

**Evaluation of the Structure, Standards and Efficiency of the
Ministry of Foreign Affairs of Bosnia and Herzegovina**

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About Urban Institute

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Foreword

According to the Constitution of Bosnia and Herzegovina, responsibility for determining the general direction and priorities of foreign policy and overall responsibility of implementing foreign policy, falls under the auspices of the Presidency of Bosnia and Herzegovina. Members of the Presidency are therefore responsible for executing full decision-making powers concerning the principles, directions and priorities of foreign policy of Bosnia and Herzegovina during their mandated periods.

The main responsibilities of the Ministry of Foreign Affairs is the implementation of Foreign Policy of Bosnia and Herzegovina externally, as well as the development of international relations in line with the directions provided by the Presidency. Moreover, the Ministry of Foreign Affairs is responsible for observing and developing bilateral relations with other states, international organisations and other international actors. The Ministry of Foreign Affairs is responsible for regularly reporting on these relations to the Presidency, Council of Ministers and to the Parliament on request.

The focus of this research topic is the evaluation of the structures, human resources, existing standards and overall Ministry of Foreign Affairs' efficiency in the realisation of its assigned duties and responsibilities. The motives which generated this research arise from the evident halt Bosnia and Herzegovina is experiencing on the road towards Euro-Atlantic integration. Obviously, this halt can not be viewed solely from the perspective of the Ministry of Foreign Affairs's functioning, but it does support the overall internal political situation in Bosnia and Herzegovina.

Nonetheless, Ministry of Foreign Affairs responsibility relates to the representation of Bosnia and Herzegovina in political circles abroad. This entails direct communication with the diplomatic consular missions of other states and international organisations that have the decision-making power over the future development of Bosnia and Herzegovina towards Euro-Atlantic integration. Taking this into account, the Ministry of Foreign Affairs does play a significant role in this process.

The second motive behind this research study relates to the positioning of Ministry of Foreign Affairs in relation to other institutions in Bosnia and Herzegovina. Together with the Ministry of Finance and Ministry for Foreign Trade and Economic Relations, the Ministry of Foreign Affairs should have a primary role in presenting the stability and prosperity of every state. Yet in Bosnia and Herzegovina, those

roles are not exercised by the Ministry of Foreign Affairs, but rather by other national and international organisations. If Bosnia and Herzegovina aspires towards EU membership, this order of events has to be altered in favor of national institutions. This need is especially evident in the foreign policy domain.

The third motive is related to the media's reporting of Ministry of Foreign Affairs's activities. Considerable media attention has been provided on the issue of the Ministry of Foreign Affairs's work and efficiency. The coverage has highlighted numerous purported weaknesses within the Ministry of Foreign Affairs including, irrational financial activities, such as acquisition of property; the quality of staff employed by the Ministry, and incidents of unsatisfactory reports coming from inside the Ministry of Foreign Affairs.

In this research we have analysed the activities and functioning of the Ministry of Foreign Affairs, covering issues related to organisational structure, employees occupancy and capability, financial management and its internal control framework. The purpose of the analysis is to assess the Ministry of Foreign Affairs's capacity for the implementation of the foreign policy aims of Bosnia and Herzegovina.

Throughout the research study we have attempted to offer a realistic picture of the Ministry of Foreign Affairs's current internal situation, from both a normative and practical aspect. At the same time, the study pays due respect to the exogenous constraints faced by the Ministry as a result of Bosnia and Herzegovina's overall political and legislative set-up. The study also endeavors to illuminate the discrepancies which could and should be systematically resolved by the ministry or be initiated by the ministry towards other executive institutions in Bosnia and Herzegovina.

The analysis of the organizational structure of the Ministry of Foreign Affairs and its diplomatic and consularmissions concludes with an assessment of the compatibility of the ministry's current structure with the priorities and directions set out by the Presidency of Bosnia and Herzegovina. The two main priorities relate to the EU and NATO integration processes. The organisational structure of the ministry shows that its organisational formation is not in line with those priorities. Furthermore, in the case of Bosnia and Herzegovina's co-operation with NATO, not a single organisational unit's function implies NATO integration as a core interest of the Ministry of Foreign Affairs. An analysis of the ministry's diplomatic and consular network shows that its distribution is more in line with the interests Bosnia and Herzegovina held at the end of the 1990s than today. Changes in the priorities of

Bosnia and Herzegovina and global political environment have not been reflected in organisational structure of the ministry and its diplomatic and consular network.

The Ministry of Foreign Affairs employs staff on the basis of the Law on Employment in Bosnia and Herzegovina Institutions and Law on Civil Service in Bosnia and Herzegovina Institutions. The law however severely curtails the ability of the Ministry to address staffing weaknesses and thereby directly impacts the Ministry of Foreign Affairs's functioning. At present, between 70 – 80% of posts in the ministry are occupied, which reflects a poor ability by the ministry to execute its tasks in a high-quality and efficient manner. According to the former Minister of Foreign Affairs, Mr. Mladen Ivanic, the quality of the ministry's staff is also very questionable and the ministry should ideally undertake a vetting process. Staff were vetted in line with the provisions of the Law on Civil Service when it was introduced. However, loopholes in the law allowed staff to remain in place even though they did not necessarily satisfy the professional and qualification criteria for working in the ministry. The ministry still does not have a systematic solution to address the problem of employing future staff. Moreover, there are no learning plans available within the Ministry that would address and provide for the learning needs of the institution and its staff (e.g. diplomatic academy, etc).

The Ministry of Foreign Affairs is one of the country's largest budgetary users. Its status is very much underpinned by the characteristic organisational structure with its diplomatic and consular network required by the Ministry to undertake its tasks. As such, unlike other relevant institutions, the Ministry of Foreign Affairs conducts its financial dealings through two specific accounts, the regular and the consular account. The consular account is utilised for funds collected by the diplomatic consular network as part of its normal operations. The revenues account for 30% of the budget which is available to the Ministry. Costs associated with the maintenance of the Ministry's 56 diplomatic and consular missions worldwide are especially high. Most of the outlay relates to the rental of diplomatic and consular premises. Improvements on the issue in the last year have been marked. However, a longer-term solution to the country's large outlay for premises abroad will need to be undertaken. To that end, the Ministry's audit office has recommended that an initiative be undertaken to purchase properties abroad as a long-term cost-saving measure.

The Ministry of Foreign Affairs has, through normative acts, succeeded in securing a well-functioning internal structure. However, the external perception of the Ministry is undermined by the lack of an overarching legislative framework that is necessary for the Ministry to undertake constructive foreign policy. A framework such as a

Law on Foreign Policy would form the basis for the Ministry to work on foreign policy issues as well as lay the ground work for it to interact with other institutions to that end.

For research purposes, the first section of this study examines the theory behind organisational structures of public administrations, whose case example could be applied here. Alongside the theoretical research, a comparative analysis of internal rules and structures in other countries is included for the purposes of analysing the experiences gained by these countries in the process of their institutional formation-building. The outcome of this analysis produced a set of quality guidelines required for institutional changes that need to be internally implemented by the Ministry of Foreign Affairs of Bosnia and Herzegovina.

The study concludes with providing recommendations for developing and improving the functionality of the Ministry of Foreign Affairs across a series of parameters. The parameters were defined on the basis of the study's findings as well as on the basis of lessons-learned in comparative analyses of countries which have undergone a similar transition as Bosnia and Herzegovina.

We hope that the results of this research will serve to inform and guide the executive and legislative branches of the government of Bosnia and Herzegovina to undertake the necessary steps to improve the work of the Ministry of Foreign Affairs. Indeed, only through a robust and well-functioning Ministry of Foreign Affairs can Bosnia and Herzegovina's foreign policy interests be well represented.

I Introduction

When discussing the role of the Ministry of Foreign Affairs in the implementation of foreign policy, it is important that its setting is understood in the overall process in which foreign policy is developed. There are two major stages in that foreign policy process. The first stage is the development of policy. The second is its implementation.¹

In the case of Bosnia and Herzegovina, the Presidency is the body responsible for the development of Bosnia and Herzegovina's foreign policy. Since the Presidency of Bosnia and Herzegovina is elected, this suggests the possibility, in principle at least, of the democratic control of foreign policy.

The Ministry of Foreign Affairs is a state institution through which decisions are implemented, policy advocated and policy objectives (as established by the Presidency) achieved. The Ministry bureaucracy, not elected of course, plays a subordinate, non-political, essentially instrumental role.

The successful implementation of policy objectives depends on the good organisation of the Ministry of Foreign Affairs. The Ministry of Foreign Affairs is linked to a network of embassies abroad and this constitutes the diplomatic machinery of Bosnia and Herzegovina. If we identify the main functions performed by this 'machine', it will become apparent that they relate not only to the implementation but also to the actual making of foreign policy. The Ministry provides an important policy instrument relevant to policy implementation through the functions of representation, negotiation and consular service. At the same time, the information and advice given by diplomats will certainly limit the perceived options available and may effectively structure the choices of the political leadership.

Unfortunately, states in transition such as Bosnia and Herzegovina are handicapped as effective international actors by having relatively underdeveloped diplomatic machines and by a restricted range of policy instruments. They tend to have a patchy system of representation abroad and limited resources available for policy analysis. They also have a limited range of policy instruments for bargaining with other actors and for implementing decisions made. For many transitional states, the use of international organisations at both global and regional levels is crucial to compensate for weaknesses in national capabilities.

¹ Smith, Steve, and Michael Clarke. (1985) *Foreign Policy Implementation*. London: Allen & Unwin

I.1.The Foreign Policy of Bosnia and Herzegovina

The Presidency of Bosnia and Herzegovina, in executing its role, adopted on March 26, 2003 the 'General Directions and Priorities for the Implementation of the Foreign Policy of Bosnia and Herzegovina'. The directions lay out Bosnia and Herzegovina's foreign policy aims as:

'promoting and preserving lasting peace, security and stable democracy in Bosnia and Herzegovina and the country's development. In other words, its accession into contemporary European, political, economic and security integration processes.'

A number of priorities are identified for Bosnia and Herzegovina's foreign policy, including:

- *The 'preservation and protection of the independence, sovereignty and territorial integrity of Bosnia and Herzegovina within its internationally recognised borders;*
- *The full and consistent implementation of the General Peace Agreement (GPA);*
- *Bosnia and Herzegovina's inclusion into European integration processes;*
- *The participation of Bosnia and Herzegovina in multilateral activities, in particular, as part of the system of the United Nations (UN), the Council of Europe, the Organisation for Security and Cooperation in Europe (OSCE), the Organisation of Islamic Conference (OIC), etc., and;*
- *The promotion of Bosnia and Herzegovina as a partner in international economic relations, and the promotion of activities aiming at the admission of Bosnia and Herzegovina into the World Trade Organisation (WTO);²*

In addition to the above, the Presidency also adopted basic directions and activities that are of a bilateral and multilateral character as well as principles for the protection of Bosnian citizens in foreign countries (see Annex 1).

² Presidency of Bosnia and Herzegovina: 'General Directions and Priorities for Implementation of Foreign Policy of Bosnia and Herzegovina', Sarajevo, March 26, 2003.

II Research Background

II.1. Problem statement

Rationale and purposes

The foreign policy of Bosnia and Herzegovina identifies as its main priorities Bosnia and Herzegovina's: *'accession into contemporary European, political, economic and security integration processes'* in other words EU and NATO integration.

Considering that the Ministry of Foreign Affairs of Bosnia and Herzegovina should be the instrument for achieving the aims of that policy the question that arises is does the Ministry of Foreign Affairs of Bosnia and Herzegovina have the adequate structure to meet the priorities of EU and NATO accession? It necessitates research that will paint a realistic and critical picture of the work of the ministry. This research will be oriented towards analysing technical issues within the ministry involved in reaching the foreign policy objectives of Bosnia and Herzegovina. They include issues such as ministry's human resources, internal control framework, and financial issues. Issues such as proportional ethnic representation will not be taken into the consideration regarding the political dimension.

The former Minister of Foreign Affairs Mr Ivanic, stated that Bosnian diplomacy is in need of serious reform. Similarly, the new Presidency of Bosnia and Herzegovina announced that one of the main focus of their mandate will be reforming the Ministry of Foreign Affairs. There thus appears to be, at a high level, recognition of the challenges faced by the ministry and the urgency of addressing them. What this study hopes to provide is a thorough examination of the major factors resulting in the inefficiency within the ministry and a preliminary action plan – in the form of recommendations – which can assist the government in making the relevant organisational and policy changes.

II.2. The aims of the study

The main aim of this study is to identify the reasons for the perceived lack of efficiency in the Ministry of Foreign Affairs through an analysis of the structure, human resources and financial management of this Ministry and its diplomatic network, and to present policy recommendations to improve its functioning.

This study's general hypothesis is that the current human resources standards, financial resources and organisational structure of the Bosnian Ministry of Foreign

Affairs prevents the ministry from efficiently fulfilling its stated objective, which is to successfully promote and protect the interests of Bosnia and Herzegovina in the world.

To test the following specific hypotheses are identified for each problem that will be analysed in this study:

- *The current organisational structure of the Ministry of Foreign Affairs does not contribute towards the achievement of foreign policy aims*
- *Inadequate human resources are one of the main causes behind the inefficiency in the work of the Ministry*
- *Available financial resources for the Ministry of Foreign Affairs and its diplomatic network are insufficient for the effective work of this institution.*

II.3. Theoretical framework

This study uses the organisational / public administration theory and organisational behavior theory as a basis for its analytical work.

Organisational theories are the backbone of the field of organisational studies, which have as its objective the investigation of organisations, particularly human organisations, in order to better understand their structures, functions and properties for the purpose of enhancing productivity and satisfaction. Classical theorists of the field put forth that there is a single, generally-applicable way in which to create and operate an organisation. However, current theorists take a different approach, believing in the unique nature of each organisation and, therefore, in need to seek personalised solutions, taking into account elements such as its size, technological requirements, environment, nature of industry, etc.

Organisational theories are interdisciplinary, based on knowledge from the fields of psychology, political science, economics, anthropology and sociology. They seek to explain behavior and dynamics in both individual and group contexts. This has become increasingly significant, especially when one considers the cultural diversity in today's typical workplace and the need for global interconnectedness and interaction. As with other social sciences, organisational studies employ the use of data and modelling. Its theories are many, some examples of which are the theory of faceted classification, the theory of terminology and the theory of concept.

II.4. Methodology

This research study is exploratory and descriptive

Combinations of methods were employed, drawing on both primary data (surveys and interviews) and secondary sources (desk research, comparative case studies).

1. Desk research - Desk research consisted of examining studies already conducted in Bosnia and Herzegovina related to Bosnian diplomacy, examining internal documents of the Ministry of Foreign Affairs such as the organisational structure of the ministry and diplomatic network, the activity reports and plans for the year 2005, 2006 and 2007, manuals, rules and regulations and instructions. Desk research also included a review of some of the standard practices of a country with significant experience in diplomacy, as well as an outline of the structure of the Diplomatic and Consular Missions of another country of a similar size and importance as Bosnia and Herzegovina.

2. Interviews and survey – interviews and survey were undertaken with officials from the Ministry of Foreign Affairs and diplomatic and consular missions for the purpose of gathering information regarding human resources, financial management and the promotion of Bosnia and Herzegovina in general, but also the promotion of the country's economy, tourism potentials as well as possible recommendations in these fields.

The key variables for measurement are: the quantity and quality of human resources, organisational structure, management and financial issues. The quality and quantity of the human resources structure is measured on the basis of the current systematisation document of the Ministry of Foreign Affairs. Financial issues meanwhile are measured by comparing the situation in the Ministry of Foreign Affairs of Bosnia and Herzegovina with the Ministry of Foreign Affairs of Slovenia and South Africa.

Operationalisation:

- Data for the study has been collected by: interviews (face-to-face and telephone) and questionnaires (closed questions sent to all diplomatic and consular missions of Bosnia and Herzegovina);
- Policies of the Ministry of Foreign Affairs and internal rules were analysed through the examination of the Ministry of Foreign Affairs' systematisation document.

- The budget of the state was also analysed – comparing the increase in the budget period of 2002- 2006 and compering the budget line for the Ministry of Foreign Affairs with other budgetary lines during the above mentioned period.
- The rules for employment of civil servants were examined in accordance with the rules and procedures of the Civil Service Agency of Bosnia and Herzegovina.

II.5. Comparative Case Studies

The Republic of Slovenia is used in this study as a comparative model for the internal structure of the Ministry of Foreign Affairs and its rules and regulations. The Slovenian Ministry of Foreign Affairs has a very good internal structure that functions efficiently. Slovenia is also a newly established state and this country has experienced similar problems in finding a proper structure and internal system for its own Ministry of Foreign Affairs.

South Africa is used by this study as a model for human resource development. South Africa's Department of Foreign Affairs has recognised the importance of educated and professional staff. In making our recommendations, we draw on some strategies from the South African Ministry of Foreign Affairs with regard to training and educating human capital.

II.6. Limitations

The research study:

- Does not attempt to measure the impact of foreign policy outcomes,
- Does focus on realistic changes which the Ministry of Foreign Affairs can implement,
- Does not address structural issues above the ministry level nor does it address political issues.

III Development of the Ministry of Foreign Affairs of Bosnia and Herzegovina

Bosnia and Herzegovina has a relatively young Ministry of Foreign Affairs.

In Bosnia and Herzegovina as in most of the other republics of former Yugoslavia, the Communist Party had disintegrated in early 1990 and a set of national parties had been formed. The new, first democratically elected Government of Bosnia and Herzegovina came to power in December 1990, seven months after the first democratically elected Slovene Government (May 1990).

The National Committees for International Co-operation existed in each of the governments of the republics of former Yugoslavia and with their respective proclamations of the independence, they became the individual Ministries of Foreign Affairs of the newly established states. The National Committee for International Cooperation of this government was headed by Dr. Haris Silajdzic.

The general situation in Yugoslav politics when the new government took office at the end of 1990 was very tense. On 25 June 1991, both Croatia and Slovenia declared full independence and the Assembly of Bosnia and Herzegovina was beginning seriously to debate the idea of declaring Bosnian sovereignty. On 14 October 1991 the Assembly voted for sovereignty of Bosnia and Herzegovina. The country was on its way to independence.

All who could in any way contribute to the fulfillment of this important task were engaged in the formulation of its strategy and the establishment of a real Ministry of Foreign Affairs of Bosnia and Herzegovina – regardless of whether they had been active in this area already under the old authority or had acquired their first opportunity to operate within it.

Along with the reconstruction of the Ministry itself, a network of external links – as broad and as efficient as possible – had to be established, since such a network was promising to become the most reliable tool in the endeavours towards international recognition: without recognition of an independent Bosnia and Herzegovina by the international community, independence would not mean much.

Finally, a referendum was held on 29 February and 1 March 1992 and on 2 March 1992 the Republic of Bosnia and Herzegovina declared its independence. On 6 April 1992 the Republic of Bosnia and Herzegovina was recognised as an independent state by the EC and was admitted as a member of the United Nations by General Assembly Resolution RES/46/237 of 22 May 1992.

