hercegovina. The Good Governance Fund aims to “tackle corruption, improve the business environment, make governments more responsive to citizens, enhance media and civil society freedoms and promote overall reform”. The fund is meant for Albania and BiH.

One part of this Good Governance fund is the Strengthening Public Integrity and Transparency at Sub-National Level component. A multi-lateral project involving the UK's Foreign, Commonwealth and Development Office (FCDO) (funds provider) and the United Nations Development Programme (UNDP) (implementor), it aims to strengthen public sector policy and administrative management and support anti-corruption organisations and institutions (FCDO 2021).

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Fight against corruption in Southeast Europe

The project aims to improve the conditions for democratic governance by enabling citizens to participate in measures to curb corruption, hold their government accountable effectively and contribute to systemic improvements. Funded by German Ministry of Foreign Affairs, and implemented by Transparency International, the project involves five ALACs (Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia) to (Transparency International 2021b):

- enable victims and witnesses of corruption to report and recover losses
- advocate for “systemic improvements, including legal, administrative and institutional changes to curb corruption”
- enhance the capacity and commitment of institutions to prevent corruption and accept and act upon corruption-related grievances
- give guidance to ALAC clients while enhancing recording and dissemination of created impact

Public Enterprise Integrity Project (PEIP)

Funded by Norwegian Agency for Development Cooperation and implemented by UNDP, the project aims to mitigate corruption risks in the public sector, and publicly owned enterprises in particular. The project (UNDP 2021):

- evaluates the historical compliance of targeted corporations to the appropriate financial management rules and regulations through an exhaustive and external performance and integrity review process

- highlights corruption and fraud risks to prospective corporate operations
- works with ministry and corporate leaderships to enhance their capacity

It may be interesting to note that a review of two decades of programming in Eastern Europe suggests that ‘few donor programs [have been] designed to foster collective action, leadership, and media activity’ (Mungiu-Pippidi 2015, 172). While anti-corruption policy during the same period has been shaped by a ‘state modernisation’ approach which has “frequently – but not always – been unable to achieve sustainable pathways out of widespread corruption” (Jackson 2020). Taking into account local realities for setting anti-corruption targets and working towards establishing informal institutions that uphold anti-corruption as an effective social norm could be a few areas of interest for anti-corruption practitioners (Jackson 2020). Additionally, for donor agencies working towards anti-corruption, there is a recent mapping of policy perspectives on [how change happens in anti-corruption](#).

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The U4 Anti-Corruption Resource Centre shares research and evidence to help international development actors get sustainable results. The centre is part of Chr. Michelsen Institute (CMI) in Bergen, Norway – a research institute on global development and human rights.

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