



Bosnia and Herzegovina Analytical Report

June 2020

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Escalation of Political Quarrels Threatens Bosnia's Local Elections

1.0 Summary

The first month of the Coronavirus pandemic forced the local public, media, politicians and officials in Bosnia and Herzegovina (BiH) to focus almost exclusively on health and security issues related to COVID-19. This halted the country's usual political quarrels and silenced politicians who were already gearing up for the local elections, which were supposed to take place in October.

Unexpectedly, the onslaught of the coronavirus pandemic demonstrated that the BiH state apparatus could function relatively well when the political will (not to obstruct it) existed. Yet, as the pandemic has subsided, a return to 'business as usual' seems to have taken place. Recent weeks have brought a new escalation of political battles, which resulted in the almost complete collapse of ruling coalitions, both on the state level and in the Federation entity. This situation was preventing withdrawal of the €330 million of urgent assistance provided by the IMF and is still blocking the timely holding of upcoming local elections.

Political tensions increased even further after the State Investigation and Protection Agency (SIPA), acting on orders of the state prosecution, on May 29 questioned and then detained a group of people – including Federation (FBiH) entity Premier Fadil Novalic – in relation to several recent procurement scandals. Novalic's ruling Bosniak Party of Democratic Action (SDA) reacted strongly, accusing the ruling Croatian Democratic Union (HDZ) of trying to use the state prosecution to take control over the Federation government.

In a situation where BiH, like the rest of the world, is bracing for the expected severe economic and social consequences of the pandemic, continuation of this political all-out war – rather than a coordinated focus on mitigating the effects of COVID-19 - could lead to social (or even ethnic) violence in the near future, of the kind seen in early 2014.

2.0 Key Political Developments

2.1 Political War Over Central Election Commission (CEC)

BiH's Central Election Commission (CEC) announced on May 23 that local elections would be postponed from early October to November 15 as it still has not received the funds required to organize the elections, given that the BiH Council of Ministers and Parliament have still not adopted the 2020 budget.

The ruling party in the Serb-dominated entity of Republika Srpska (RS), the Alliance of Independent Social Democrats (SNSD) and its leader, the Bosnian Serb member of the BiH Presidency Milorad Dodik, have already appealed against this decision before the Constitutional Court of BiH, claiming that the election law allows CEC to postpone the elections for only one month.

BiH government sources say that the SNSD has a valid point; yet they also add that the law does not envisage a situation in which the elections cannot be held - and need to be postponed - because of the lack of allocated funds.

Meanwhile, diplomatic sources argue that the SNSD's appeal was not logical since the Court of BiH, rather than the state Constitutional Court, would be the correct address for this kind of legal challenge. These sources have speculated that Dodik has deliberately appealed to the wrong judicial address. According to this line of thinking, Dodik would use any eventual rejection of this appeal by the Constitutional Court - on the grounds that this issue was not under its direct jurisdiction- for yet another attack on the Constitutional Court.

Whatever comes out of the SNSD's appeal, local elections will likely be postponed again, perhaps even indefinitely, as long as the CEC gets the needed funds from the budget to organize the elections. The leaders of the SNSD and the ruling Bosnian Croat HDZ – Milorad Dodik and Dragan Covic – have already announced that these two parties will continue blocking the adoption of the state budget, which in turn prevents the organization of the local elections. According to their statements following a meeting in East Sarajevo on May 20, Dodik

and Covic are blocking the state budget's adoption in protest over the recent appointments of new members of the CEC. Specifically, the SNSD and HDZ leaders declared that the state budget will not get adopted until the recent appointments to the CEC are annulled and new candidates elected in line with the regulations.

Dodik and Covic complain against these appointments not only because they represented a violation of the coalition agreement with the SDA, but also because – as they claimed – the choice of the new members violates the relevant CEC law and regulations. Namely, all three newly appointed members of the CEC had no prior experience with the election process, and all of them are active members of their political parties; either of these two elements are eliminatory for membership in CEC.

The problem that Dodik and Covic were referring to arose following the decision of the state Parliament, which on March 12 appointed Vanja Bjelica-Prutina and Jovan Kalaba as the two new Bosnian Serb members of the CEC.[1] Bjelica-Prutina comes from the RS opposition SDS party, while Kalaba is a senior member of another RS opposition party, the PDP. The two were elected with votes of these two opposition parties as well as the main Bosniak SDA. The SDA voted for these candidates against the wishes of the SDA's official coalition partners, the SNSD and HDZ. SNSD and HDZ officials reacted strongly to this move, stressing that it not only created a new political crisis, but that it also “put in question the very future of BiH”.