Of crucial importance therefore, was the role of the representative of Bosnia and Herzegovina to the United Nations. Just as important were good relations with Croatia, as a neighbouring country as well as relations with the those countries playing the deciding and decisive role on the world political scene. With the beginning of the war in Bosnia and Herzegovina this list was enlarged with the addition of the Islamic countries. This orientation became the fundamental strategic priority of the emerging independent foreign policy of Bosnia and Herzegovina.

Formally, the Ministry of Foreign Affairs was established after the proclamation of independence in 1992. Only a few diplomats from the foreign service of the former Yugoslavia expressed their readiness to work for the newly established Ministry of Foreign Affairs of Bosnia and Herzegovina. It was a result of the fact that when on 6 April 1992 Bosnia and Herzegovina was recognised as an independent state by the EC, the war was raging in Croatia and it was clear that it was going to spread to Bosnia and Herzegovina.³ Having hardly any professionals and diplomatic experience, the Ministry was based on the altruism of people determined to build a state institution.

After the appointment of an Ambassador to the United Nations, the first bilateral Ambassador of Bosnia and Herzegovina ever was posted to Croatia in February 1993.⁴ The second Ambassador of Bosnia and Herzegovina was posted to Pakistan, the third to Iran and fourth to the United States.⁵ The embassy in Austria functioned at the level of Charge de Affairs, as was later the case in Bonn, London, Paris etc.

Wherever possible, use was made of former Yugoslav diplomats during the initial phases of the evolution of Bosnia and Herzegovina's diplomatic and consular network. Former Yugoslav Ambassador to Tunisia became Ambassador of Bosnia and Herzegovina to Tunisia; the former Yugoslavia's diplomat to Geneva became Bosnia's Charge de Affairs to Switzerland and later Bosnian and Herzegovina's Ambassador to the country. The former Yugoslavia's diplomat to Moscow became Bosnia's Charge de Affairs there. The same was the case with the former Yugoslav diplomat to Brussels. During 1993 the diplomatic and consular network was established. However, during the war, diplomatic posts also represented escape havens from conflict, which at the same time allowed their occupants to keep ties to Bosnia and Herzegovina. Consequently, many individuals found themselves as

³ for more explanation see : Dr. Bisera Turkovic, *Bosnia and Herzegovina in the Changing World Order*, Sarajinvest, 1996, p46

⁴ officially presented credentials on 27th of March 1993

⁵ Interview with Ambassador Dr. Bisera Turkovic, the first Bosnian's bilateral Ambassador, currently serving as Ambassador of Bosnia and Herzegovina to the USA, conducted on 3. February 2007.

members of the diplomatic corps that would not have so otherwise, including mechanics, electricians, engineers and doctors.

Following the signing of the Dayton Agreement,⁶ Bosnia and Herzegovina entered a new phase of post conflict government which saw considerable changes take place in the Ministry of Foreign Affairs. In the immediate post Dayton period, the main qualification for employment in the Ministry of Foreign Affairs (as well as in any other Ministries) was the candidate's eligibility along party affiliation lines. The ethnic parties that won the first post-war election invested all their efforts to have their loyalist occupy the newly established administrative positions, greatly assisted by the fragmented governmental structure, as well as by the absence of appropriate legislation, regulations, by-laws and guidelines, especially those at the state level.

The situation in the Ministry of Foreign Affairs assumed a chaotic dimension. With new elections, the new ministers (minister with two deputies) made new appointments and employed new staff in order to maintain control over their portfolio. Due to the practice of rotation present at all parliamentary elections, the task of new ministers and their deputies would be to replace the previous personnel (usually of an ethnicity different to their own) with their own people, people of an eligible ethnic and party background. The same pattern would be applied in the diplomatic-consular network.

The year 2002 saw some changes through the adoption of new laws and amendments to the existing legislation. The changes were geared towards the regulation of state administration and saw introductions such as the Administration Law⁷, the Law on Civil Service in the Institutions of Bosnia and Herzegovina⁸, the Law on the Ministries and Other Administrative Agencies of Bosnia and Herzegovina⁹, the Law on Council of Ministers¹⁰ and the establishment of the Civil Service Agency.¹¹ The aim of adopting the above laws and the establishment of the Civil Service Agency was to create a professional and independent state apparatus.

⁶The General Framework Agreement for Peace in Bosnia and Herzegovina, also known as the Dayton Agreement, Dayton Accords, Paris Protocol or Dayton-Paris Agreement, is the peace agreement reached at the Wright-Patterson Air Force Base near Dayton, Ohio in November 1995, and formally signed in Paris on December 14, 1995. These accords put an end to the three and a half year long war in Bosnia and Herzegovina

⁷ Official Gazette of Bosnia and Herzegovina, No. 32/02

⁸ Official Gazette of Bosnia and Herzegovina, No. 12/02; 19/02.; 35/03.; 4/04.; 17/04.; 26/04.; 37/04.;

⁹ Official Gazette of the Bosnia and Herzegovina No. 5/03.

¹⁰ Official Gazette of Bosnia and Herzegovina No 38/02.

¹¹ The Decision to establish the Civil Service Agency has been adopted by the Council of Ministers on 20 June 2002.

The newly adopted laws and regulations are, in terms of their general makeup, very strict. The professionalisation of posts in the civil services sector is foreseen at all instances of government, upto the level to senior civil servants and finally assistant ministers.¹² The Law on Civil Service prescribes that 'employment and promotion in one's professional career... (is based)...on a public competition and professional competence' (paragraph 1). The same Article however also includes a provision stating that 'the structure of civil servants employed in the state service shall also generally reflect the national structure of the population of Bosnia and Herzegovina'. In practice, posts were assigned to address the need for an ethnic balance at all levels in the Ministry's staffing. That included striking an ethnic balance in all diplomatic and consular missions. In the case of the latter, the main criteria for the identification of staff to fill posts in the diplomatic and consular network was ethnicity.

*'The political system has been characterized by inertia and constant tension among the three leading ethnic/political establishments. This has made the entire institutional structure inefficient and often locked in a tug-of-war on „protecting national interests“. Consequently the decision-making process has been blocked, leading to a strong externally set agenda....'*¹³

The overriding importance given to ethnicity in the engagement of staff and assignment of posts, as opposed to qualifications and experience, saw sharp falls in the level of qualified staff working for the Ministry. Those falls were augmented with the departure of younger qualified staff who opted to work for higher salaries in international organisations that were conducting operations in the country.

*'The internal 'brain drain' to international organisations may seem a logical consequence of the weakness of the local 'sector',.... young Bosnians educated...abroad are not returning to Bosnia and Herzegovina, but rather to international organisations in Bosnia and Herzegovina. This diminishes the human resources of the 'local', and strengthens 'local' human resources of the 'foreign' sector and intensifies dependency.'*¹⁴ In last few years, the international community in Bosnia and Herzegovina has considerably drawn down their presence. However, young Bosnian professionals educated abroad are facing significant hurdles in joining the public service including the Ministry of Foreign Affairs. Namely, their

¹² Article 7.1 of the Law on Civil Service.

¹³ Dr Papic Zarko: 'International Support Policies to South-East European Countries - Lessons not Learned', Muller, Sarajevo 2001, p.24

¹⁴ Dr. Papic Zarko: 'International Support Policies to South-East European Countries – Lessons (Not) Learned in B-H, Muller, Sarajevo 2001, p26.

degrees obtained abroad are not recognised and they need to go through the lengthy, and costly process of nostrification by Universities in Bosnia and Herzegovina. At the same time, they can often not satisfy the requirements set forth by the Civil Service Agency since they are required to have prior experience in the public service. That puts them at a considerable disadvantage in comparison with other candidates despite the exceptional education and language abilities that they most often have.

Nevertheless, tight budget restraints within the Ministry of Foreign Affairs were introduced to such an extent that administration became the predominant budgetary item. It has particularly negative consequences in the diplomatic consular network where efficiency and cost-effectiveness has been seriously endangered. Diplomats from the large Embassies such as the Embassy of Bosnia and Herzegovina to the USA and few others, have stated during interviews that they can hardly function due to financial restrictions and the lack of professional competence of their employees.¹⁵

Comparative case: Formation of the Ministry of Foreign Affairs of Bosnia and Herzegovina and the Department of Foreign Affairs of South Africa

When talking about the formation of the Ministry of Foreign Affairs of Bosnia and Herzegovina we may compare it with formation of the South African Ministry of Foreign Affairs (called the Department of Foreign Affairs or “DFA”). Despite the very different political experiences of Bosnia and Herzegovina and South Africa, many similarities can be found in the challenges faced by the DFA and the Bosnian and Herzegovinian Ministry of Foreign Affairs in the early period of formation.

Following the dismantling of the Apartheid government and the establishment of the new democratic dispensation in 1994, the new South African government was faced with the need to transform all existing government departments in order to make them more responsive to the new political situation. In the case of the Department of Foreign Affairs, this meant a complete rethinking of the country's foreign policy objectives and a rehauling of the structure of the department. Additional challenges included incorporating staff from the former Apartheid government, the liberation movements and the former independent homelands under one structure. Inevitably, these processes were accompanied by major teething problems and South Africa's foreign policy under the Mandela administration (1994-1999) suffered from a lack of focus and direction. Although broad foreign policy values and goals were agreed

¹⁵ Interview with Ambassador to USA, Dr. Bisera Turkovic, January 2007-02-06

upon, there was no official government policy setting out the country's strategic objectives.

These shortcomings were addressed under the Mbeki administration (1999 to present), which also witnessed a centralisation of foreign policy making, with much of the strategic decision-making taking place in the Presidency rather than in the Department of Foreign Affairs. Efforts have been made to develop greater strategic clarity, resulting in greater programmatic consistency and institutional coherence. The Department now publishes an annual strategic plan which sets out key objectives for a four-year period and is further divided into key performance areas focusing on identified priority areas. Based on this, an annual Service Delivery Improvement Plan is developed which serves as an operational blueprint. Despite these initiatives, the department still suffers from managerial, political and ideological differences.

IV Structure of the Ministry of Foreign Affairs

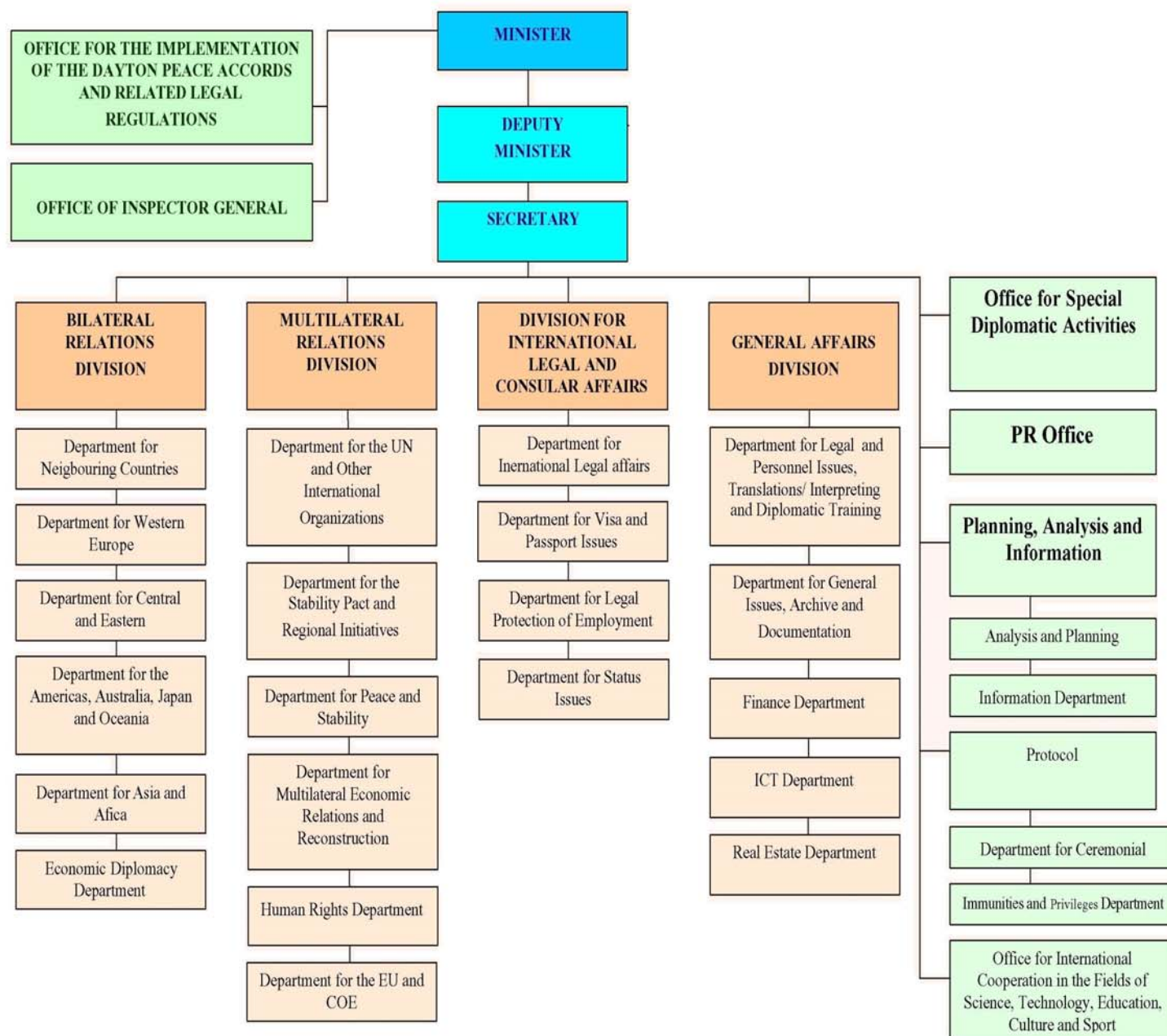
IV.1. Organisational structure of the Ministry of Foreign Affairs: the Head Office and Diplomatic and Consular Missions

The Ministry of Foreign Affairs of Bosnia and Herzegovina consist of two segments: the head office and the diplomatic and consular missions. The current organisational structure of the Ministry of Foreign Affairs was established in 1998 and it reflects the foreign political environment at that time.¹⁶ As such, the structure does not correspond to the document “*General Directions and Priorities for Implementation of Foreign Policy of Bosnia and Herzegovina*” adopted by the Presidency of Bosnia and Herzegovina on 26 March 2003. Bosnia and Herzegovina is represented abroad through embassies, permanent missions and general consulates. The distribution of diplomatic and consular missions of Bosnia and Herzegovina is not compatible with the country’s foreign policy.¹⁷ Yet, since the ministry conducts foreign policy, which is according to the Constitution of Bosnia and Herzegovina a prerogative of the Presidency of Bosnia and Herzegovina, it is essential that its organisational structure at both headquarter and the diplomatic and consular network level is suited to meet the country’s foreign policy objectives. The importance of such a structure is further reinforced by the ministry’s responsibility to establish proposals for foreign policy which, once adopted by the Presidency, is the basis for Presidential directives for the conduct of foreign policy.

¹⁶ Hocking, B. (ed), *Foreign Ministries : Change and Adaption* (Basingstoke: Macmillan, 1999)

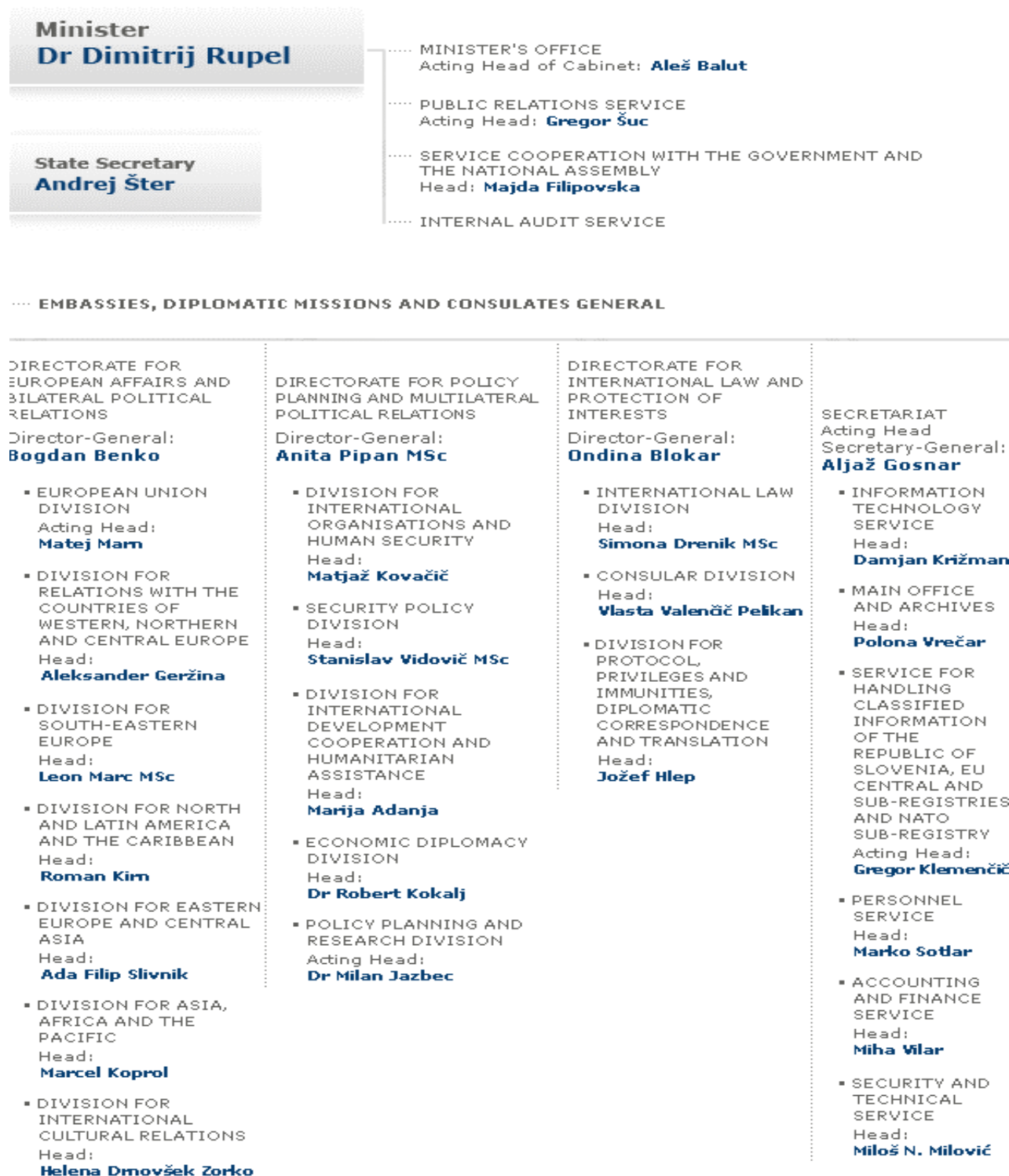
¹⁷ Interview with Mr Zoran Perkovic, Assistant Minister for International Legal and Consular Affairs, Ministry of Foreign Affairs of Bosnia and Herzegovina, 22 February 2007.

The current Structure of the Ministry of Foreign Affairs of Bosnia and Herzegovina:¹⁸



¹⁸ ¹⁸ <http://www.mvp.ba>

For comparison purposes, we may compare the organisational structure of the Ministry of Foreign Affairs of Bosnia and Herzegovina with the organisational structure of the Ministry of Foreign Affairs of Republic Slovenia:



IV.2. The structure in the head office of the Ministry of Foreign Affairs

The head office of the Ministry of Foreign Affairs performs its duties as part of its prerogatives through divisions, directorates, offices and cabinets as a basic organisational unit. The organisational structure of the Ministry is divided through the cabinet of minister, deputy minister and assistant as well as through four (4) divisions, departments, and offices. When one analyses the “General Directions and Priorities for the Implementation of Foreign Policy of Bosnia and Herzegovina” which the Presidency of Bosnia and Herzegovina adopted in 2003, it is clear that no major structural changes have taken place in the ministry since 1998.

One of the priorities stated in the abovementioned document is inclusion of Bosnia and Herzegovina into Euro-Atlantic Integrations, in the European Union and NATO. Looking into the organisational structure of the head office of the Ministry of Foreign Affairs, it is clear that those priorities are not reflected in the ministry’s structure.

The Department for Co-operation with the European Union and the Council of Europe is responsible for integration processes with the European Union, as a part of its multi-lateral activities. This department cannot perform all duties and tasks required for integration processes.

If we compare the situation with Bosnia’s neighbors (Croatia, Macedonia, Serbia and from recently, Montenegro) which have the same political aim of inclusion into Euro-Atlantic structures, we can recognise a much more serious approach in the organisational structure of their respective Ministries of Foreign Affairs. It is clear that the focus of their activities is co-ordination with EU Institutions. They tasked departments at a level of assistant ministers with this task.

An analysis of the organisational chart of the Slovenian Ministry of Foreign Affairs also shows that they give more importance to achieving this strategic objective. One of the four ‘directorates’, which are equivalent to ‘divisions’ in Bosnia and Herzegovina’s organisational chart, is named Directorate for European Affairs and Bilateral Political Relations which, from the surface, signifies the importance given of European Affairs. Furthermore, the European Union Division is one of the largest in the Ministry’s structure. Slovenia from the very beginning of its existence as a sovereign state paid full attention to the EU.

In regard to the Ministry of Foreign Affairs of Bosnia and Herzegovina, the situation is additionally complicated due to the lack of professional resources even for such a small envisaged structure. The organizational chart for the Department of EU and Council of Europe envisages eight (8) public servants, however currently there are only four (4).¹⁹ This is a limiting factor for an already weak structure for Bosnia's aspiration for Euro-Atlantic inclusion.

From the broader perspective, the Bosnian situation is not so glum. A Directorate for European Integration exists (the predecessor of the current Directorate for European Integration is the Ministry for European Integration established in July 2000 and transformed to the Directorate in 2002) which is responsible for the co-ordination of Bosnia and Herzegovina's institutions in the process of stabilisation and association. The Directorate is responsible and reports to the Council of Ministers of Bosnia and Herzegovina. Nevertheless, the Directorate is also understaffed due to a high turnover of staff.

Nonetheless, the existence of the Directorate for European Integration does not prevent the Ministry of Foreign Affairs establishing an adequate structure in the Ministry of Foreign Affairs.

Due to the organisational structure of the Ministry, co-operation with the European Commission in Bosnia and Herzegovina is limited only to affairs of protocol. There is no adequate co-ordination with the Office of the Special Representative of the European Union.²⁰ Despite the fact the Committee for General Affairs of the European Union on 30 January 2006 appointed the High Representative, Dr Schwarz-Schilling as the Special Representative of the EU for Bosnia and Herzegovina²¹, contacts which should have been conducted with the Ministry never occurred. Communication by the Office of the EU Special Representative as well as communication by the delegation of the European Commission in Sarajevo is directed towards the Directorate for European Integration. The weaknesses in the structure of the Ministry of Foreign Affairs in relation to EU Institutions provoked the Council of Ministers to adopt a decision which is unusual for diplomatic communication. Namely, the Ministry has authorised its Ambassador to the European Union in Brussels to directly communicate with the Directorate for European Integration. Communication is parallel with the Ministry which is

¹⁹ Interview with Mr. Edin Sehic, Head of Department of EU and Council of Europe, Bosnia and Herzegovina, 4 April 2007-04-18

²⁰ Ibid.

²¹ <http://www.eursrbih.org>

exceptional since usually the information chain goes through the Ministry of Foreign Affairs.

There is one more interesting authorisation given to Bosnia's Mission in Brussels which is a reflection of the overall political situation in Bosnia and Herzegovina. In accordance with policy of the EU, declarations which are adopted by the Presidency of the EU are open for association from countries which are in the process of stabilisation and association, and Bosnia and Herzegovina is one of them. Due to the need for urgent political positions of Bosnia and Herzegovina in relation to EU declarations and resolutions, the Council of Ministers has brought a decision by which it authorised the Mission of Bosnia and Herzegovina to the EU to express the official position of Bosnia and Herzegovina without instruction from the Ministry or from the Presidency. However, the question raised is: is it in the capacity of an individual Ambassador to personally express or decide about the position of Bosnia and Herzegovina as a country?

If we compare the situation in Bosnia and Herzegovina with the Slovenian experience it is evident that Slovenia had a much more clear perspective immediately after proclaiming its independence. It is interesting to note that in the first – we could say pioneering – period of Slovene foreign policy it was concluded (summer 1992) that the key strategic orientations were towards Europe and the country's intensive integration into the European and Euro-Atlantic political security and economic structures. It is, therefore, logical that diplomatic relations between Slovenia and the EU were established as early as 13 April 1992 and that the Mission of the Republic of Slovenia in Brussels was set up as one of the first Slovene diplomatic missions and consular posts. Only a year later (on 5 April 1993), the Agreement on Co-operation between Slovenia and the EU was signed. An integral part of this Agreement was also the financial protocol. (The Agreement on Cooperation between Slovenia and the EU entered into force on 1 February 1999, following the ratification procedure by the fifteen Member States). On 17 July 1997, the European Commission recommended the European Council to start the first round of negotiations on full membership of the EU with Slovenia and the negotiations formally started on 31 March 1998. The negotiations should have been concluded by the end of 2001 and Slovenia could thus become a full member of the EU in 2003 – if, of course, the fifteen member states manage to adapt their structure and regulations to the requirements of the enlargement. Virtually all political subjects in Slovenia consider membership of the EU to be such a high priority that all the parties (with the exception of the SNS – Slovene National Party) represented in the National Assembly of the Republic of Slovenia agreed to support it without appeal.

Bosnia and Herzegovina's progress towards EU membership meanwhile was stopped by the war. Today, Bosnia and Herzegovina is one of the countries participating in the Stabilisation and Association Process and has been offered the possibility to become, once it fulfills the necessary conditions, a member state of the EU. Bosnia and Herzegovina is therefore a potential candidate country for EU accession. Whilst, at this stage, there is no contractual instrument between the EU and Bosnia and Herzegovina, an EU/Bosnia and Herzegovina Consultative Task Force was established in 1998 as a joint vehicle for political dialogue and expert advice. Meetings of the Consultative Task Force (CTF) have constituted a central forum for technical and political exchanges. In January 2006, the CTF was re-named "Reform Process Monitoring (RPM)" to mark the start of a new phase in the relations between the EU and Bosnia and Herzegovina. That is, the start of the negotiations of a Stabilization and Association Agreement (SAA).

Negotiations on the SAA were launched in November 2005. They have progressed well from a technical point of view. Nonetheless, the conclusion of the negotiations is contingent to significant overall progress in addressing key priorities, notably police reform, ICTY co-operation, public broadcasting and public administration. The Stabilization and Association Agreement will constitute the contractual framework between the EU and Bosnia and Herzegovina. This Agreement is crucial for Bosnia and Herzegovina's aspirations to be part of the EU.

It is important to mention that since 1991, the EC has set aside more than EUR 2.5 billion to deal with conflict and post-conflict issues in Bosnia and Herzegovina and that the EU is the main trade partner of Bosnia and Herzegovina (exchanges with the EU represent over 50% of the Bosnia and Herzegovina's total trade). The vast majority of Bosnia and Herzegovina's products can enter the EU duty free thanks to an autonomous preferential regime adopted by the EU in 2000 and now extended until 2010.

We should not forget the security segment when we talk about EU countries. The EU continues to deploy considerable resources in Bosnia and Herzegovina within the framework of the Common Foreign and Security Policy (CFSP) and the European Security and Defense Policy (ESDP). A new EU Special Representative (EUSR), who also continues to be the High Representative, was appointed in January 2006. The EUFOR/Althea mission continues to be present in Bosnia and Herzegovina with some 2,500 troops. The mandate of the EU Police Mission (EUPM) was extended for two years from the beginning of 2006. The streamlined mission is now focused on the fight against organised crime and advises on police reform. The mandate of the EU Monitoring Mission (EUMM) was first extended until the end of 2006 and will be likely extended for an additional year. The EU has

expressed its intention to reinforce its engagement in Bosnia and Herzegovina after the closure of the Office of the High Representative (OHR). It is obvious that the current structure in the Ministry of Foreign Relations is far from a satisfactory level and is urgently in need for reform.

An important part of the Euro-Atlantic Integrations process defined in the General Directions and Priorities for Implementation of Foreign Policy of Bosnia and Herzegovina is related to inclusion of Bosnia into security structures with the final aim of membership in NATO. As in the case of EU processes, the Ministry's organisation does not reflect Bosnia's firm commitments to the fulfillment of that obligation.

The Department for Peace and Security as a part of the Division for Multilateral Affairs is nominally tasked with co-operation with NATO structures. The Department is fully staffed with four employees in accordance with the plan of staffing. However, the Department has not received precise instructions that co-operation with NATO is its first priority, which has affected its focus on the issue. As the Department's name suggests, its tasks are not only directed towards NATO. Rather, the tasks and duties are widely defined as being: "...keeping contacts with representatives of international organisations and the most important states of interest for peace and stability."²² NATO is not mentioned with a single word as an organisation of particular interest from the position of Bosnia and Herzegovina's foreign policy.

The Department for Peace and Security conducts all activities relevant to the work of international organisations and initiatives. Therefore, the Department is responsible for Bosnia and Herzegovina's international obligations towards the United Nations and UN agencies whose mandates cover security aspects (e.g. CTBTO, IAEA), as well as the OSCE, EU rules and regulations in regard to control of weapons, proliferation of weapons for mass destruction, problems of small and light weapons as well as other security problems. In light of the Department's workload, a question arises of whether four employees can efficiently fulfill all the tasks and obligations necessary to secure Bosnia and Herzegovina's membership into NATO. In the process of integrating into the European mainstream, neighboring states adopted new structures for their ministries. New departments were established to enable the better fulfillment of expected tasks and obligations towards NATO.

²² Rules and regulations about internal structure of the Ministry of Foreign Affairs, November 2005 p.48

Bosnia and Herzegovina's membership of NATO's Partnership for Peace programme has seen the need for the institutionalization of its relations with the NATO alliance. Indeed, that has also seen new obligations for the country's active participation in the organisation. With the changes within NATO following the fall of the Berlin Wall and its enlarged political dimension, the Ministry will necessarily need to have a strong lead in all activities connected NATO membership. Based on the experiences of countries which recently became members of the NATO Alliance, it is to be expected that 70% of activities within the Partnership for Peace and Euro-Atlantic Partnership Council (EAPC) will be under the responsibility of the Ministry of Foreign Affairs, with the remaining 30% falling to the responsibility of the Ministry of Defense, Ministry of Security, intelligence agencies and other security institutions.

In the next phase of Partnership for Peace, Bosnia and Herzegovina will need to secure and strengthen its representation towards the NATO headquarters in Brussels with both with military and civil personnel. As Bosnia and Herzegovina approaches full membership of the NATO Alliance, the need for qualified personnel will increase. Special attention will therefore need to be provided for the education of these profiles in order to be able to efficiently represent the country. It will be important that the Ministry of Foreign Affairs does not only rely on representatives from the Ministry of Defense in the civil part of representation in NATO. The Ministry of Foreign Affairs will need to have employees knowledgeable on NATO affairs in order to be able to co-ordinate and guide the Ministry of Defense which will have extensive tasks for reaching standards and interoperability with the remaining NATO members.

The recent speedy appointment of the new head of the Bosnia and Herzegovina Mission to NATO by the Presidency of Bosnia and Herzegovina was an encouraging sign of the seriousness with which Bosnia is viewing NATO membership.²³ The post became empty with the appointment of the former Ambassador, Mr. Sven Alkalaj, to the position of Minister of Foreign Affairs. The former Minister for Defense, Mr. Nikola Radovanovic, was appointed new head of the Bosnia and Herzegovina Mission to NATO. Mr. Radovanovic was very successful in reforming the Ministry of Defense and guiding Bosnia and Herzegovina towards obtaining membership in the Partnership for Peace.

If we compare the Slovenian ministry structure tasked with NATO affairs with the Bosnian ministry structure, we will find that in the Slovenian case, one of the four

²³ Decision of 11th Regular Meeting of Presidency of Bosnia and Herzegovina held on 27 March 2007

major divisions, the Directorate for Policy Planning and Multilateral Political Relations, is further divided in five sub-units, two of which deal with security issues: the Division for International Organisations and Human Security and the Security Policy Division. A third unit partially deals with security information in that it is a service for handling classified information of the Republic of Slovenia, EU central and sub-registries and the NATO sub-registry. The structure of the Slovenian Ministry of Foreign Affairs reflects Slovenia's foreign policy priorities and maturity in its implementation.

One of the top priorities envisaged by Slovenian foreign policy was integration into Euro-Atlantic security structure. All its endeavors in this area are, therefore, concentrated on membership of NATO. On 30 March 1994, Slovenia became a member of the Partnership for Peace and committed itself to adapting its defense and military structures and their operation to the five basic goals of the Partnership for Peace. Only a year later, it became a member of the North Atlantic Council for Cooperation, which was replaced by the Euro-Atlantic Partnership Council in 1997. Slovenia proved its principal readiness for membership of NATO when, in accordance with its capabilities, it actively joined the endeavors to ensure security and stability in the area of Southeast Europe, by signing the Agreement on the IFOR and SFOR Transit on 25 December 1995, and by being the first country to open its air space for NATO interventions against the FRY in October 1998. At the Madrid NATO Summit in July 1997, Slovenia was not invited to become a NATO member in the first wave of enlargement; its position was nevertheless strengthened, since it proved to be a modern, stable, democratic state, with a recognisable profile in the changing Euro-Atlantic security architecture. After the jubilee NATO Summit in April 1999, Slovenia has actively participated in the Membership Action Plan, and it adopted the Annual National Programme for the implementation of this Plan in October 1999. Slovenia was formally invited to become a member of NATO in November 2002.

The Economic Diplomacy Department of the Ministry of Foreign Affairs of Bosnia and Herzegovina is understaffed, with only five of its eight posts manned. The ministry's systematization plan provides for a very ambitious description of the department's positions and assignments. At the same time, it is the only normative act which establishes the domain of the ministry's work on economic diplomacy.

One of the positive examples of ministry's economic diplomacy and the department's work is the changing image of Bosnia and Herzegovina in regard to attracting foreign investments and returning Bosnian companies to pre-war markets

such as Libya.²⁴ However, the ambitious formation of a sector for economic diplomacy within the Ministry has created wrong perceptions among the population at large on the ministry's role. The role of economic diplomacy and its department in the headquarters of the Ministry is to ensure strategic access for economic promotion, whereby companies and other organizations can utilize those opportunities provided.

Obstacles do exist which hinder the work of the sector. They include amongst others the non-concurrent and unreliable legal system throughout Bosnia and Herzegovina, and lack of single economic space in the country.

The Department for Economic Diplomacy as a part of its activity grades each and every diplomatic and consular mission in the field of economic diplomacy. In 2006, 60-70% of diplomatic or consular posts received satisfactory grading even though it is unclear what economic indicators and criteria are being used in order to show relatively successful economic diplomacy.

In the auditing reports of the Ministry for 2005, one of the remarks made was that there were no significant results in economic diplomacy. In the same auditing report, auditors stated that in the course of performing their duties at their diplomatic and consular posts, Ambassadors were attributing the lack of success in that field on the Ministry of Foreign Affairs due to the absence of strategic objectives and identified fields of activities. They also pointed out a lack of a database of countries in which Bosnia and Herzegovina wants to invest. Where data does exist, it is not of meaningful quality.²⁵

Alongside with those conclusions drawn from the heads of missions, discrepancies were also noticeable between answers to questionnaires submitted by the embassies and official economic indicators from the Bosnian Chamber of Commerce related to Bosnia's export rate. For example, according to the data provided by the Embassy of Bosnia and Herzegovina in Berlin, the export rate between Germany and Bosnia and Herzegovina in 2006 reached approximately BAM 2.1 billion.²⁶ However, according to the official indicators from Chamber of Commerce, the amount was no higher than BAM 920 million.²⁷ Another example relates to export data given by

²⁴ Interview with Mr. Almir Sahovic, Head of Economic Diplomacy Department, Division for Bilateral Relations, Ministry of Foreign Affairs, Bosnia and Herzegovina conducted 3 April 2007.

²⁵ <http://www.revizija.gov.ba>

²⁶ Questionnaires from the DCM BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

²⁷ Information taken from the BiH Chamber of Commerce web page:
<http://www.qssbh.com/RazmjenaBiH/Izvjestaj.asp>

the Embassy of Bosnia and Herzegovina in Serbia, which indicates the amount of exchange to be approximately BAM 1,979,282.²⁸ On the other hand, according to the BiH Chamber of Commerce, the export rate based solely on the export of wood from Bosnia and Herzegovina to Serbia in 2006 has reached nearly BAM 107,650,000.²⁹

A comparison of the ministry's organizational structure with that of the Slovenian Ministry of Foreign Affairs, shows that a similar division exists as a unit of the Slovenian ministry's Directorate for Policy Planning and Multilateral Affairs. It is better staffed than the Bosnian one and is concentrated much more on the new branding of Slovenia.

The Department for Communication and Technology represents an organisational unit in the General Affairs Division. It has established a modern system of communication in the headquarters and network with the diplomatic and consular missions. The system satisfies necessary standards in regard to protection of communication and IT technology. Headquarters is in possession of modern and adequate equipment.³⁰ There are empty posts in the department since income which is offered is not at the level of income on the open job market for this particular profile. In contrast to the technologically well-equipped headquarters of the Ministry of Foreign Affairs, some diplomatic and consular posts have very old computers as well as telephone equipment which are a huge obstacle in the performance of regular tasks.³¹

With regard to the global presentation and image of the Ministry through its web page, serious problems exist such as outdated information and the absence of some essential information. In terms of the presentation of the web pages of diplomatic and consular missions, the situation is even more negative. Diplomatic and consular missions, according to the Decision on Functioning of the Homepage of the Ministry³² are not obliged and they have a discretionary right to decide about the establishment of a web page their mission. At the time of global information

²⁸ Questionnaires from the DCM BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

²⁹ For further details please access: <http://www.qssbh.com/RazmjenaBiH/Izvjestaj.asp>

³⁰ Interview with Nenad Skipina, Acting Assistant Minister, General Affairs Division, Department of Foreign Affairs, Bosnia and Herzegovina, conducted 28 March 2007

³¹ Interview with Mr. Adnan Hadrovic, First Secretary, Embassy of Bosnia and Herzegovina Washington, conducted on 1 December 2006 in the building of the Embassy of Bosnia and Herzegovina, Washington, DC.