According to local sources from these parties, the appointment of these CEC members came in the middle of a period when SDA and SNSD leaders held several joint meetings aimed at calming down otherwise traditionally tense relations between them. Sources said the SDA tried to row back and indicated to the SNSD that they would not object to the disputed new members of the CEC being removed through a judicial process, presuming that the BiH Court would annul these appointments on the grounds of the above-mentioned violations of the CEC regulations.

Local sources say that several SNSD and/or HDZ officials have already appealed against these appointments before the Court of BiH.

Despite this, the SDA repeated the same manoeuvre on May 20, when its MPs in the state parliament voted for Zeljko Bakalar to become the new Bosnian Croat member of the CEC,

again against the votes and in the face of criticism from the SNSD and HDZ. This appointment added insult to injury for both of these parties - but especially for the HDZ - since Bakalar came from the office of the Croat member of the presidency, Zeljko Komsic, whose legitimacy has been disputed by the HDZ, as he was elected to his position thanks to Bosniak votes.

Later that day, Covic and Dodik met in East Sarajevo and announced that the ruling coalition on the state level, as well as in the Federation entity, does not exist anymore, adding that they will not allow adoption of the state budget until the latest CEC appointments are annulled.

Sources say that the SNSD and HDZ are now convinced that the SDA is trying, and maybe succeeding, in putting the CEC under its control. The SNSD is additionally frustrated with the SDA because it has been blocking or delaying other key appointments, which were - in line with previous agreements - supposed to go to the SNSD, such as the head of the State Investigation and Protection Agency (SIPA) and Regulatory agency for communications (RAK).

In this tense situation, the arrest of FBiH Premier Novalic on May 28 was seen by the SDA as retaliation from the SNSD and HDZ, which according to SDA officials control the Chief State Prosecutor Gordana Tadic. SDA officials also publicly accused the HDZ of arranging Novalic's arrest to take over control of the Federation government in which, while Novalic is detained, the majority is controlled by the HDZ and SBB, which also have two deputy premiers, Jelka Milicevic and Vesko Drljaca.

After all these recent developments, the SDA-SNSD-HDZ coalition effectively does not exist any more on the state level, which puts in question a wide range of key issues, such as adoption of the 2020 state budget, holding of local elections, withdrawal of IMF funds, etc.

Sources say that in addition to traditional mistrust and aversion among leaders of these three parties, their all-out political war is being fuelled by the growing external and/or internal pressures, which all three ruling parties have been facing in recent months.

This chaos on the BiH political scene escalated a bit further on June 2, after BiH Minister of Security Fahrudin Radoncic resigned from his post. A media and construction tycoon, Radoncic is also the leader of the Union for a Better Future (SBB) party with a history of love-hate relations with the SDA. After years of tense media battles with SDA, Radoncic and his SBB joined the

ruling coalition following the 2018 elections. Radoncic said his resignation was prompted by ideological differences with the SDA. This means that SBB has also left the ruling coalition on the state level, but it remains uncertain how the SBB will position itself on lower administrative level. Radoncic's distancing from the SDA – which is facing growing internal and external problems - was also a part of SBB's preparation for the local elections, local officials said.

2.2 Ruling Parties Under Pressure

The SDA and HDZ are facing increasing problems within their own ranks, as in both parties more and more senior members criticize the leadership for what is seen as self-serving politics focused and based on corruption, clientelism and autocracy.

Within the SDA, party leader Bakir Izetbegovic is facing growing opposition and criticism mainly coming from the SDA's so-called Gacko clan (led by the Campara brothers and Denis Zvizdic[2]). This group has been harnessing growing frustration with the prominent role which Izetbegovic's wife Sebija (Seka) Izetbegovic has been playing within the party and the country's politics, sources within the SDA say. While Izetbegovic still does not dare to enter into an open clash with the Campara brothers, SDA sources say that this clash is unavoidable and will probably play out through the preparation for local elections.