³² Decision of Ministry of Foreign Affairs about functioning of home page of the Ministry of Foreign Affairs, No: 101-01-13123/01 from 10 July 2001

technology, it is unacceptable that only 11 diplomatic and consular missions of Bosnia and Herzegovina out of a total of 56 have web pages. An analysis of web pages shows that there is a lack of professionalism on the part of missions' web-developers and web-managers. It would be more than necessary to bring a new decision by which a Diplomatic and Consular Mission would be obliged to have a web page and that they should be standardised and recognisable with the possibility to promote Bosnia and Herzegovina, in particular segments of its economy, tourism or similar. A similar unit exists in the Slovenian Ministry of Foreign Affairs under the name "Information Technology Service".

The Office for Diplomatic Training was established in 2003. Prior to being organised as an independent unit, this office was part of the Office for Analysis and Planning. This Office is, with a difference from many others, fully staffed with four employees in accordance with its staffing plan. The Office is tasked with evaluating the needs for the training and preparation of public servants and employees for work in diplomatic and consular posts.

In the past, the Ministry did not paid little attention to the training of employees and public servants. Training was conducted via bilateral co-operation. The most important training was organised in 2000-2002 with the assistance of the United States of America for 70 diplomats from the Ministry of Foreign Affairs of Bosnia and Herzegovina.³³ Bosnia and Herzegovina's own training programme has not been fully developed due to a lack of funding and daily tasks of employees in this office, despite all posts being filled.

The establishment of the Civil Service Agency has seen the provision of training start for employees of state institutions, including the Ministry of Foreign Affairs. The Council of Ministers of Bosnia and Herzegovina brought a decision by which employees are obliged to participate in training organised by the Agency for Public Servants. The decision was brought on 1 January 2006. The Agency is in the process of organising joint training and seminars for all public servants including those from the Ministry of Foreign Affairs. Some of those trainings are obligatory (module 1-8) for all public servants/managers whilst certain training is voluntary. In the framework of the Ministry of Foreign Affairs, training for new employees of the Ministry as well as preparatory training for employees who are going to be sent to diplomatic and consular posts abroad are organized and conducted.³⁴

³³ Interview with Hrvoje Kanta, Head of Office for Diplomatic Training, conducted on 10 April 2007.

³⁴ Ibid

The Office does not provide for specialised training for employees although it would be more than welcome. There are some rumors that a Diplomatic Academy might be established, however, there are no firm data about that.

After analyzing organisational units in the headquarters of the Ministry, due to limited time and space in this research, attention is paid to some of the segments which are not present in the current Ministry structure.

Office for Analyses, Protection and Security is necessary for the functioning of the Ministry machinery. In the current structure, there is no single unit which would deal with those issues. Security of the diplomatic and consular posts is entirely the responsibility of the Head of the Mission.³⁵ Diplomatic and consular missions of Bosnia and Herzegovina do not have an adequate level of security, however the Ministry does not have financial resources to engage individuals who would be tasked with the security of missions nor have funds been approved for such engagements.³⁶ Despite the fact that Bosnia and Herzegovina provides security to a large number of foreign embassies in Bosnia and Herzegovina, the Ministry of Foreign Affairs has never insisted in reciprocity on which it has the right based on the Diplomatic Convention. The neighboring state of Serbia has established two agencies under the auspices of the Ministry of Foreign Affairs of Serbia to deal in particular with those tasks (Agency for Security and Agency for Investigation and Documentation).³⁷

The next field which has been ignored in the organisational structure of the Ministry is the **Diaspora of Bosnia and Herzegovina**. The document “General Directions and Priorities for Implementation of Foreign Policy of Bosnia and Herzegovina” insists that a particular objective of foreign policy of Bosnia and Herzegovina is protection of interests and the provision of assistance to Bosnia’s citizens abroad in the fulfillment of their rights. Yet, nothing provides in the Ministry structure of policies for foreign policy to be directed towards establishing and advancing links with Bosnia’s Diaspora in the world. Only Article 23 of the Rules and Regulation in relation to the internal organisation of the Ministry mentions as a possible task of

³⁵ Interview with Mrs Biljana Milanovic, Head of Department for Legal, Personnel and Translating Services, General Affairs Division, Ministry of Foreign Affairs of Bosnia and Herzegovina conducted on 27 March 2007.

³⁶ Interview with Hazima Rozanica, Financial Department, General Affairs Division, Ministry of Foreign Affairs of Bosnia and Herzegovina conducted on 28 March 2007.

³⁷ See <http://www.mfa.gov.yu>

diplomatic and consular missions the establishment of regular working and social contacts with citizens from Bosnia and Herzegovina who are living out of country and refugees. Although the intention of the article in itself is ambiguous, it is the only official legal reference which makes reference to the issue. The subsequent paragraph of the Rules and Regulations, which refer to the tasks of Ambassadors, Heads of Missions and General Consuls, does not in any part mentioned responsibility for managing contacts with citizens of Bosnia and Herzegovina abroad. Even the Parliamentary Assembly of Bosnia and Herzegovina has held no discussion on the issue of the Diaspora and there are no Ministry instructions for work of diplomatic and consular missions in regard to the Diaspora.³⁸ If we consider that 1 million of Bosnia and Herzegovina's citizens are abroad, it is clear that this question deserves a much larger space not only from the position of the ministry but other Bosnia and Herzegovina institutions. Bosnia and Herzegovina's neighbors have given considerable attention to their Diaspora as part of the organisational structures of their Ministries, establishing separate organisational units to work with the Diaspora.³⁹

Comparing the situation with Slovenia, 'care for Slovenians abroad' has been envisaged as one of the tasks of Slovenian foreign policy and has been reflected through the existence of a Division for International Cultural Relations which also deals with Slovenian cultural presentation.

The Ministry of Bosnia and Herzegovina has thus far not concentrated on the cultural presentation of the country and on keeping strong ties with people from Bosnia and Herzegovina abroad. Considering all the problems the Ministry is confronted with, the cultural presentation of Bosnia and Herzegovina and maintenance of contact with Bosnians abroad may give the fastest positive result in promoting the country.

³⁸ Interview with Mr. Zoran Perkovic, Deputy Minister, Directorate for International Legal and Consular Affairs, Ministry of Foreign Affairs, conducted 27 February 2007.

³⁹ See <http://www.mvpei.hr>

Organisational structure of the Ministry of Foreign Affairs before 1998

An analysis of the ministry structure that was put in place before 1998 shows that the ministry's organization at the time was in some respects more appropriate for Bosnia's current foreign policy objectives than the current structure in that it had functions not provided at present. In that period, the ministry's work was organised into seven divisions which were the Division for Bilateral Affairs, Division for Multilateral Affairs, Division for International Economic Relations, Division for Protection of Citizens Abroad, Division of General Affairs, Division for Analysis, Information and Technique and Division for Reconstruction. In addition to the abovementioned divisions, five offices existed.

In 1998, the Basic Foreign Policy Principles and Activities of Bosnia and Herzegovina stated five basic goals of foreign policy:

- implementation of the Dayton Agreement as a main condition for the strengthening of the peace process and the consolidation of the situation;
- providing international participation in the recovery and development, as well as in the building of democratic institutions in Bosnia and Herzegovina;
- development and improvement of bilateral co-operation with as many countries as possible, and especially with neighboring countries;
- joining of international integrations and organisations as an equal partner in international relations, and;
- development and improvement of regional, sub-regional and other ways of co-operation through participation in defining and carrying out concrete programmes and projects in accordance with individual decisions made by the Presidency of Bosnia and Herzegovina.

The foreign policy objectives were adopted by consensus by the Presidency of Bosnia and Herzegovina on 17 February 1998. The objectives made no reference to Euro-Atlantic integration, inclusion into the EU or NATO. Slovenia on the other hand defined those as strategic objectives of its foreign policy in 1992.

In the case of Bosnia and Herzegovina, the Ministry was better organised in 1998 than nine years later, despite weak foreign policy. There are a few possible reasons

for that: firstly, many senior diplomats left the Ministry due to dissatisfaction with the low pay and political environment. Secondly, no young educated people had been employed in the meantime by the ministry due to administrative obstacles. Thirdly, diplomatic training for the last few years was not in practice, at least not at the level as was present in 1998, 1999 and 2000 when the State Department organised training and after that trained the trainers. As part of EU support through the PHARE programme in 2000, experts were assigned to the Ministry of Foreign Affairs for internal training and to help organise the Ministry's work.

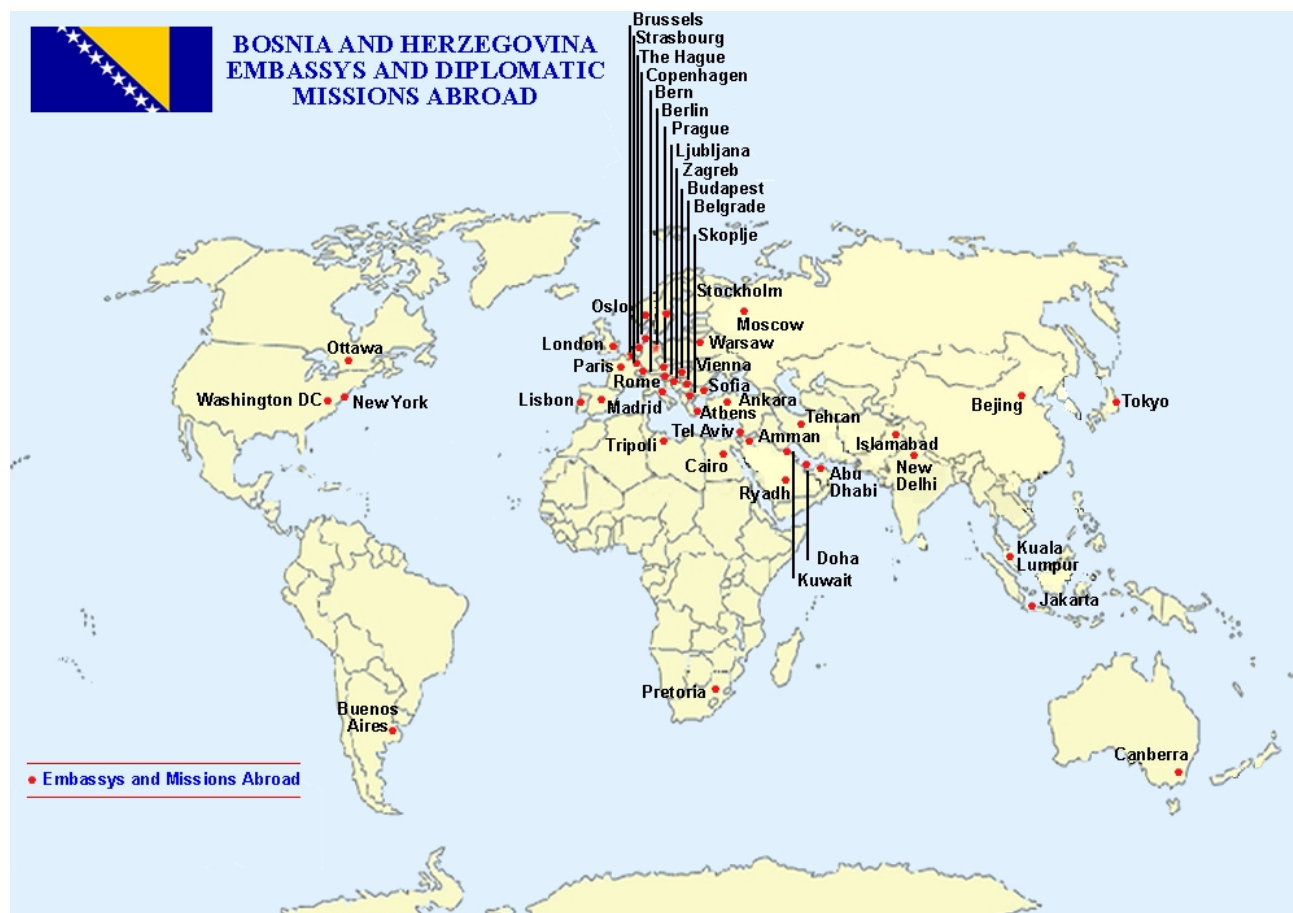
Since 2001, according to the statement of many employees, the Ministry has been deteriorating. Although some efforts have been invested to improve the structure of the Ministry no major improvements efficiency have been noticed. Currently, there is low organisational capacity, an inadequate number of employees and no training which might improve their performance. Therefore, the Ministry is in serious need of reforming and restructuring if it is to be able to fulfill the country's foreign policy objectives. If the primary foreign policy objective is inclusion into Euro-Atlantic integration, then small units tasked with that objective cannot achieve expected results. If Bosnian peculiarity is a large post war Diaspora (close to a quarter of its pre-war population) then a unit for dealing with the Diaspora is critical, particularly since it is also mentioned as another foreign policy objective.

The Ministry of Foreign Affairs needs to reassess what it can offer in order to start changing the country's image as a war torn society. If it is culture, and usually it is, then a unit for international cultural relations should be established in the Ministry.

Considering Bosnia's long term problems with unexploded ordinances (3.6% of its territory is currently covered by mines), small and light weapons and other human security issues, then the establishment of a special unit should be reconsidered for that task.

Perhaps a model can be the Slovenian organisation of the Ministry which has been confronted with the same tasks that Bosnia is confronted with today and is sufficiently well organised to fulfill its mandate.

IV.2 Structure of Diplomatic-Consular Representatives of the Ministry of Foreign Affairs of Bosnia and Herzegovina



Based on the Book of Rules on Internal Organisation of the Ministry of Foreign Affairs, Bosnia and Herzegovina has established 56 Diplomatic and Consular Missions world-wide. This network is made up of 45 embassies, five missions and six general consulates.

In recent years, an increase in the number of diplomatic and consular missions has been noted. This reflects the need for stronger representation of Bosnia and Herzegovina world-wide. In comparison with 1998 when there were 33 diplomatic and consular missions in total, the political presence of Bosnia and Herzegovina has grown.

When we compare the document on General Directions and Priorities for Implementation of Foreign Policy of Bosnia and Herzegovina from 2003 with current priorities, we can notice that our current structure of diplomatic and consular

networks does not correspond to those priorities. It was perhaps too much to expect an entire reform of the diplomatic and consular network to take place. However, this problem of the current structure of the Ministry should have been approached with a systematic solution.

One of the primary directions and a key activity of Bosnia and Herzegovina's foreign policy is the maintenance and advancement of bilateral relations with, amongst others, the EU member states and the region. Institutional alignment with the EU has been placed as a key priority for Bosnia and Herzegovina foreign policy and with it, the development of relations with the member states. The current structure of diplomatic and consular posts does not leave the impression of being able to implement the key priorities of foreign policy. It also does not seem to be able to strengthen the economic-diplomatic representation of Bosnia and Herzegovina's interests in foreign countries. On the level of diplomatic representation, Bosnia and Herzegovina is represented in eighteen countries of the EU and others are covered through non-residential posting.

As already stated, one of the foreign policy objectives on the bilateral field is related to the development of relations with the countries in the region. Positive examples of well developed bilateral relations are evident in the countries of Romania, Czech Republic, Poland and the recent opening of a Bosnia and Herzegovina Embassy in Montenegro. A similar situation exists in Bulgaria, with the recent opening of an embassy in Sofia. However, this case raises the question of why it has taken so long to open diplomatic posts in regions declared to be priorities. A case in point is that Bulgaria was the first country to recognise Bosnia and Herzegovina in 1992, but a Bosnian embassy only opened there recently.

The organisational structure of the diplomatic consular network does not satisfy Bosnia's current needs, nor is it compatible with the country's foreign policy. The structure is based on an earlier principle which gave priority to the eight great forces in the world (G-8), as well as the two neighboring countries, Croatia and Serbia.⁴⁰ The organisational principle needs to follow the developments at the international level, thus signifying the agreed priorities of Bosnia and Herzegovina foreign policy. Naturally, the interests of Bosnia and Herzegovina as an economical, territorial, political and cultural entity need to be promoted at the highest level.

⁴⁰ Interview with Mr. Zoran Perkovic, Assistant Minister, Department for International. Legal and Consular affairs, MFA BiH, conducted on February 22, 2007

However, what needs to be kept in mind is that status and size of the embassy provides a symbolic representation of the importance attached to relations with the host country. Increases or decreases in the number of diplomats can be used politically to signal the current state of a relationship or to indicate problems.

The second aspect which deserves our attention is related to the structural organisation of diplomatic and consular posts. The Systematisation Act of the Ministry of Foreign Affairs envisaged the precise number of diplomatic posts in the diplomatic and consular network. It also includes terms of reference and job descriptions for every work place. Parameters which influence the size of the embassy staff besides political importance of posts, are economical interest and the size of the Diaspora. If we look at the size of Diaspora it is in accordance with United Nations Population Division estimate of 900,000. In terms of the number of refugees from Bosnia, that figure is around 500,000.

The proportion between the total population of Bosnia & Herzegovina and Bosnia & Herzegovina's population abroad

• The total population of Bosnia and Herzegovina (pre-war)	4 300 000
• Population in Bosnia and Herzegovina (current estimates)	3 400 000
• Population abroad (forced and voluntary immigration) Estimates	900 000

Source: United Nations Population Division

Current number of BiH refugees in accordance with the size of refugee population in countries in which that number is larger than 10.000 refugees	
Serbia and Montenegro	137.000
Austria	70.900
USA	69,500 (made up of 17.500 who originally found refuge in the USA, plus 52.000 refugees who originally found refuge in Germany and consequently moved from Germany to the USA)
Croatia	62.000
Sweden	56.800
Germany	22.000
Canada	18.400
Holland	16.000
Denmark	15.400
Switzerland	10.900

The highest number of employees in the Bosnian diplomatic and consular networks in one country is in Germany where there is an embassy with a total of eleven employees and three general consulates with a total of 22 systemised work places, totaling 33 employees all together. During 1998 when the current systematisation was created, the number of refugees in Germany was 320,000. However since then that number has decreased to 22,000.

The next largest presence is in the USA with a total of 14 employees in the Embassy, seven employees in the UN Mission in New York and seven employees in the General Consulate in Chicago. In the USA, the number of refugees increased by 52,000 since 1995 from 17,500 to 69,500.⁴¹ According to estimates from the Embassy of Bosnia and Herzegovina in Washington, the total number of people from Bosnia and Herzegovina living in the USA is in between 300,000 and 350.000 counting all migration as well.

Turkey (hosting 1,050 refugees, there are 4,000,000. people originating from Bosnia and Herzegovina), and Italy have the next largest embassies and general consulates, followed by Switzerland (10,900 refugees), Austria (70,900), France (5,000) and Belgium (5,000). Bosnia and Herzegovina also has multilateral missions in three countries. Bosnia and Herzegovina's embassies in Croatia and Serbia also have

⁴¹ Arnautovic, S. *Ten years of Democratic Chaos*, Sarajevo 2007,

eleven employees each. In Croatia Bosnia has 62,000 refugees and in Serbia together with Montenegro 137,000 refugees with the majority of them, in both countries, holding dual citizenship.

In a further sixteen diplomatic and consular missions around the globe, Bosnia and Herzegovina have two employees each. In between those countries are countries which have had a large bilateral impact on Bosnia and Herzegovina through donations or economical aid. Those countries are Japan, Malaysia, UAE and others.

Number of Bosnia and Herzegovina citizens living in the host country

The number of planned postings does not reflect the current situation in regard to Bosnia and Herzegovina's citizens abroad.

If we compare Germany, where there are approximately 50,000-60,000 Bosnian and Herzegovinian citizens (refugees and those who arrived under different circumstances) there are four diplomatic and consular posts with seventeen employees, while in the USA where there are 350,000 immigrants from Bosnia and Herzegovina⁴², there are only two bilateral diplomatic and consular posts.

On the basis of the information provided by BiH Embassy and two Consulates in Germany, the number of issued passports annually is 10,471 and we should observe that in relation to the number of employees in charge of this task. At the same time, the BiH Embassy and the General Consulate in USA, which has a significantly lower number of employees in the same period has issued approximately 7,000 passports.⁴³ However, the number of issued passports can not be the only indicator for consular needs.

The number of posts should be based rather on the number of consular requests received by people of Bosnian and Herzegovinian origin – such as for example legalisation of documents, certifications and so forth. In the case of a larger number of citizens of Bosnia and Herzegovina or those who have kept their citizenship at birth, after the process of naturalisation, their need for consular services are even greater. In addition to the already mentioned services, they usually require much more assistance such as legal advice in cases of prosecution through to representation at various social institutions, issuance of birth, marriage or death

⁴² Interview with Ms. Amra Kosovic, Counsel, BiH Embassy in Washington, conducted on November 28, 2006. in the building of the Embassy in Washington

⁴³ Questionnaires from the DCR BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

certificates, assistance with the issuance of necessary documents for the transport of human remains and so forth.

An additional indicator might be the number of countries which are being covered by a particular embassy as part of the non-resident activities of the ambassadors. In the case of Embassy of Bosnia and Herzegovina in Washington, the Embassy covers the USA, Mexico and Brazil plus the Organisation of South American States. Even though the number of Bosnians in Brazil and Mexico is limited, the number of requests for issuing visas might be a good indicator for the evaluation of needs regarding the redistribution of diplomatic and consular posts. There are countries which are not covered but also have a need for visas for those visiting Bosnia and Herzegovina. According to Mrs. Kosovic, former Consul to the USA, one such case is Santa Lucia from where requests regularly arrive at the Embassy in Washington, as well as Honduras.

A detailed analysis concerning the number of Bosnia and Herzegovina immigrants should be one of the Ministry of Foreign Affairs' priorities and it would justify a basis for the reconstruction of the diplomatic and consular network. The assessment should also pay regard to the need for consular services.⁴⁴

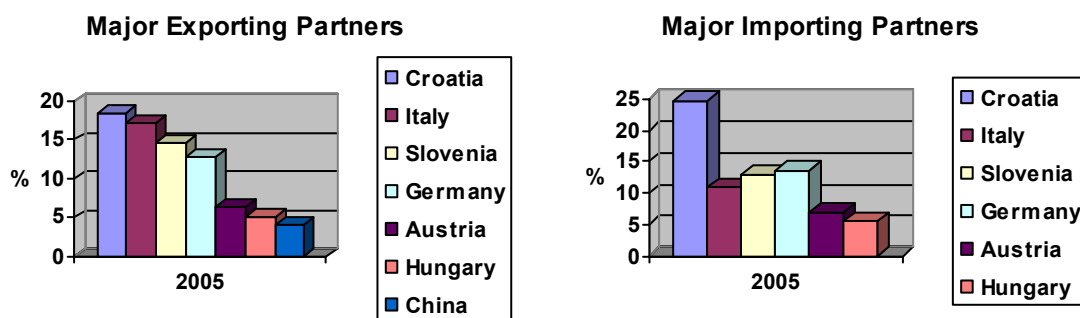
Priorities of Bosnia and Herzegovina foreign policy.

The Bosnia and Herzegovina/EU Mission in Brussels currently has eight employees (of which six are diplomats). This should be largely expanded, taking into consideration the amount of work and the influence of this diplomatic destination for Bosnia and Herzegovina. Bosnia will have to negotiate 32 Chapters before joining the EU and these Negotiation of Chapters should be approached systematically, with the sufficient number of employees.⁴⁵ At the same time, Bosnia and Herzegovina's NATO Mission will have to expand its systematisation of work. With Bosnia's entry into the Partnership for Peace programme, the country will have to increase the number of representatives to NATO.

The identification of economic interests of Bosnia and Herzegovina.

⁴⁴ Ibid

⁴⁵ Interview with Mr. Zoran Perkovic, Assistant Minister, Department for International. Legal and Consular affairs, MFA BiH, conducted on February 22, 2007



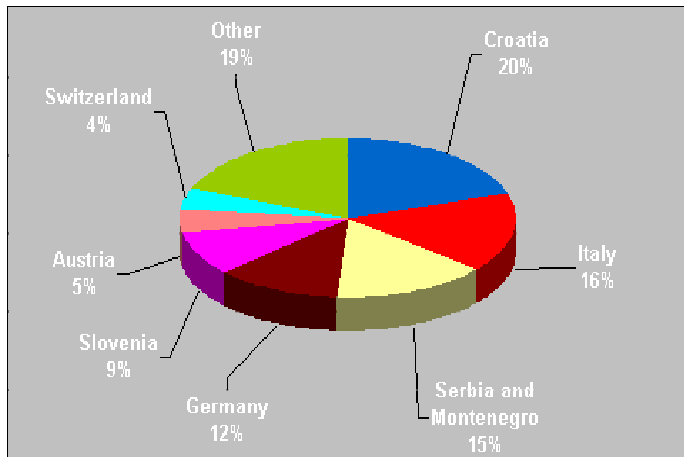
In determining the number of posts in per diplomatic and consular mission, consideration can also be given to the Slovenian experience. According to Zoran Perkovic, Slovenia has eight diplomats in the USA, compared to 40 diplomats in Serbia, which is an economic point of interest for Slovenia. According to Mr. Perkovic, Bosnia and Herzegovina should follow that example and focus on economic aspects when deciding how many employees to place in a certain country. As already noted, successful economic relations with Libya should serve as an indicator to increase the number of diplomats there from the current figure of four. The United Arab Emirates is of similar importance with a similar level of presence in that market.

One of the important indicators which should be taken into consideration when we are discussing diplomatic and consular posting of Bosnia and Herzegovina is foreign trade and exchange. As can be seen from the overview of foreign trade and exchange in 2004,⁴⁶ Bosnia and Herzegovina conducts trade with only seven of all the countries where it is represented.

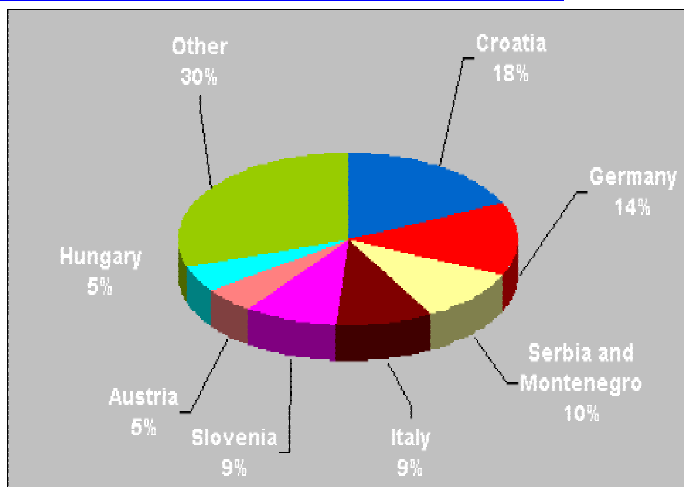
⁴⁶ <http://www.bhmc.ae/ekonomija.htm#Vanjskotrgovinska%20razmjena>

An overview of the foreign trade by countries for Year 2004

EXPORT



IMPORT



The following table⁴⁷ gives an overview of Bosnia and Herzegovina export/import relations with ten countries with bilateral presentation. These countries are not included in the list of countries with which Bosnia and Herzegovina manages to trade on a significant level. When considering the number of posts in these diplomatic and consular missions, that number is at the level of four to seven employees each.

⁴⁷ Data has taken from the web site of the Chamber of Commerce of BiH:
<http://www.gssbh.com/RazmjenaBiH/izbornik.asp>

Country	Year 2005		Year 2006	
	EXPORT KM	IMPORT KM	EXPORT KM	IMPORT KM
<i>Australia</i>	825,717.96	2,164,745.96	1,403,880.50	2,204,615.74
<i>India</i>	111,933.95	14,050,761.62	441,714.67	25,016,326.06
<i>Japan</i>	174,208.71	6,920,497.64	299,168.76	3,120,951.82
<i>South Africa</i>	1,168,306.48	914,364.41	1,308,928.46	350,159.39
<i>Canada</i>	19,046,943.34	6,068,931.71	6,624,381.25	5,568,707.19
<i>Qatar</i>	95,387.78		274,416.68	
<i>China</i>	3,224,248.46	163,411,849.81	189,637.90	152,956,912.67
<i>Kuwait</i>	422,500.92	57,744.04	259,191.21	89,441.75
<i>Netherlands</i>	36,371,928.03	141,580,345.30	42,196,508.86	118,935,805.41
<i>Sweden</i>	11,764,794.28	54,006,741.23	23,391,504.63	53,872,434.26

When we compare the indicators of foreign trade and exchange, Bosnia and Herzegovina in 2005 and 2006 almost symbolically continues to trade with certain countries. What is of a positive value is that Bosnia and Herzegovina has begun to increase its trade with other countries, apart from Canada and China. The trade relations with these two countries are currently in stagnation.

Bosnia and Herzegovina exports mainly to Italy, Germany and Slovenia. Bosnia and Herzegovina imports originate from these EU countries and, to a lesser extent, from Austria. Bosnia and Herzegovina exports are essentially base metals, wood and wood products, mineral products and chemicals. Imports include in particular machinery, mineral products, foodstuffs and chemicals.

An overview of BiH export/import for 2005 and 2006 (all prices in BAM).⁴⁸

YEAR	IMPORT	EXPORT
2005	11.178.545	3.783.280
2006	11.389.183	5.164.333

If we compare the number of diplomatic and consular missions of Slovenia and Bosnia and Herzegovina the number is relatively close with the difference that Slovenia covers more countries through non residential posting.

What is interesting is that Slovenia has 40 Honorary Consuls around the world in the countries where no Slovenian Embassy exists. Their work consists of promoting the country and economic and financial co-operation with Slovenia.⁴⁹ This model should be considered by the Ministry of Foreign Affairs of Bosnia.

⁴⁸ Data has taken from web site of the Agency for Statistic of BiH: <http://www.bhas.ba/arhiva.html>

⁴⁹ Interview with Slovenian Deputy Ambassador Mr. Edvard Kopusar, on 17th of April 2007

V Human Resources

V.1 The current situation – employment procedure for new staff

The staff structure of the Ministry of Foreign Affairs, including other Ministries and Institutions of Bosnia and Herzegovina, reflects the national ethnic composition according to the last national Census of 1991. The Ministry of Foreign Affairs current staff structure is governed by the Regulations of the Ministry of Foreign Affairs of Bosnia and Herzegovina regarding internal organisation.

The Law of Civil Service Institutions in Bosnia and Herzegovina, which came into force in 2002, applies to all employees of the Ministry of Foreign Affairs as well as all employees of Bosnia and Herzegovina's other administrative bodies.⁵⁰

As a specific organisation that operates abroad, the Ministry of Foreign Affairs' status is regulated both by domestic legislation and the Vienna Convention on Diplomatic Relations and the Vienna Convention on Consular Relations.

Employees in the Ministry of Foreign Affairs headquarters are divided into diplomatic and non-diplomatic staff. Only a small number of diplomatic posts are allocated to non-diplomatic staff. As previously mentioned, due to its special status and on the basis of the Vienna Convention, the Ministry of Foreign Affairs also maintains staff not categorized as civil servants (i.e. under Article 7 of the Law of Civil Service Institutions in Bosnia and Herzegovina): third secretaries, second secretaries, first secretaries, councilors and minister/councilor.⁵¹

According to the November 2005 Regulations of the Ministry, 595 posts were envisaged by the systematisation in total, of which 254 posts were within the ministry headquarters and 341 posts throughout diplomatic and consular missions of Bosnia and Herzegovina. Systematised posts within the ministry headquarters are: diplomats, civil servants and employees who are not civil servants. As a part of the Diplomatic and Consular network of Bosnia and Herzegovina, systematisation of posts can be divided into: civil servants, employees and local staff (depending on the need).

⁵⁰ Law about State Service in Bosnia and Herzegovina Institutions (Official Gazette of Bosnia and Herzegovina No: 12/02, 19/02, 35/03, 17/04, 26/04, 37/04, 48/05 and 2/06)

⁵¹ Interview with Mr. Neven Akšamija, Assistant Director of the Civil Service Agency of Bosnia and Herzegovina, published 9th March 2007.

Upon review, the systematisation of posts in accordance with the regulatory clauses mentioned above is unsatisfactory with a non-compliance rate of posts being filled between 70-80%. Based on the information provided by the Department of Finance, the situation is somewhat different than previously published by the ministry. Currently 284 people are employed in the Ministry of Foreign Affairs headquarters, however a further 51 employees (made up of diplomats and public servants) are required. The situation within diplomatic and consular missions of Bosnia and Herzegovina shows 261 current employees however based on the systematisation, this number should be 320⁵² which make diplomatic-consular network short for 59 employees.

Understaffing has been a problem of the Ministry for quite some time. In accordance with data from the year 2001, from 532 planned postings in the Ministry, only 449 posts were filled and 85 posts were empty.⁵³ Also, according to the same source, the number of employees on 31 December 2003 totalled 439 even though the projection of the systematisation and the budget of the Ministry planned that number to be 464.

The insufficient number of employees within the Ministry stems from the lack of quality employment programs and educational and training opportunities for candidates who wish to be employed within this institution. There are also problems filling the vacant positions due to vacancy timelines set by the Public Service. Another factor is that the low rate of pay being offered for work in the Ministry is not in line with the level of pay being offered on the open job market in Bosnia and Herzegovina.

The Ministry of Foreign Affairs currently employs workers according to the clauses of two laws – the law in relation to the Bosnia and Herzegovina Institutions⁵⁴ and the law regarding employment in Public Services in Bosnia and Herzegovina Institutions. According to the legal provisions of these two laws, there is no provision for staff to be employed on a temporary basis which considerably restricts and complicates the function of the ministry. Therefore, there are no provisions for employment for a one year period or for any given time frame for a vacant position. Based on the opinions of officials within the ministry, the regulation only increases the departure rate of staff from the ministry.

⁵² Interview with Mrs. Hazima Rožanica, Chief of the Department, Department for the Finance, Sector for General Positions Ministry of Foreign Affairs of Bosnia and Herzegovina, published on 28th March 2007

⁵³ <http://www.revizija.gov.ba/bs/audit-rep/mip01.asp#1>

⁵⁴ The Labour Law in Bosnia and Herzegovina Institutions (Official Register BH No: 26/04)

The new regulations defined within the Public Service Law in Bosnia and Herzegovina are applicable to all current employees as well as any future employees.

If we compare number of employees of the Ministry of Foreign Affairs of Bosnia and Herzegovina with Slovenia there are differences in size and distribution. At present, the Slovenian Ministry of Foreign Affairs has 700 employees of which 350 are posted in forty-four diplomatic missions and consular posts abroad. The distribution between headquarter and its diplomatic and consular network is equal. The need for wider coverage is compensated with 44 honorary consuls (citizens of other countries honored by representing Slovenia in the consular sphere).

V.2 The Structure of human resources at the Ministry of Foreign Affairs and Diplomatic and Consular Missions of Bosnia and Herzegovina

All civil servants who are employed within the Ministry must have adequate academic qualifications. The regulation regarding the internal organisation of the Ministry for the largest number of employment positions has not defined a specific field of education required for these posts but rather, has given a broad spectrum of possibilities for employment by fulfilling the only criteria which is completion of a university degree. Bearing in mind the specific needs of employees within this public sector, it would be preferable that the Ministry, by a legal act, regulates that the majority of positions require specific qualifications related to diplomatic posts and to identify posts where degrees in natural science or technical engineering are required.

According to the data from the completed questionnaires (36 diplomatic and consular offices responded from the total of 56 offices worldwide) it is evident that around 15% of diplomats employed in this network do not have degrees in the social sciences.⁵⁵ If we use this ratio as being illustrative for the ministry as a whole, then this inadequacy further highlights the need for a change in staff selection criteria.

Contrary to the current requirements of employment and based on a decision by the Ministry of Foreign Affairs on 9 February 2004 on the acceptance of applications for internships within the Ministry headquarters or in a diplomatic and consular mission of Bosnia and Herzegovina abroad, any intern must be a citizen of Bosnia and Herzegovina. The person must also be in their final year of a social science studies

⁵⁵ Questionnaires from the DCR BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

or a bearer of a postgraduate degree in international relations.⁵⁶ The only other specific requirement is the ability to work in an international environment. However, it is not clear what criteria is used to evaluate this requirement.

From information available from various sources, like the statement of the former Minister of Foreign Affairs, Mr. Mladen Ivanic, Bosnia and Herzegovina diplomacy is in need of serious reform. According to the information available from various media sources, the need for reform is urgently needed.

An analysis of the system for diplomatic posting in diplomatic and consular network of Bosnia and Herzegovina abroad reveals an ambiguous procedure of recommendation and appointment. As envisaged by the Constitution of Bosnia and Herzegovina, the Presidency of Bosnia and Herzegovina appoints ambassadors based on the proposal of the Ministry of Foreign Affairs. Since there are no written rules and procedures for proposing candidates or for their nomination from the side of the Ministry, the procedures are intransparent at best. The establishment of institutional regulations and clear criteria between the Presidency of Bosnia and Herzegovina and the Ministry of Foreign Affairs for the selection of the most qualified diplomats would make the whole procedure more advanced and transparent.

According to the internal organisation of Ministry of Foreign Affairs, for a person to be appointed as Ambassador, the candidate needs to have a mandatory ten years of work experience in the same or a similar profession. An analysis of survey findings shows that 13.8% of employees in ambassadorial positions do not fulfill this criteria⁵⁷. Therefore either those people who do not satisfy necessary preconditions set by Rules and Regulations of the Ministry cannot be ambassadors or those rules should be changed.

From the information gathered relating to the levels of knowledge of foreign languages amongst the diplomatic employees, no more than 50 diplomats possess the necessary level of knowledge of one foreign language. However, we could only collect partial information, as only 36 out of 56 questionnaires were completed and

⁵⁶ Decision MFA about receiving volunteers for doing their practise in headquarters of MFA and DKP of BiH abroad number 10921-09-2509/04 from 9th February 2004

⁵⁷ Questionnaires from the DCR BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

returned.⁵⁸ Nonetheless, even this incomplete data alarmingly illustrates the weaknesses of Bosnia's diplomatic and consular network.