The situation is not much better within the HDZ, where Covic is also facing growing pressure and criticism from within his party, as well as from a part of the Catholic church, Bosnian Croat intellectuals and businessmen. In this situation, at the end of April, Covic was forced to expel from the HDZ a group of highly influential party officials from Canton 10 (also known as the Herceg-Bosna or Livno canton),[3] who were in recent months openly and strongly challenging his leadership. Covic has had problems in this canton in particular for a while and over the last few years he has purged a few dozen party members from the canton.

The biggest advantage which Covic has in his internal and external political battles is the unquestionable support of the Croatian 'sister' HDZ party and its government in Zagreb. It has been a while since official Zagreb lost interest and a full understanding of the situation among

Bosnian Croats, and it now takes Covic's views and positions as granted. In fact, for the past few years – as well as in future elections – the two HDZ parties very much depend on each other's support. Despite the fact that many Bosnian Croats now believe that Covic's politics are more hurting rather than helping Croat interests in BiH, and although this kind of politics also damages relations between BiH and Croatia, sources say that official Zagreb will continue supporting Covic in the near future.

Dodik is in a slightly better position within his SNSD party, where he still has no serious opponent or challenger. Nevertheless, Dodik is facing growing criticism within his party because of the SDA's blockades – one of the consequences of this is that Dodik has been unable to secure many of the key positions which are usually part of the 'spoils of power' and a key in securing internal support within any party in BiH.

However Dodik and Izetbegovic – unlike Covic – are also facing serious pressure from outside, from their respective opposition parties.

According to local sources two recent political opinion polls - which have been commissioned by the SNSD in RS and by the People and Justice Party in the Federation entity - indicate a serious downturn in the popularity of the SNSD and SDA.

Reportedly, the private polling commissioned by the SNSD and conducted only in RS suggests that current support for this party is estimated at some 24 percent. Most worryingly for the SNSD, it is being closely trailed by two main opposition parties, the SDS and PDP with some 17 and 14 percent of support respectively. This is the first time in many years that the PDP's popularity has grown so significantly and also the first time in many years that the SDS and PDP together threaten to surpass the SNSD in terms of popular support and – possibly - topple it.

The SDA is facing similar problems, as according to the poll commissioned by People and Justice (which was carried out only in the FBiH entity), its 18 percent rating is being closely followed by the People and Justice party of Elmedin Konakovic with 14 percent and Nasa Stranka with 13 percent. Since these two parties have already announced that they will run jointly in the upcoming local elections, this poll suggests they could - jointly - unseat the SDA,

especially in key cities, such as Sarajevo, Zenica and Tuzla. No further details from these polls are available.

Local sources indicate that the SNSD poll quite accurately reflects current public opinion in RS, while the other poll in the Federation seems to be slightly favouring Konakovic and other opposition parties. Both surveys, however, are believed to be accurate in predicting an unprecedented level of undecided voters and those who say they will not vote at all, which in both cases is close to 30 percent.

Local sources say that the latest escalation of political quarrels is directly linked with the results of these two polls and growing fears among the ruling parties about their future. This situation seems to be especially frustrating Dodik, who – according to sources close to him – would like to have local elections held on time, if possible, in order to avoid further loss of popularity as a result of a major economic and social downturn expected later in the year. Yet because of SDA's political games, he was forced to accept Covic's proposal to block adoption of the state budget, which clashes with his election plans, making him additionally nervous.

Western diplomats say that in recent weeks EU and US diplomats in BiH were secretly negotiating with the three parties to unblock the budget. On June 2 the Council of Ministers announced that a deal had been reached that would enable withdrawal of the IMF's 330 million euros, which was also a part of negotiations led by EU and US officials. Yet it still remains uncertain whether or when the three parties will agree on the state budget.

Some local and international officials have even gone so far as to speculate that the SNSD, HDZ and SDA are deliberately deepening the political crisis, to distract the local public and possibly even postpone or completely block the holding of local elections, which would – they may believe – enable them to remain in power in technical mandates for the foreseeable future.

This is what some local and international officials refer to as the “Mostarisation” of BiH, referring to the fact that political deadlocks have blocked the holding of local elections in the key southern city of Mostar since 2008. In this period, the city has been managed by the HDZ and SDA working through city officials in a technical mandate.

Nevertheless, some local experts warn that continued institutional blockade, combined with the economic and social consequences of the COVID-19 pandemic, could lead to a catastrophic increase in poverty levels in the country, which could easily lead to social or ethnic tensions and even violence.

2.3 Federation PM Arrest

Political tensions in BiH escalated even further after the State Investigation and Protection Agency (SIPA), acting on the orders of the state prosecution, on May 29 questioned and then detained a group of people – including BiH Federation Premier Fadil Novalic on suspicion of corruption in public procurements. This was a part of an investigation into several recent procurement scandals. Novalic's ruling Bosniak SDA party reacted strongly, accusing the ruling Croat HDZ party of trying to use the state prosecution to take over control of the Federation government.

The SDA continued with this line of complaint even after Novalic and the other two officials were released on May 31. In this campaign, the SDA spared no effort and resource, mobilizing war veterans, religious leaders, media and others to put pressure on the judicial system. SDA apparently failed to realize (again) that this reaction was only giving legitimacy to the SNSD, HDZ and all other parties which attack the courts, Central Election Commission or any other institutions when they make decisions that these parties dislike.

Some local sources argued that there were indications that Novalic's detention marked the beginning of a new offensive of Izetbegovic's opponents from within the SDA, aimed at eventually removing the Izetbegovic family from the party helm. Sources said this plan was also directly or indirectly supported by some Western diplomatic circles, who were increasingly concerned by Izetbegovic's leadership course.

These sources said it was not a coincidence that only a few hours before Novalic's detention, US Secretary of State Mike Pompeo announced on his Twitter profile that Amir Zukic, a former

FBiH MP and SDA party secretary-general, was declared unwelcome in the United States, because of his “corrupt actions.”

Pressure on Izetbegovic and the SDA kept growing, which was visible in the fact that on June 3 Sarajevo media reported that the Sarajevo municipal court has continued investigations against Asim Sarajlic, Sabahudin Delalic i Muhamed Sehovic – two former and one current member of the SDA – for trading in influence. The three men were all participants in a major scandal that broke out in February this year, when another senior SDA official - Semir Efendic - published an audio recording that revealed how the SDA’s local party elections for the head of the Sarajevo canton chapter were fixed against him. Sources said this latest news was also not a coincidence but part of an orchestrated move against Izetbegovic.

Despite Novalic’s release, it is expected that this crisis will only continue escalating since the prosecution seems determined to press charges against Novalic and prosecute him for money laundering and misuse of official position.

3.0 Socio-Economic Developments

3.1 Overview

The first economic impacts of the country's lockdown during the Coronavirus pandemic are becoming visible, reflected in the latest data from the BiH Agency for statistics,[4] which shows a significant drop in economic activity in the country in April. According to this data, BiH exports have dropped by 18 percent compared to March this year, and 32.8 percent compared to April 2019. This reduction of exports is a logical and expected consequence of the lockdown in some of the main foreign trade partners like Germany, Italy and Croatia. At the same time imports have seen an even greater reduction, losing 23.5 percent compared to the previous month and 35.3 percent compared with the same month last year.

In this period, BiH also witnessed a significant fall in industrial production. This trend was most pronounced in the Federation entity which, according to the latest data from the Institute for Statistics of FBiH[5] from April noted its industrial production falling by 19.1 per cent compared to the same month last year. Meanwhile, the Institute of Statistics of the Republic of Srpska[6] shows this entity's industrial production in April dropping by 8.8 per cent compared to April 2019.

The significant drop in BiH exports in April has not yet affected the country's foreign reserves which recorded 5.8 per cent growth compared to the previous month, or a full 11.8 per cent compared to April 2019, BiH Central bank[7] data shows. This indicates that the stability of the local currency remains unchanged.[8]

The situation was somewhat different with commercial banks. According to the latest Central bank data from March, total assets of the commercial banking sector in BiH were 4.9 percent higher than in the same month last year, but 1.3 percent lower compared to February this year. This suggests that a further decrease of total assets in commercial banks can be expected in April and May.

The latest statistical data on employment and unemployment remains ambiguous, mainly because of slowness, inconsistency and lack of coordination between the state and two entities' statistical agencies.

However, anecdotal evidence indicates that the economic slowdown has already inflicted serious damage on employment, especially in the Federation entity, where, according to the information from the Taxation agency, at least 23,000 people had lost jobs by late April. Data provided by RS trade unions suggests that by the end of May, some 4,500 people have lost jobs in Republika Srpska.