It is encouraging that the Ministry during 2004 undertook certain steps in regard to the training of diplomats before sending them to diplomatic missions. The rule book for postings in diplomatic and consular Missions of Bosnia and Herzegovina⁵⁹ sets the conditions and procedures for the preparation of the heads of diplomatic and consular missions for their postings. Each head of mission is obligated to pass 3 months of preparation whereas civil servants are obligated to pass 2 months of preparation and employees are obligated to pass 1 month of preparation. In accordance with the rule book, after completing their preparation, the diplomats and employees participate in a final hearing with sector leaders. For heads of diplomatic and consular missions, hearings are envisaged before the Committee for Foreign Relations in the Parliament of Bosnia and Herzegovina.⁶⁰

Due to misuse of the instruction Act, the Ministry of Foreign Affairs issued an Appendix to the instructions setting out additional and more specific procedures. Amongst others, the procedure established that employees must receive a certificate of final completion of their preparatory education. Without this certificate, employees cannot leave or commence their diplomatic/consular post abroad.⁶¹ However, it remains unclear what educational evaluation should take place after completion of the instruction period.

There is no standard of learning and, in particular, there is no evaluation or testing of foreign language knowledge. For heads of missions, language tests are envisaged. Thus far, only one nominee for head of mission ever failed the test. It is not clear why similar testing is not conducted for public servants and employees in the diplomatic and consular missions.

Heads of diplomatic and consular missions are posted for three years in accordance with the law and Public Servants and employees for four years. The law stipulates in which particular occasions the mandate may be extended or shortened.

⁵⁸ Questionnaires from the DCR BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

⁵⁹ Recommendation MFA BiH about conditions and methods of performing preparations for work in DKPs BiH number 10921-08-2428/04 from 6th February 2004

⁶⁰ Recommendation MFA BiH about conditions and methods of performing preparations for work in DKPs BiH number 10921-08-2428/04 from 6th February 2004

⁶¹ Instruction MFA regarding to organisation of preparations for work in DKPs BiH number 09/1-22-34-12206/05 from 15th August 2005

In the period since the establishment of the Ministry of Foreign Affairs, due to political reasons and lack of strategic planning within the Ministry, no attention has been paid to the promotion of career diplomats. Career diplomats are heads of diplomatic and consular missions who are permanently employed by the Ministry of Foreign Affairs. Currently, in the Ministry's framework there are between 15 and 20 career diplomats.⁶² Considering the needs for future professional representation of Bosnia and Herzegovina, this number is of concern. In countries with developed diplomacy, this ratio is much more favorable for career diplomats in comparison with political appointees.

V.3 Criteria for the employment of staff - Civil Service Agency of Bosnia and Herzegovina

All aspects of the civil service system are based on the merit principle, a principle which is the keystone to the establishment of an effective government. Any appointment of civil servants shall be made in accordance with their level of knowledge, skill and ability through examinations, performance records and other evidence of qualification such as professional certificates, etc. Any vacancy occurring in each agency shall be filled by means of employment, promotion, demotion, transfer or change of occupational series.

By means of establishment of the Civil Service Agency of Bosnia and Herzegovina and by the enactment of the Law on State Service in Bosnia and Herzegovina the pre-conditions were established for the placement of public servants in Bosnian Institutions. The same is applicable for employees in the Ministry of Foreign Affairs of Bosnia and Herzegovina.

The legal status of Ministry employees that were employed on 16th June 2002 has remained the same after the mentioned law came into effect. It remained so until the Agency completed its audit procedure.

The same article of the Law defined the procedure for existing employees which fulfilled the conditions listed in Article 22 of the Law on State Service in Bosnia and Herzegovina. In accordance with that provision, present employees are to be reviewed after a period of 12 months. Those who satisfy the review, will remain employed.

⁶² Interview with Mrs. Biljana Milanović, chief of department, Department for personnel, legal and translating affairs, Sector for general affairs MFA of BiH, published 28th March 2007

The majority of employees in the Ministry Foreign Affairs were employed before the establishment of the Civil Service Agency of Bosnia and Herzegovina. All Ministry employees successfully passed the Agency review.⁶³ Thus far, the following staff were employed in accordance with the new legal procedure for employment of public servants: two secretaries of the ministry, four assistant ministers, one advisor, one first Secretary and eighteen employees.⁶⁴

There are no differences in the employment method applied between different ministries. The procedure is divided into two parts. Firstly, an applicant is requested to present documentation fulfilling general conditions. One of the disadvantages in regard to this procedure is related to the decision regarding documentation proving foreign language skills.⁶⁵ In the mentioned decision, it is stated that as evidence, the following documents might be used: “certificate from schools and other Institutions which are educating or teaching foreign language in or out of Bosnia and Herzegovina”. This enables a wide list of evidence to be submitted in support of foreign language knowledge. Therefore, any school or institutional certificate is accepted without additional criteria. There are no requests for verification from accredited or generally accepted institutions for recognition of language knowledge (e.g.: British Council, Faculty of Foreign Language, TOEFL etc). Additional testing is the discretionary right of the Committee and there is no knowledge that additional testing has ever been conducted.

The first part of the exam is written and the second, professional exam consists of a written and verbal interview. The commission consists of 5 members, 2 from the Ministry of Foreign Affairs and 3 members from a list of experts of the commission who are not employees of the Civil Service Agency of Bosnia and Herzegovina. The commission is independent and works according to regulation. The Civil Service Agency ensures that examination questions are identified directly before an exam and that marking is properly carried out with all members of the commission present.

It is unclear what professional and academic standards are applied for the selection of commission members who are tasked with selecting future public servants. The only criteria is that two members are public servants with certain academic

⁶³ Interview with Mr. Neven Akšamija, assistant of director Civil Service Agency of BiH, published on 9th March 2007

⁶⁴ The same

⁶⁵ Civil Service Agency Decision about documents identification as evidence of the foreign language knowledge or foreign language knowledge in actions of leading competitions in the institutions of Bosnia and Herzegovina, number: 03-34-872/05 from 25th December 2005

qualifications. However, no details are provided specifying what type of qualification is required.

V.4. The Promotion of Employees

Promotions are conducted through public advertising, in accordance with the law on Public Servants in Institutions of Bosnia and Herzegovina, Article 31. The promotion of a civil servant to a higher category is based on a positive evaluation of their work. Decisions for promotion are made by the agency competent for his or her appointment. Civil servants acquire the right for promotion to a higher category on the basis of the results of quality, skilled and professional performance of their jobs, qualification and development. The detailed conditions for civil servants' promotion is defined by the Regulation on Raises and Civil Servants Promotion in Institutions of Bosnia and Herzegovina.⁶⁶

V.5. Legal protection of Civil Servants

Civil servants enjoy unique legal protection in terms of their status and duties. The internal control over the work of civil servants employed in the Ministries is founded on 'principles defined by the 'Law on Administration' and by the 'Internal Organisational Regulations'.⁶⁷ Internal organisational regulations are passed by the respective Ministry after being approved by the Minister, and given a prior opinion by the Minister of Justice. A Book of Regulations is considered to be adopted once it has been confirmed by a decision of the Council of Ministers.⁶⁸

V.6. Sanctioning of Civil Servants

Civil Servants may be sanctioned for inappropriate performance of their prescribed duties by instituting disciplinary or criminal proceedings. Chapter VIII of the Law on Civil Service determines the disciplinary liability for breach of official duties, which includes (inter alia): failure to execute or the unscrupulous and negligent execution of commissioned activities and tasks; refusal to execute legal orders from

□ Regulation of Civil Service Agency BiH about procedure of evaluation and promoting civil servants in the institutions of Bosnia and Herzegovina, Official Gazette of BiH num. 17/04

⁶⁷ Article 22 of the Law on Ministries and Other Governmental Offices of Bosnia and Herzegovina, Article 52 of the Law on Administration.

⁶⁸ Ibid

one's immediate supervisors; performing activities that inhibit or hinder the public and other persons in the realisation of their rights in proceedings before civil service agencies; performing activities contradictory to the interests of the civil service; an unaccountable absence from the work place; a violation of labor discipline regulations pertaining to the civil service duties; untimely and irregular execution of accepted duties and tasks in the civil service; inappropriate conduct when addressing the public, work colleagues and other individuals in the execution of civil affairs (Article 54). This Chapter also determines the disciplinary procedure (Article 55), prescribes disciplinary measures (Article 56), and also addresses issues regarding the instituting of criminal proceedings against a civil servant (Articles 57-58). The available disciplinary measures range from a written rebuke to a suspension and a final termination of employment in the civil service.

The provision of Article 50 of the Law on Civil Service stipulates that a civil servant's appointment is terminated in the following cases (among others): refusal to take the official oath, unsatisfactory performance during a trial period, two consecutive negative job evaluations, conviction for a criminal act with imprisonment sentence for more than six months, official disciplinary measure terminating employment in civil service.

The establishment of the Civil Service Agency contributed to the process of defining the professional standards for the work of civil servants, as well as for their further specialised training and protection in the execution of their duties.

The civil servants themselves enjoy the minimum probability that they would be removed from office and the probability that they would be sanctioned is not very high either, taking into account existing comprehensive procedure which includes protective mechanisms such as the Office of the Ombudsman and the Civil Service Complaint Commission. Due to these circumstances, Ministers have resorted to using the possibility of the internal re-assignment of civil servants for such a relocation. The imprecisely formulated 'objectively determined needs of the civil service, as well as the possibility of imposing relocation to a similar position' opens the door of using the Article for justifiable and non justifiable purposes .

V.7. Finding future talents

The Ministry of Foreign Affairs of Bosnia and Herzegovina, in the framework of its competencies, has not assumed any activities directed towards the education of future employees within the diplomatic sector. There are no indications that the

Ministry might establish a Diplomatic Academy or School in the foreseeable future. In the framework of the higher educational institution in Bosnia and Herzegovina, there is no indication that such an institution might be established.

As a part of bilateral assistance to Bosnia and Herzegovina, some diplomatic education has been conducted during the last few years. By the establishment of the Civil Service Agency a representative of the Ministry together with representatives from other state institutions are being involved in the preparation of special courses.

The existing system of employment of trainees or junior clerks is inadequate and systematically regulated. More than 500 people applied during vacancy announcements in 2006 for acceptance of 10 positions for employment in the Ministry of Foreign Affairs headquarters. The authorities were unable to efficiently select from the number of applicants therefore, they decided to withdraw the vacancy announcement.

V.8. Comparative case of South Africa (human resource capacity building)

In South Africa as in Bosnia and Herzegovina ministries continue to suffer from serious personnel shortages, especially qualified and experienced staff. In South Africa the department recently undertook a skills audit, the results of which have not yet been made public. This is one of many steps taken in response to the realisation that, in order to achieve its strategic objectives, the department is in urgent need for people with the requisite skills. As in Bosnia and Herzegovina a case in point is language proficiency, a crucial component of effective diplomacy. In particular, the department is focusing on developing language skills of the regions identified as being of strategic importance. Similar procedures would be beneficial to be applied in the case of Bosnia and Herzegovina as well.

In light of the increasing importance of economic diplomacy, an understanding of trade-related matters such as trade and tariff regimes is of great importance in expanding the missions' commercial operations.

In attempting to address some of the perceived shortcomings, the Department of Foreign Affairs has embarked on a number of initiatives:

In regard to recruiting skilled personnel, we do not have clear data on how that procedure is being conducted in South African. In Bosnia and Herzegovina, the current procedure is not an adequate one and it does not consider specific requirements needed in the diplomatic service.

In South Africa, staff of the Ministry have relevant professional qualifications and receive regular relevant training. Unfortunately this is not the case in Bosnia and Herzegovina where professional qualifications often are not relevant and training is far from being regular.

Whilst a system of drafting job profiles and setting norms of performance in consultation with employees, management and social partners exists in South Africa, in the case of Bosnia and Herzegovina, there are no setting of norms of performance although job profiles are being drafted.

Whilst the South African Ministry has a system of implementation of regular performance appraisals and performance awards, in the Ministry of Foreign Affairs of Bosnia and Herzegovina regular performance appraisals are being conducted but indicators are not adequately set and appraisal does not result with performance award partially due to the fact that all posts are distributed in accordance with ethnic lines. As a consequence, there is limited space for advancement in accordance with performance which is very distimulative for hard working employees. The current situation is a safe haven for those protected by ethnic leaders despite the fact that nominally regular performance appraisal exists. However there should be a formula to overcome that obstacle so that only those with the best performance reveiws occupy the diplomatic posts in accordance with the ethnic quota envisaged by the law. The ethnic quota can be represented in the total number of employees and not necessarily being applied for each particular post as is currently the case.

Whilst in South Africa the Foreign Service Institute (which provides intensive training, including language and protocol training to new intakes) to a full-fledged branch of the department is going to be updated, as previously stated, Bosnia and Herzegovina does not have any training institution for diplomats. There is no Foreign Service Institute and there is minimal formal training and no staff development.

For comparison, in the South African Ministry expenditure on formal training and staff developments has increased six fold between 2003/04 – 2006/07. In the Bosnia and Herzegovina Ministry, that increase has been non-existent.

The South African Ministry has establishment a Talent Management Unit within the Department tasked with such projects as the Leadership Development programme; they have also reintroduced the Cadet Programme, to identify young, talented, unemployed graduates who undergo a comprehensive International Relations and Diplomacy programme for a year (the best candidates are then employed by the

Department on a full-time basis). In addition, they have also developed a MA in Diplomatic Studies programme in partnership with a university.

The last four points deserve the full attention of the Ministry of Foreign Affairs of Bosnia and Herzegovina leadership. Human resource capacity is undoubtedly the most crucial component in the ability of a Ministry of Foreign Affairs to carry out its work satisfactorily. Importantly, human resource development is not a short-term project that yields immediate results. However, it is an issue which cannot be neglected.

VI Financial Management and Internal Rules

VI.1 Financial Management

For compliance of the budget at the State level and efficiency of Financial Institution of Bosnia and Herzegovina including the Ministry of Foreign Affairs, the Ministry responsible is the Ministry for Finance and Treasury. It is also responsible for financial flows and a single treasury account.

Financing of the Ministry of Foreign Affairs as a beneficiary of the State Budget has been regulated by the Law of Financing of Bosnia and Herzegovina Institute and the Law on the Execution of the Budget of the Institution of Bosnia and Herzegovina.

With organisational structure in the headquarters and Diplomatic and Consular Missions, the Ministry of Foreign Affairs is one of the largest budgetary beneficiaries.

The portfolio of Foreign Affairs enjoys cabinet seniority. To a degree it is a reflection of the relative size of the Foreign Affairs budget appropriations. The 2006 Foreign Affairs Budget of BAM 42,498,666 (EURO 21,738,448) should be viewed in conjunction with other ministry appropriations.

Table : Budget by Ministry – 2002 and 2006

Ministries	2002 budget (BAM)	2006 budget (BAM)
Ministry of Defence (Standing Committee on Military Matters)	836,787	278,100,000
Ministry for Human Rights and Refugees	8,820,187	4,970,000
Ministry of Finance and Treasury	3,335,913	4,250,000
Directorate of European Integration (former Ministry of European Integration)	2,085,572	2,000,000
Ministry of Foreign Affairs	42,037,175	42,498,666
Ministry of Civil Affairs (former Ministry of Civil Affairs and Communications)	21.410.150	6,480,000
Ministry of Foreign Trade	5,880,339	3,895,065
Ministry of Justice	NA	8, 000,000
Ministry of Communications and Transport	NA	4,000,000
Ministry of Security	NA	5,035,498

Table: Itemised budget for Ministry for Foreign Affairs in BAM (Bosnian Marks)

Types of expenditures	2002 Expenditures in BAM	2006 Expenditures in BAM
Continuous expenditure	41,328,863	38,792,668
Salaries	14,310,621	16,376,000
Additional expenditures of employees	11,122,371	8,655,000
Travel expenses	1,743,787	1,726,160
Energy expenses	674,595	1,111,000
Utilities	3,201,174	
Telephone and postal services		1,898,100
Procurement of materials	1,395,825	627,000
Transport and fuel costs	568,809	639,000
Property rental	3,850,415	4,346,000
Expenditure for continuous upkeep	844,950	906,000
Insurance	448,458	456,000
Agreed and additional services	3,167,858	4,018,406
Capital expenditure	708,312	1,500,000
Supply of equipment	0	500,000
Supply of resources	708,312	200,000
Reconstruction and upkeep		800,00
GRAND TOTAL	42,037,175	42,498,666

Numerous challenges exist when assessing the role and annual performance of the Ministry of Foreign Affairs. The first is institutional. Since the signing of the Dayton Agreement in 1995, the Ministry has operated in the state of managerial, political and ideological flux. Without a strategy, performance indicators or baseline data, it is very difficult to assess the success rate of the Ministry on any particular issue. The Ministry's budget growth has been minimal over the past five years. Factoring in price increases, the absence of meaningful budget increases over recent years underpins the stagnation in the expansion of Bosnia's Diplomatic and Consular Missions around the world.

In order to assess the size of the budget appropriation given to the Ministry of Foreign Affairs of Bosnia and Herzegovina, a comparison with other countries of similar size and background can be illuminating. Figures indicating the ministry/department of foreign affairs budgets in relation to the countries' GDP, population and the budgets of selected other departments are indicated in the table below.

	BiH (2006) euro	Slovenia(2007) Euro	Slovakia(2005) euro	South Africa (2006) euro
GDP	8.052	27.8	34.345	
POPULATION	4,498,976	2,010,347	5,439,448	
Foreign Aff. Budget	21,738,448	72,913,546	102,184,000	322,880,140
Defense budget	135,050.000	511,306,341	810,655,152	
Ministry of Interior	N/A	366,575,513	636,812,273	

If we compare the case of South Africa,⁶⁹ the Foreign Affairs budget grew at an annual rate of 17.5% between 1998-1999 and 2001-2002. This reflected the expansion of diplomatic missions abroad. By 2005-2006 the department had 112 missions in 97 countries with an annual budget for 2006 of 322,880,140 Euros with the annual budget of Bosnia and Herzegovina being 21,738,448 with 56 missions abroad. Those numbers are self evident. The number of Bosnian missions abroad is more than half of South African missions, however its budget is 15 times less.

At present, the Slovenian Ministry of Foreign Affairs has 700 employees of which 350 are posted in forty-four diplomatic missions and consular posts abroad. The overall budget for the Ministry for Foreign Affairs in 2006 was 72.913.546 million Euro⁷⁰ which makes it more than three times larger than the Bosnian, and at the same time, the diplomatic consular network is smaller. All that indicates that wages are much higher in the Slovenian Ministry of Foreign Affairs. It also leaves money for additional education and training.

⁶⁹ The South African Institute of Foreign Affairs *South African Policy Monitor*, August/September 2005,

⁷⁰ Republic of Slovenia Ministry of Finance (2007) State Budget 2004-2007 ,
<http://www.gov.si/mf/angl/proracun/grafi.htm> (accessed 12 April 2007)

Nevertheless, the foreign affairs expenditure of both the Slovak Republic and the Republic of Slovenia's amounts to 0.3 % GDP. In the case of the Slovak Republic,⁷¹ this amount translates into approximately 18.8 Euro per capita, whilst in the Republic of Slovenia the per capita amount is considerably higher at 36.8 Euro, whilst in Bosnia and Herzegovina, that amount is only 8.052 Euro. It is also interesting to compare the foreign affairs budget with that of other ministries, for example the ministries of interior and defense. In the Slovak Republic, the Ministry of the Interior received 1.9 % of GDP, while in the case of the Republic of Slovenia it receives 1.3%. The defense budgets of the two countries are 2.4% and 1.8% of GDP respectively. In the case of Slovenia, the Ministry of Foreign Affairs receives the second smallest percentage of the budget, after the Ministry of Justice.

In the case of the Slovak Republic, expenditures of the Ministry of Foreign Affairs have increased consistently since 2002. The main reasons have been the additional responsibilities arising from the country's goal of joining the European Union and NATO. For example, payments of the Slovak Republic to international organizations amounts to 11% of the foreign affairs budget. This has increased as a result of the republic's membership of the European Union and NATO. In addition, in 2004, amendments to the Income Tax Act lead to an increase in expenditures on the salaries of diplomatic staff.

An important point to keep in mind when assessing foreign affairs expenditures is that, while the amount government appropriates to the Ministry of Foreign Affairs is unquestionably important, perhaps even more important is the way in which the money is spent by the Ministry. Ultimately, efficiency in spending is what determines whether the Ministry is able to fulfill its goals.

Going back to the Ministry of Foreign Affairs of Bosnia and Herzegovina, leadership of the Ministry is responsible for financial reporting acting in accordance with the law and regulations and establishment of effective internal controls. The financial system of the Ministry is central so that the headquarters of the Ministry is in a network with 56 Diplomatic and Consular Missions throughout the world. There are regular follow-ups and control of all financial flows which show quite an advancement over the last few years.⁷²

⁷¹ Slovak Republic Ministry of Finance (2007) Public Administration Budget 2005-2007 , http://www.finance.gov.sk/en/Documents/1_Adresar_redaktorov/Hylova/Budget/rozpocet200_5_2007EN.rtf (accessed 12 April 2007)

⁷² Interview with Ms Hazima Rozanica, Head of Financial Department, Sector for General Affairs of Ministry of Foreign Affairs of Bosnia and Herzegovina, conducted 27 March 2007.

Previously, a system of internal control and revision has been under developed which was the major objection of the Office of Audit of Bosnia and Herzegovina's Institutions, as reported in the Ministry's Financial Reports on revisions.

As a specific budget beneficiary, as opposed to other Institutions of Bosnia and Herzegovina, the Ministry has two accounts for financial dealings i.e.: regular account and consular account. The same principle is applied on Diplomatic and Consular Missions.

Consular accounts serve for the purpose of collecting public funding from services provided in Diplomatic and Consular Missions. In accordance with current regulations, every fifteen (15) days monies collected on the Consular Account are transferred to the account of the Central Bank of Bosnia and Herzegovina in Frankfurt. That way in 2005, the Ministry had collected 12 million BAM.⁷³ If this data is compared with the total of the Ministry's budget, which in 2005 was 40,144,673 BAM, it is clear that the Ministry has contributed to the overall budget in the amount of 30%.

Some of the financial aspects of the Ministry need to seek a systematic solution with an aim of rationalisation, however, in accordance with the opinion of Ministry employees, they are a reflection of the overall financial situation in the country.

The analysis of the financial indicators demonstrates inadequacies and discrepancies. The problems that arise as a consequence to these shortages have become evident to the heads of diplomatic and consular missions. According to the results of a questionnaire being conducted for the purpose of this research study, 58.33% heads of diplomatic and consular missions consider monthly budgets inadequate⁷⁴. These monthly budgets are utilized for conducting official work and their inadequacy effects the quality of work. An adequate budget is a significant indicator of the ability to perform and the same time, it effects the satisfaction of employees. As such, it deserves ample attention from the Ministry of Foreign Affairs. Moreover, the question of impaired quality can relate to diplomatic and consular missions and the services they offer.

⁷³ Interview with Mr. Vidosav Cvijetic, Minister/Advisor, Financial Affairs in the Embassy of Bosnia and Herzegovina, Washington, DC conducted on 28 November 2006.

⁷⁴ Questionnaires from the DCR BiH supplied to CSS by the MFA BiH, administration number 08-1-6487/07, on the 24th April 2007.

Some diplomats being interviewed stated that during their tenure, they personally witnessed situations where phone or gas connections were cut or that their health insurance cover was interrupted for prolonged periods due to the lack of resources.⁷⁵

Additional problems are low salaries which are much lower than in any neighbouring state. Slovenian ambassadors are paid three and half times more than their Bosnian colleagues. Based on the traditional theory of motivation, which evolved from the Scientific Management movement, based on the assumption that money is the primary motivator, we should be concerned with motivation of Bosnian diplomats.

The difference in pay between ambassador and first and second subordinates in final calculation tends to be lower for the ambassador than his subordinates. The reason being, subordinates are entitled to a housing allowance on top of their pay, whilst the ambassador's residence is paid directly by the embassy. Considering the level of responsibility which rests on the heads of missions and their inadequate financial reward, it is not surprising that many heads of missions are considering leaving the Ministry.⁷⁶ This situation is further aggravated by the fact that very often subordinates are lacking sufficient language skills in order to be able to perform. Therefore, this creates an even larger burden on the heads of missions.

An even larger problem is that of locally employed staff by the embassies. Usually, they carry the largest burden of administrative work in the host country due to the fact that they are familiar with the written and spoken language. Considering the language barrier of many posted diplomats, the work load of local staff is enormous and their entitlements minimal.

When we discuss local staff employed by the embassies of Bosnia and Herzegovina, they are not entitled to any allowance and their pay is much lower than the pay of those working for the neighbouring countries of Bosnia and Herzegovina. As a consequence, the turnover is frequent and institutional memory is weak. This problem needs urgent revision of rules and procedures.

Another problem is rental expenses. The payment of Bosnia and Herzegovina for renting space for Diplomatic and Consular Missions abroad is 335,000BAM

⁷⁵ Telephone interview with diplomats in Embassy of Bosnia and Herzegovina in Vienna and Washington, D.C. and Mission in New York.

⁷⁶ The last case of Ambassadors resignation was in February: Ambassador of Bosnia and Herzegovina in Indonesia resigned in February.

monthly. In certain destinations, for example, the rental expense for the General Consulate in Munich is around \$30,000 monthly.⁷⁷

In relation to previous years, the situation has improved slightly due to the division of property of the former Yugoslavia. The most valuable property that belongs to Bosnia and Herzegovina is a building in London, which has been valued at approximately \$US 10.9 million.

The need for a thorough economic analysis, which would justify the notion of purchasing property for diplomatic and consular missions considering the annual property rental expenditures, is becoming ever more evident. The Department of Auditors is at the stage of considering the report published by the Ministry for 2005, which strongly suggests and calls for new initiatives from the Council of Ministers of Bosnia and Herzegovina and the Ministry of Finance and Treasury of Bosnia and Herzegovina⁷⁸. According to this report, the purchase of private property in certain destinations around the world would lead to a validation of economical expenditure of public resources. In the past couple of years, the Ministry of Foreign Affairs applied six times to the Council of Ministers and other relevant institutions to attempt to resolve this issue. The reports carried exact indicators of expenditure management that relate to the purchase of property. Nevertheless, in all six cases, the reports were not considered by any of the relevant institutions⁷⁹.

A similar situation is evident during the acquiring of vehicles, info-technical equipment, furniture and other permanent resources for the needs of the diplomatic and consular missions. All of the employees of the diplomatic and consular missions independently acquire the above named resources, without any clearly defined and regulated standards criteria and end of use certificate that would guide them. As such, the diplomatic and consular missions have acquired different types of motor vehicle and technical equipment over the years. However, some of these cars do not meet the standards required for safe operational functioning and their quality is questioned. Amongst inadequate regulation, certain employees of the diplomatic and consular missions possess vehicles which exceed the economical ability of our state, whilst other diplomatic and consular missions accumulate enormous expenditures on the upkeep and service of their older vehicles.

⁷⁷ Interview with Mr. Adnan Hadzikapetanovic, Secretary in the Ministry, Published in "Dnevni Avaz" 3 February 2007

⁷⁸ Ministry of Foreign Affairs auditing report 2005, from the Dept. Auditors BiH, page 11.

⁷⁹ Interview with Mrs. Hazima Rozanica, Chief of the finance section, Ministry of Foreign Affairs BiH, conducted on 28th March 2007

The Law that regulates the expenditure of public resources ensures that the Ministry fully adheres to the directives and parameters outlined. According to the existing regulations of the Ministry, all diplomatic and consular missions are required to seek permission from the Ministry during the acquisition of a new supplier. However, this procedure is often hampered by the problems that sometimes lead to an impossible situation regarding the actual purchase of goods. Department of Auditors reached the same conclusion on this matter and thoroughly recommended to the mission that they become fully responsible for the acquisition of resources, whilst absolutely adhering to the Law on regulation of public resources. In this scenario, the Ministry should ensure a functioning system of internal controls that would in turn ensure the observance of regulations specific to this Law⁸⁰.

The financial rules and regulations are developed and scrutinized through the regular monthly and cumulative reporting that focuses on the achieved and planned revenues and expenditures. This is attained through regular auditing. The Ministry sets the rules pertaining to the expenditures, and it defines the expenditure criteria. There are clear rules that concern bookkeeping, fixed assets and procurement. The final consolidated reports are prepared on a regular basis and cover the relations between the central system and the diplomatic and consular missions. Internal auditing is also undertaken on a regular basis.

Internal quality control systems are also in place. These systems and the employees adhere to the procedures formulated by the leadership of the organisational unit of the Ministry of Foreign Affairs⁸¹.

VI.2 Internal Rules and Regulations

The regulatory framework for the Ministry of Foreign Affairs is provided by the Constitution of Bosnia and Herzegovina⁸², the Law pertaining to the Council of Ministers (Official Journal, 30/03), the Law on Ministries and other regulatory bodies of Bosnia and Herzegovina (Official Journal BiH 5/03 and 42/3) as well as the Law on the Amendments of Regulations of the Ministries (Official Journal 26/04)⁸³.

⁸⁰ Ministry of Foreign Affairs auditing report 2005, from the Dept. Auditors BiH, page 13

⁸¹ Interview with Mr. Cvijetic Vidosav, Ministerial Advisor, Financial Affairs in the Embassy BiH in Washington DC, conducted on 28th November 2006.

⁸² Access www.ccbh.ba/bos/article.php?pid=621andkat=83andpkat=85

⁸³ Interview with Mr. Nenad Skipina, Ministerial Assistant at the Department for General Affairs, Ministry of Foreign Affairs BiH, conducted on the 28th March 2007.

It is evident that the Ministry of Foreign Affairs, during the last fifteen years since it became a functional body, still does not have a singular regulatory framework such as a law pertaining exclusively to the foreign affairs of Bosnia and Herzegovina.

According to information sources, the law responsible for regulating foreign affairs was carried forth from the old abolished system of the former Yugoslavia and due to a lack of a newly amended regulation, this law is still in force. The primary objective of regulations pertaining to foreign affairs is to ensure effective organisational and co-ordinating structure, which would orchestrate unique foreign policy, as well as ascertaining the relations between the Ministry of Foreign Affairs and other relevant institutions in Bosnia and Herzegovina. The draft version of such a regulatory measure is currently in process⁸⁴. However, the current lack of such law is a negative indicator of Ministerial activities, as well as the activities of the Bosnia and Herzegovina Presidency that is, according to the Constitution of Bosnia and Herzegovina, responsible for the implementation of foreign policy.

Due to a deficiency in the regulatory framework, which is a priority in other states, the primary framework of the Ministry of Foreign Affairs is a Book of Rules concerning the internal organisational structure. This general Book of Rules regulates almost all of the functional activities of the Ministry, starting from the organisational forces and their responsibilities, number of employees, their co-ordination and structure of working places. The framework of the Book of Rules also contains the regulations regarding the central system of the Ministry, the number and expertise of the employees and the Diplomatic and Consular Missions around the world.

Sub-Regulatory and Internal Act, regulating the activities of the Ministry has defined the rest of the normative legal functioning of the Ministry of Foreign Affairs, as well as the rights and responsibilities of the employees. The recent instructions from the Ministry of Foreign Affairs regarding the implementation of a more efficient and quality-orientated system of activity co-ordination instigate that significant steps have been made to try and improve work-related activities and financial management.

In the framework of financial activities, 21 Acts have been adopted at the Ministry. These Acts are varied and include instructions, decisions and guiding principles that

⁸⁴ Interview with Mr. Zoran Perkovic, Ministerial Assistant, Department for International, Legal and Consular Affairs, Ministry of Foreign Affairs BiH, conducted on 22nd February 2007.

regulate legal and financial status of the employees more closely. Moreover, these Acts regulate financial rules and procedures regarding book-keeping records.

However, specific areas are still systematically unresolved and, as a consequence, have an impact on the financial activities and the annual financial report. The Department of Auditors of Bosnia and Herzegovina has relayed a number of recommendations that concern financial ministerial and consular activities⁸⁵. Some of the more obvious inadequacies of the Ministry of Foreign Affairs relate to the weaknesses in the system of internal control (as unclear and imprecise internal regulation and procedure, as well as a lack of transparency relating to book-keeping and the like) suggesting that the Ministry of Foreign Affairs should continue with the activities of implementing a quality-orientated and efficient financial system.

With the recommendations relating to the central system of Ministry of Foreign Affairs, the Department of Auditors suggested a methodical and comprehensive solution to the problem of internal debts and unsettled financial activities between the Ministry of Foreign Affairs and the Diplomatic and Consular Mission network. Moreover, the auditors report illuminated problems relating to the lack of sufficient work cadres in the field of book-keeping and consular workers. In their opinion, it is unthinkable that certain Diplomatic and Consular Missions around the world have not filled the positions of the book-keepers with experienced employees. At the same time, there is no need that book-keepers enjoy diplomatic status as this is not the case in any of the neighboring diplomacies.

If we compare this situation with the Slovenian Ministry, a significant difference is in the fact that the Slovenian Government adopted a law on Foreign Affairs as early as 1992. The Slovenian Government also adopted a law on Secondment to International Missions and International Organisations. Unfortunately, this field is not regulated in the Ministry of Foreign Affairs which disadvantage possible Bosnian candidates for foreign missions and ultimately negatively reflects on a Bosnian image as Bosnian representatives are hardly present in international missions. Also interesting is the Guide for Honorary Consulate Diplomats and Regulation on Procedures for the Nomination of the Head of Mission of the Republic of Slovenia for an undefined period. There are also a few additional Acts which are worthy to be considered by the Ministry of Foreign Affairs for Internal Regulations such as: Regulation on surveillance in diplomatic and consular missions of the Republic of Slovenia, Regulation on education, Regulation on procedures of

⁸⁵ For further details, please access http://www.revizija.gov.ba/bs/audit-rep/doc05/BUDZET_MVP.pdf

the Personnel Commission of Ministry of Foreign Affairs of the Republic of Slovenia, Rules on procedures for approval of work for students and internship in diplomatic and consular missions in foreign countries, Rule on the employment of local staff and the management of foreign employees for technical work in missions of the Republic of Slovenia, Rule on the work of foreign citizens in technical posts in the diplomatic offices of the Republic of Slovenia etc.

VIII Recommendations

1. The process of building state institutions requires sustained and intense efforts over many years. In Bosnia and Herzegovina, the work of establishing and developing the State Ministries has continued for a decade. As the recently elected Council of Ministers assumes its responsibilities, it is an appropriate moment for a thorough, objective assessment of the efficiency and effectiveness of the organisational structure of the Ministry of Foreign Affairs, its human resources, budgetary flow and normative basis for its work.
2. Any government should act in an orchestrated manner, consequently, the mission of the Ministry of Foreign Affairs needs to be co-ordinated with overall State policy in conformity with the Constitution and relevant laws. The Ministry of Foreign Affairs has a discreet set of functions that it must fulfill, and those should be clearly defined.
3. Since Bosnia and Herzegovina has adopted the form of representative democratic government, policies depend on the needs and the will of the electorate with the rights of ordinary citizen to have full control of public affairs. Therefore, the same should be applied to the Ministry's policies.
4. Through established democratic mechanisms it is an obligation of the governmental institutions to allow for accountability, transparency, responsiveness and representation.
5. As part of its oversight role, the Parliamentary Portfolio Committee on Foreign Affairs could conduct an annual audit to assess the degree of achievement or variance against the objectives set by the Ministry. NGOs and foreign policy think tanks can play a greater role in assisting Parliament in its oversight role by researching the alignment between Ministry Strategic plans, annual reports, budgets and achievements of the Ministry of Foreign Affairs.
6. It is important that the Parliament be given adequate time to assess the achievements and operations of the Ministry in advance of the Ministry's budget presentations.
7. An institutional mechanism is also required between the Ministry and Parliament to ensure that Parliament's input is taken seriously and acted upon. In cases where Parliament's input has not been accepted, adopted, adhered to, or acted upon, the reasons for this require clarification and discussion.

8. The Ministry's activities should be based on Law and consequent rules and regulations, which should be simple, clear and accessible.
9. The Ministry's basic activities should include: developing and implementation of foreign policy, developing and managing the personnel management system, developing a system for establishing and managing overseas missions, develop and manage an effective diplomatic corps and support staff, building the capacity to provide language training, public diplomacy and strategic communications training and education of its staff, controlling resources, including the building system, managing domestic and foreign acquisition.
10. In order to improve the performance of the Ministry of Foreign Affairs, ministerial design must include transparent procedures to develop, promulgate, implement and assess policy.
11. The Ministry needs to clearly align its strategy, policy and delivery.
12. The Ministry must develop a more clear, up to date and results-oriented strategy. Such a strategy will help improve programmatic consistency and institutional coherence.
13. The strategic plan needs to set key objectives for the Ministry over a rolling four-year period in order to provide the overarching framework for the activities of the Ministry's departments.
14. The plan may be divided into three key performance areas; medium-term priorities and objectives, service delivery improvement plan and resource allocations per departmental programmes.⁸⁶
15. The strategic plan needs to have clear objectives measured against performance indicators, underpinned by critical issues. Departmental strategic plans, annual reports and annual budgets must be readily available to the Parliamentary Committee on Foreign Affairs, think tanks, and interested individuals.
16. Communication within the Ministry and in between Ministry and other governmental bodies remains a serious problem and is not following current technological achievements. Communications within the Ministry needs to evolve

⁸⁶ Mercer, W.m. (1977, May). Making Managers Work. Executive Excellence (Available Online)

utilising information technology – based office automation, as well as the latest technology offered by the internet and video conferencing.

17. The Ministry is in need for management information systems which will enable the Minister and other employees with higher degrees of responsibilities to view high-level information in multiple dimensions for faster decision – making.