3.2 COVID-19 and State Support for the Economy

Over the last month both entities in BiH adopted their own sets of measures to help their economies handle the consequences of the pandemic, but the efficiency of those measures remains questionable. Another problem stems from BiH's complex administrative structure and the fact that the two entities – as well as cantons in the case of the Federation – which have the main responsibility for economic and social policies, have not been coordinating and/or synchronizing their efforts. As a result, economic and social measures applied in BiH varied from one entity to the other, and in the case of the Federation also from one canton to another. Independent experts agree that this is a recipe for disaster since even much more advanced and centralized economies, such as the USA or Eurozone, are bracing for the full impact of the pandemic, which according to some estimates could amount to contractions of up to 20 percent of GDP.

In FBiH, although the entity government debated their “urgent” response to the pandemic since March, the whole process was delayed due to political and other differences. The law on mitigation of negative economic consequences finally became effective on May 8, on the basis of which the Development Bank of FBiH announced the establishment of a Guarantee fund for the stabilization of the economy, with initial reserves of up to BAM 80 million (~EUR 40 million).[9] This law entitles businesses in FBiH to receive budget subsidies (minimal salary

contributions covered by the government) in the amount of BAM 245 (~EUR 120) per month, per employee in the real (industrial) sector.[10]

This means that workers with minimum salaries will have all of their contributions for pension and health insurance as well as taxes covered by the government, while in the case of workers with salaries above the minimal salary the employer will pay the difference between the total amount of contributions and the BAM 245, paid by government.

FBiH also abolished the obligation to make advanced payments on corporate income tax for businesses and the self-employed while lease amounts are decreased by 50% for business premises managed by the FBiH Office of Joint Affairs. [11]

Yet despite the urgency of the situation, these subsidies were still not paid by the end of May, leading to protests from owners of small businesses, who warned that “further firings of workers are inevitable because of a drastic fall in turnover after reopening of businesses”. [12]

In the Republika Srpska, in addition to the full salary contributions (for March) and minimal salary contributions (for April), the contributions will also be covered by the government for those subjects who are the most affected by the crisis (merchants, caterers, small entrepreneurs).[13]

RS also postponed corporate income tax liabilities until June 30. All borrowers from the Investment and Development Bank of RS are granted a three-month repayment moratorium. The Investment and Development Bank of RS also dedicated a credit line to local businesses (craftsmen, entrepreneurs and SMEs). [14]

Furthermore, the European Bank for Reconstruction and Development (EBRD) and the Guarantee Fund of the RS have announced a joint BAM 50 million (~EUR 25 million) credit line that will be provided as a guarantee for loans (ranging from BAM 5 000 or around EUR 2500 to BAM 500 000 or around EUR 250 000), which business entities will be able to obtain through commercial banks.[15] Republika Srpska’s Ministry of Agriculture has also allocated BAM 2.2 million (~EUR 1.1 million) in loans to encourage agricultural output for small producers.

The RS Government also announced that every police officer who had worked for at least three weeks in the period from 15 March to April 15 would receive a cash grant of BAM 1,000 (EUR 500). [16]

In both entities, price controls were put in place that regulate profit margin limits for specific goods and products (essential groceries and basic hygiene supplies) and penalties for retailers who break these rules.[17]

3.3 Latest statistical data

Foreign trade

	BiH Export (mil. EUR)			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV-2019
	528	433	355	-18,0	-32,8
Source: Agency for statistics of Bosnia-Herzegovina					

	BiH Import (mil. EUR)			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV-2019
	893	756	578	-23,5	-35,3
Source: Agency for statistics of Bosnia-Herzegovina					

Foreign Exchange Reserves

	Foreign exchange reserves (EUR billion)			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV-2019
	6,01	6,35	6,72	5,8	11,8
Source: Central Bank of BiH					

Banking sector

	Total assets commercial banking sector in BiH (EUR billion)			Change (pct)	
Month	III-2019	II-2020	III-2020	III-2020/II-2020	III-2020 / III -2019
	15,89	16,9	16,68	-1,3	4,9
Source: Central Bank of BiH					

Inflation (CPI)