18. A personnel management system should be established within the ministry that is merit-based and transparent for: recruitment, retention, individual performance evaluation, promotion, selection for schooling and key developmental assignments, records management, separation and retirement.⁸⁷

19. Carrying out a comprehensive skills audit exercise to determine areas of strengths and weaknesses which will be followed up with intervention strategies and skills development programmers to address the skills gaps identified may dramatically improve the situation in the Ministry of Foreign Affairs of Bosnia and Herzegovina.

20. A departmental organisational culture needs to be developed to facilitate the entrenchment of values of the government and Ministry. Once entrenched, values will then be able to be translated into concrete and achievable behavioral competencies.

21. Detail reporting is needed in regard to the achievement of, or failure to meet specific objectives and the degree to which performance indicators have been met.

22. In order to enhance the level of individual and overall performance, Ministry personnel will require an intense, focused program for training and development, with several key dimensions such as: monitoring on a daily basis by qualified experts, institutional development in focused classes of limited duration, exercises and simulations, regular reviews of progress measured against established tasks and conditions.⁸⁸

23. The Diplomatic service of Bosnia and Herzegovina should have the requisite skills to achieve its strategic objectives: for example English and French proficiency are pre-requisites for effective diplomacy in many European institutions, English

⁸⁷ Daley, M.D., Patton, R.K. *Public Personal Management*, 1988, Spring

⁸⁸ Barlow, J. *Improve the firm:listen to workers.*, Huston Chronicle, 1998, December 8.

and Arabic proficiency are pre-requisites for many Asian and African countries as are Spanish language skills for Latin America and Mandarin for China.

24. In order to avoid different standards of language proficiency, language proficiency testing should be requested and verified by international standards for any foreign diplomatic posting (for example, TOEFL for English).

25. To achieve its departmental vision and mission, the Ministry must fill its managerial gaps particularly at senior levels. As a short term measure, the Ministry could consider three-year secondments of young professional corporate executives and academics.

26. An increasing number of young Bosnian business people who immigrated during the war have extensive international business experience that can be usefully applied to Bosnia's diplomatic missions and with Head Office.

27. A number of senior retiring academics also possess appropriate experience, contacts and education that can be brought to bear for the benefit of the country.

28. Closer international co-operation between the Ministry of Foreign Affairs and the Chamber of Economy is desirable. Many Bosnian businesses have rapidly internationalised their operations and could usefully share their operational experiences with ministry officials and trainees. Conversely, there is a growing sense amongst governmental circles that Bosnian business may not be taking seriously the government's foreign policy objectives, nor making a contribution to these objectives.

29. Closer and structured dialogue between Bosnian business and the Ministry of Foreign Affairs could clarify positions and deliver considerable synergies.

30. Additional rules and procedures should be proposed for employment in the Foreign Service by the new leadership of the Ministry, taking into consideration specific needs in the Ministry.

31. All post conflict-governments face tight budget restraints and the costs of maintaining an effective administration usually takes up the largest part of the national budget. One solution to the tight budget problem is downsizing of institutions to improve cost effectiveness of public administration. Bosnia and Herzegovina cannot achieve its foreign policy objectives by weakening the personnel cohort of the Ministry, no matter how laudable the intention.

32. In the case of Ministry of Foreign Affairs, closure of Embassies will not achieve a long term cost effect, rather, it may provoke negative results in overall strategy based on foreign policy.

33. What is needed is thorough assessment of eligibility of employees in the diplomatic service to perform up to minimal standard and consequently withdrawal of all those who do not have professional quality to perform. By withdrawing all those who are not capable of working in the diplomatic consular net, the Ministry is not going to be weakened. Quite contrary, the efficiency will be at a much higher level and some of the budgetary problems might be solved.⁸⁹

34. Serious re-evaluation of grading positions is needed based on new rules and regulations which will set testing of eligibility for internal postings.

35. When we discuss local staff employed by the embassies of Bosnia and Herzegovina, they are not entitled to any allowance and their pay is much lower than the pay of those working for the neighbouring countries of Bosnia and Herzegovina. As a consequence, the turnover is frequent and institutional memory is weak. This problem needs urgent revision of rules and procedures.

36. Post conflict states suffer from widespread inefficiency and lack of transparency. The Ministry should start with a well designed web page on which all information is publicly accessible with clear organisational charts with all contact points accessible.

⁸⁹ Whetten, D.A. 1987. *Organisational growth and decline process* In **Readings on Organisational Decline**, Cameron, K.S. Sutton, R.I., and whetten, D.A. (eds) 1988.p.27-44. Cambridge, MA:Ballinger

IX Conclusion

Over the past years we have seen political and economic reforms continue in Bosnia and Herzegovina – but progress is slower than we would like and many problems highlighted last year still need to be tackled.

Reforms such as that of public administration have the potential, if properly implemented and regularly scrutinised, to move Bosnia and Herzegovina towards self-sustainability. Although much has been done, even more remains to be done. The transformation of the public administration into a modern and accountable public service remains a priority.

There are areas where there has been insufficient action – because it is only by achieving European standards that Bosnia and Herzegovina can move towards eventual membership of the EU.

The government at State level remains under-developed without a sufficient level of accountability and effectiveness. Accountability is of vital importance for satisfying the basic democratic principle of 'populus control'. This means that government, ministers and public servants are obliged to 'be held to account', directly or indirectly, by the citizens, media, think-tanks, as well as the auditors for their work and conduct. For the government and consequently for the Ministries to be effective, they must be accountable. Policies and decisions made are better when they are transparent and subject to scrutiny through the Parliamentary Committee, interest groups, media, etc.

The question the research study is asking is whether Bosnia and Herzegovina's Ministry of Foreign Affairs has the institutional capacity to achieve its foreign policy objectives?

The first problem encountered in measuring institutional capacity against foreign policy objectives is that this requires the latter to be clearly set out. In the case of Bosnia and Herzegovina foreign policy, certain foreign policy objectives are implicit in the workings of the Ministry of Foreign Affairs, but a clear strategy document is still lacking.

The primary formal relationship for organising are responsibility, authority and accountability. They enable us to bring together functions, people and other

resources for the purpose of achieving objectives. The framework for organising these formal relationships is known as the organisational structure. It provides the means for clarifying and communicating the lines of responsibility, authority, and accountability. The most appropriate organisational structure depends not only on the Ministry's objectives but also on the situation, which include environment (focus on Euro-Atlantic integration), the technology employed, the rate and pace of change, the managerial style, the size of the organisation and other dynamic forces. All those factors have not been taken into consideration in the current structure of the Ministry of Foreign Affairs which make current organisational structure of the Ministry uncontributable towards achieving the foreign policy aims.

Identified priorities should be reflected in the organisational structure of the Ministry, the budget outlay, human resource development and the distribution of missions

Inadequate human resources are one of the main causes of inefficiency in the work of the Ministry of Foreign Affairs. Hiring and firing of employees are poorly managed by the Ministry. There is no legal basis for ethnic distribution of diplomatic posts as has been the practice within the Ministry. It is against the law and it is only a matter of time where a Constitutional Court ruling might be requested because of some serious breaching of the Law on human rights. At the same time the Ministry is effected by current procedure for employment of public servants. Many young and well educated candidates cannot fulfill requirements such as one of having work experience in the public service and are not being considered for posts in the Ministry of Foreign Affairs despite excellent knowledge and language ability and at the same time, those who may formally fulfill set requirements are being selected despite their inability to satisfy the needs of the Ministry.⁹⁰

In human resource planing, specialists assess the personnel needs of the company and create the necessary career paths. Career paths are created to facilitate the accomplishment of organisational goals and if a career path ceases to serve the organisations needs, it will be eliminated. On other hand, career paths are conditioned by new skills acquired and greater knowledge which is hardly the case in the Ministry of Foreign Affairs. There are numerous cases of people who, despite excellent knowledge and professional capacity, did not progress and many others who finished on fast track without elementary capacity to be employed in the Ministry if it was not up to formally satisfying conditions.

⁹⁰ Interview with Zlatko Dizdarevic, ambassador at large in the Ministry of Foreign Affairs

When we compare financial resources of the Ministry of Foreign Affairs of Bosnia and Herzegovina with Ministry of Foreign Affairs of Slovenia or Slovakia then it turns out that the Ministry of Slovenia has more than three times the financial resources available for the Ministry of Foreign Affairs of Bosnia and Herzegovina or five times that much in the case of the Slovakian Ministry of Foreign Affairs. Considering that our diplomatic consular missions are of similar size and number it is clear that available financial resources for the Ministry of Foreign Affairs and its diplomatic network are insufficient for efficient work. For the last five years the overall Ministry budget did not witness any enlargement and if we take into consideration increases in expenditure, it is clear that diplomatic consular missions are struggling to perform their duties.

If the objective of the Ministry of Foreign Affairs is to contribute decisively to strengthen the presence of Bosnia and Herzegovina on the international scene and to enable Bosnia and Herzegovina to pursue its policy of international co-operation and inclusion in the Euro-Atlantic structure, then the Ministry needs to engage in serious reform process. However, when it comes to the Government and the Ministry of Foreign Affairs, in particular, the pace of structural reforms has slowed considerably mainly due to the political disputes that have influenced the functioning of the institutions. These structural reforms need to be reinvigorated to preserve the accomplishment of recent years and lay the basis for a modern and functional Ministry of Foreign Affairs.

Disagreement about the constitutional reform reflect the lack of overall consensus on the future organisational arrangements of Bosnia and Herzegovina. This weakens the joint institutions and policies which are indispensable for progress with political and economic reforms and for developing Bosnia and Herzegovina 's relationship with the EU.

APPENDIX

GENERAL DIRECTIONS AND PRIORITIES FOR IMPLEMENTATION OF FOREIGN POLICY OF BOSNIA AND HERZEGOVINA

Proceeding from the fact that the whole world has been touched by the process of globalization which is structurally changing international relations and calling to settling the urgent problems at global and regional levels, for the purpose of all-inclusive protection of human rights, poverty reduction, promotion of global partnership for development, strong commitment to integration and transition processes in the region of Southeast Europe in political, economic and security sense, well aware of the need of accelerating the European integration process of Bosnia and Herzegovina, the Presidency of Bosnia and Herzegovina hereby defines the principles, directions and priorities of Bosnia and Herzegovina foreign policy in the forthcoming period.

I Principles of Bosnia and Herzegovina foreign policy

Pursuant to the provisions of the Constitution of Bosnia and Herzegovina, BiH Presidency has been authorized to conduct Bosnia and Herzegovina foreign policy.

Promotion, representation of interests and, on behalf of Bosnia and Herzegovina, acting within international relations have been based on the provisions of the Constitution of BiH, legislation, decisions and viewpoints of BiH Presidency, BiH Parliament, Council of Ministers and the Ministry of Foreign Affairs of Bosnia and Herzegovina.

On the grounds of the principles contained in the UN Charter, Helsinki Final Act and other documents of the Organization for Security and Co-operation in Europe, as well as on the generally accepted principles of international law, Bosnia and Herzegovina, a sovereign and internationally recognized country, will act within international, in other words, within bilateral, regional and global frameworks, and will govern the agreed relations as well as the relations of different nature with all the countries and international organizations.

In its relations with international partners, foreign policy of Bosnia and Herzegovina has been based on the principles of openness and equal rights, on mutual respect for sovereignty and territorial integrity, as well as on the principle of peaceful co-operation, with respect of mutual interests. At the same time, while conducting the foreign policy activities, Bosnia and Herzegovina will act in accordance with the obligations arising from the concluded and accepted agreements and other international instruments and membership in international organizations and associations.

Bosnia and Herzegovina underlines its commitment to peaceful settling interstate misunderstandings, with respect paid to the principles, which represent an integral part of international law. In addition, while seeking solutions for all open issues Bosnia and Herzegovina supports constructive dialogue.

Pursuant to UN resolutions, Bosnia and Herzegovina has decided to continue fighting against terrorism and organized crime within the framework of UN Counter-Terrorism Committee and through strengthening global cooperation in this field.

Bosnia and Herzegovina, one of the five legitimate successor countries, will actively participate in the succession of former SFRY respecting the rights and obligations arising from such a status.

II Priorities of Bosnia and Herzegovina foreign policy

Bosnia and Herzegovina foreign policy has been aimed at promoting and preserving the lasting peace, security and stable democratic and the entire development in the country, in other words, at the accession into contemporary European, political, economic and security integration flows. For the purpose of promoting its strategic interests, Bosnia and Herzegovina will conduct transparent foreign policy, in line with the following priorities:

- Preservation and protection of independence, sovereignty and territorial integrity of Bosnia and Herzegovina within its internationally recognized borders;
- Full and consistent implementation of the General Peace Agreement (GPA);
- BIH inclusion into European integration processes;
- Participation of Bosnia and Herzegovina in multilateral activities, in particular, as part of the system of the United Nations (UN), the Council of Europe, the

Organization for Security and Co-operation in Europe (OSCE), the Organization of Islamic Conference (OIC), etc. and

- Promotion of Bosnia and Herzegovina as a partner in international economic relations, and promotion of the activities aiming at the admission of Bosnia and Herzegovina into the World Trade Organization (WTO);

III Basic directions and activities of BiH foreign policy

(a) Bilateral character

- Promotion of cooperation with neighboring countries - Republic Croatia (RC) and Serbia and Montenegro, on the basis of common interest and principles of equality, mutual respect and respect for sovereignty and territorial integrity, represent the permanent priority of Bosnia and Herzegovina foreign policy;
- Bosnia and Herzegovina will develop bilateral relations, in particular with the member countries of the Peace Implementation Council Steering Board, with the USA, Russian Federation, Great Britain, France, China other member countries of the UN Security Council, member countries of the European Union, countries in the region, member countries of the Organization of Islamic Conference and with other countries which significantly contribute to reconstruction and development of BiH;
- In accordance with interests and its real possibilities, BiH will support establishment of diplomatic relations with the countries with which this has not been achieved yet, and it will intensify bilateral activities towards the countries in the region with which such relations have not been established yet;
- It is necessary to further promote regulation of bilateral relations through interstate agreements of mutual interest, especially in the field of economy and foreign investments.
- Promotion of interests and development possibilities of BiH economy, on the basis of the established development strategy, is an important goal of Bosnia and Herzegovina diplomacy.
- At the bilateral level, Bosnia and Herzegovina will develop cooperation in the field of science and technology, culture, education and sports, as significant presumptions for BiH inclusion into contemporary world flows.

(b) Multilateral character

- Geo-strategic position of Bosnia and Herzegovina restricts the priorities of its foreign policy activities, especially those of multilateral character. Strong and systematic step forward towards European and Trans-Atlantic integration, aiming at the improvement and institutionalization of mutual cooperation represents the strategic priority of Bosnia and Herzegovina;
- Further approaching and institutionalization of the relations with the European Union, in accordance with the Stabilization and Accession Process, are very important for Bosnia and Herzegovina. Coming to an agreement on stabilization and accession to EU, then its full implementation should significantly contribute to BiH inclusion into European integration flows;
- UN programs intended to Bosnia and Herzegovina will be induced through BiH activities within the United Nations system and its specialized agencies;
- It is necessary to intensify the activities leading to the admission of BiH to the World Trade Organization (WTO), that would open the door for inclusion into global trade flows;
- Co-operation with the OSCE in realisation of fundamental program principles of that organization will be further continued. Necessity of realizing obligations under the Agreement on Regional Co-operation (Art. II and V of Annex 1-B of the Framework Peace Agreement - FPA) would be especially emphasized, as well as further active participation of BiH representatives in negotiations on regional control of armament (Art. V of Annex 1-B FPA);
- Activities relating to the Euro-Atlantic security structures, with the utmost aim of institutionalizing the relations with North- Atlantic Treaty Organization (NATO) would be, first of all, directed to BiH inclusion into the program of Partnership for Peace;
- With the aim of further development of good relations, achieving of lasting stability, security and economic development, special attention would be paid to the activities concerning the regional and sub-regional co-operation. Having in mind the vital interests of BiH, we would in particular insist on concrete programs of cooperation within the Central-European Initiative (CEI), Southeast Europe Co-operation Process (SEECP) – especially during the period of BiH chair-in-office (2003/2004), in the framework of the initiative and arrangement of the Stability Pact

for Southeast Europe, the Southeast Europe Cooperation Initiative (SECI), in Adriatic-Ionic Initiative, Danube Cooperation Process (DCP), and in other regional and sub-regional groupings;

- We would further co-operate with the countries, members of the Organization of Islamic Countries (OIC), with the particular emphasis on economic relations;
- Relations and co-operation with the Movement of Non-aligned Countries would be continued aiming at acquiring the status of an observer for Bosnia and Herzegovina;
- In accordance with the interests and needs of Bosnia and Herzegovina, we would co-operate with the Organization of American States (OAS), Organization of African Unity (OAU), Latin American Integration Association (ALADI), Association of Southeast Asian Nations (ASEAN), and others;
- On the basis of expressed interests, Bosnia and Herzegovina will participate in implementation of existing agreements and conclusion of new interstate ones aiming at creation of favorable environment for economic cooperation. Participation will also be ensured in the work of multinational forums dealing with economic development and improvement of economic exchange with foreign countries;

(c) Protection of interests of BiH citizens in foreign countries

- Special segment of BiH foreign policy activities, particularly of the bilateral ones, would be protection of interests and assistance to many BiH citizens in foreign countries in exercising their rights, and assistance to economic subjects operating at the markets of other countries. For such a purpose, conclusion of bilateral agreements would be continued in the field of consular, labor-legal and property protection of BiH citizens in foreign countries. Furthermore, we would participate in preparation and acceptance of conventions and other international documents.
- Necessary activities would be initialized in relation to liberalization of visa regime for BiH citizens.

Sarajevo, March 26, 2003

Chairman of
BiH Presidency:
Borislav Paravac

**QUESTIONNAIRE – EVALUATION OF STRUCTURE, STANDARDS
AND EFFICIENCY OF THE MINISTRY OF FOREIGN AFFAIRS OF
BOSNIA AND HERZEGOVINA**

Basic data about yourself:

HOST COUNTRY: _____

Questionnaire filled by
(your professional level)

QUESTIONNAIRE:

1. What is the number of BiH citizens in your host country?

--

2. What is the level of economical exchange between Bosnia and Herzegovina and your host country?

a) in 2004	BAM
b) in 2005	BAM
c) in 2006	BAM

3. How many requests for issuing new passports receive your consular department during one year?

--

4. How many requests for issuing visas were received by your Consular department?

--

5. How many people are employed in your diplomatic-consular mission?

Embassy	
Consulate	

6. Please, state your professional position, your qualification, years of work experience at the same or similar job and knowledge of foreign language?

	Professional position	Qualification	Years of experience	Knowledge of language		
				excellent	good	Safistfa.
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

***Excellent:** fluent use of language oral and written, able to prepare reports, working materials and to actively participate at meetings and discussions

Good: able to follow discussions and be able to following meetings, simple communication on the phone, able to read and understand text related to work, able to write simple letters

Satisfactory: partial understanding of the language with ability to read very simple text

7. Please state if the monthly budgetary allowance for your Diplomatic Consular Mission is sufficient for performing your duty?

1. Yes
2. No

8. What are the monthly rental expenses in your Diplomatic Consular Mission?

Embassy/Consulate	KM
Residence	KM

We are grateful for your co-operation and understanding.

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