Inflation (CPI) in BiH in pct		
Month	III-2020/ II-2020	III-2020 / III -2019
	0,1	-0,1
Source: Agency for statistics of Bosnia-Herzegovina		

Industrial production

Industrial production			
FBiH (pct)		RS (pct)	
IV-2020/ III-2020	IV-2020 / IV-2019	IV-2020/ III-2020	IV-2020 / IV-2019
-6,6	-19,1	-5,3	-8,8
Source: Institute for Statistics of FBiH Source: Institute of Statistics - Republic of Srpska			

Employment and Unemployment

Month	Number of employed in B&H			Change (pct)	
	II-2019	I-2020	II-2020	II-2020/ I-2020	II-2020 / II-2019
	819.410	833.909	832.200	-0,2	1,6
Source: Labour and Employment Agency of Bosnia – Herzegovina					

Month	Number of unemployed persons in BiH			Change (pct)	
	III-2019	II-2020	III-2020	III-2020/ II-2020	III-2020 / III-2019
	423.419	402.888	398.504	-1,1	-5,9
Source: Labour and Employment Agency of Bosnia – Herzegovina					

Wages

Month	Average net wages in BiH (EUR)			Change (pct)	
	III-2019	II-2020	III-2020	III-2020/ II-2020	III-2020 / III-2019
	463	480	485	1,0	4,7

Source: Agency for statistics of Bosnia-Herzegovina

Month	Average net wages in FBiH (EUR)			Change (pct)	
	III-2019	II-2020	III-2020	III-2020/ II-2020	III-2020 / III-2019
	467	476	483	1,4	3,4

Source: Institute for Statistics of FBiH

Month	Average net wages in RS (EUR)			Change (pct)	
	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV-2019
	457	488	482	-1,0	5,6

Source: Institute of Statistics - Republic of Srpska

Pensions

	FBiH number of pensioners			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV -2019
	416.672	422.880	423.650	0,2	1,7
Source: Federal pension and disability insurance institute					

	FBiH average pension (EUR)			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV -2019
	214	214	214	0	0
Source: Federal pension and disability insurance institute					

	RS number of pensioners			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV -2019
	263.235	267.435	267.413	0	1,6
Source: Fund for pension and disability insurance RS					

	RS average pension (EUR)			Change (pct)	
Month	IV-2019	III-2020	IV-2020	IV-2020/ III-2020	IV-2020 / IV -2019
	191	201	201	0	5,1
Source: Fund for pension and disability insurance RS					

Footnotes

[1] CEC is made up of seven members, two from each of the three main ethnic groups (Bosniaks, Croats and Serbs) and one from 'others'.

[2] Denis Zvizdic was Chair of the Council of Ministers in the previous mandate and is now deputy speaker in the BiH House of Representatives. He is also vice president of the SDA, where he is considered to be one of the strongest challengers to party leader Izetbegovic. He is closely related to Aljosa Campara, who serves as FBiH Interior Minister, and Dubravko Campara, who is a prosecutor in the BiH Prosecution. This group contains several other influential figures in all walks of life in BiH. As of late it was Aljosa Campara who apparently took the centre stage in this group, which was reflected in his blunt public criticism of Izetbegovic. Aljosa Campara also has very close links with the US embassy in BiH.

[3] This group included a member of HDZ presidency and mayor of Tomislavgrad Ivan Vukadin, President of the Croat caucus in the Canton 10 Assembly Robert Bagaric, HDZ MP in the same assembly, Ante Tadic, as well as Ivica Bresic, the current minister of agriculture in the same canton.

[4] <http://bhas.gov.ba>

[5] <http://fzs.ba>

[6] <https://www.rzs.rs.ba>

[7] <https://www.cbbh.ba>

[8] Bosnian Central bank operates in line with the principles of currency board, where exchange rate of local currency, "Konvertibilnamarka" (BAM) is fixed to euro. This principle requires that the amount of local currency in circulation is covered 100 percent with euro in Central bank reserves.

[9] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[10] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[11] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[12]

<https://www.klix.ba/biznis/privreda/odrzani-protesti-vlasnika-poslovnih-subjekata-u-sarajevu-i-drugim-gradovima-bih/200521079>

[13] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[14] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[15] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[16] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>

[17] <https://www.oecd.org/south-east-europe/COVID-19-Crisis-in-Bosnia-and-Herzegovina.pdf>