

**PAR Monitor report
Bosnia and Herzegovina**

**PUBLIC FINANCIAL
MANAGEMENT**

2024/2025



CONTENTS

AUTHORS	2
ABOUT WEBER 3.0	3
ACKNOWLEDGEMENTS	4
EXECUTIVE SUMMARY	5
LIST OF ABBREVIATIONS AND ACRONYMS	6
I. WEBER PAR MONITOR: WHAT WE MONITOR AND HOW?	7
I.1 WEBER'S APPROACH TO MONITORING PAR	7
I.2 WHY AND HOW WEBER MONITORS THE "PUBLIC FINANCIAL MANAGEMENT AREA"	9
II. TRANSPARENCY AND OPENNESS OF PUBLIC FINANCIAL MANAGEMENT	15
II.1 INCLUSIVENESS AND TRANSPARENCY OF THE BUDGET FORMULATION PROCESS	16
How does Bosnia and Herzegovina do in regional terms?	19
II.2 AVAILABILITY AND COMPREHENSIVENESS OF BUDGETARY DOCUMENTATION	20
How does Bosnia and Herzegovina do in regional terms	25
II.3 TRANSPARENCY AND COMPETITIVENESS OF THE PUBLIC PROCUREMENT SYSTEM	26
How does Bosnia and Herzegovina do in regional terms?	32
II.4 OPENNESS AND TRANSPARENCY OF STATE AUDIT INSTITUTION'S WORK	33
How does Bosnia and Herzegovina do in regional terms?	37
Overall scores comparison in the Public Financial Management area	37
II.5 RECOMMENDATIONS FOR THE PUBLIC FINANCIAL MANAGEMENT AREA	38
II.5.1 Tracking recommendations from PAR Monitor 2021/2022	38
II.5.2 Recommendations from the 2024/2025 Monitor report	40
METHODOLOGY APPENDIX	42
LIST OF REFERENCED SOURCES IN THIS REPORT	49

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ABOUT WEBER 3.0

Building upon the achievements of its predecessors, the WeBER (2015 – 2018) and WeBER 2.0 (2019 – 2023) projects, the **Western Balkan Enablers for Reforming Public Administrations – WeBER 3.0** project is the third consecutive EU-funded grant of the largest civil society-led initiative for monitoring public administration reform (PAR) in the Western Balkans. Its implementation period is February 2023 – July 2026. Guided by the SIGMA/OECD Principles, the first two phases of the initiative laid the foundation for WeBER 3.0's ambition **to further empower civil society organisations (CSOs) to contribute to more transparent, open, accountable, citizen-centric and thus more EU-compliant administrations in the WB region.**

WeBER 3.0 continues to promote the crucial role of CSOs in PAR, while also advocating for broader citizen engagement in this process and inclusive reform measures which are user-tailored and thus lead to tangible improvements. By grounding actions in robust monitoring data and insights, WeBER 3.0 will empower civil society to more effectively influence the design and implementation of PAR. To foster collaborative policymaking and bridge the gap between aspirations and actionable solutions, the project will facilitate sustainable policy dialogue between governments and CSOs through the WeBER Platform and its National PAR Working Groups. Finally, through small grants for local CSOs, WeBER 3.0 bolsters local-level PAR engagement, amplifying the voices of citizens – the final beneficiaries of the public administrations' work.

WeBER 3.0 products and further information about them are available on the project's website at www.par-monitor.org.

WeBER 3.0 is implemented by the Think for Europe Network (TEN), composed of six EU policy-oriented think tanks in the Western Balkans:



By partnering with the Centre for Public Administration Research (KDZ) from Vienna, WeBER 3.0 has ensured EU-level visibility.



ACKNOWLEDGEMENTS

As in the case of the previous editions of the National PAR Monitor reports, published for 2017/2018, 2019/2020 and 2021/2022, special acknowledgements go to the members of the WeBER Platform and the National Working Group in Bosnia and Herzegovina, as well as other stakeholders in Bosnia and Herzegovina that shared their experiences through interviews, thus immensely contributing to the quality of this report. They are not individually identified in this report to protect their anonymity.

The WeBER 3.0 team would also like to thank its main partners and associates, who have supported the project in research and other activities. Most notably, these are the SIGMA/OECD (Support for Improvement in Governance and Management), the ReSPA (Regional School of Public Administration), and the Public Administration Reform Coordinator's Office of Bosnia and Herzegovina (PARCO), as a project associate.

EXECUTIVE SUMMARY

Bosnia and Herzegovina demonstrates limited overall progress in strengthening Public Financial Management (PFM) transparency, inclusiveness, and accountability at the central level, with persistent weaknesses across key budgetary and procurement processes. The budget formulation process remains widely perceived as neither transparent nor inclusive, as both key non-state actors and citizens report a lack of meaningful participation and limited opportunity to influence budget decisions. While strategic commitments exist to improve the transparency of budget documentation, implementation gaps remain visible in practice, particularly in the absence of medium-term budget projections and the weak policy-oriented presentation of budget priorities. At the same time, budget execution reporting shows comparatively stronger performance, with quarterly, mid-year, and year-end reports regularly published and containing key expenditure classifications, although reporting is not always timely and budgetary data is not available in open formats.

Public procurement remains a major area of concern. Although strategic and legal frameworks formally support transparency and competition, implementation is undermined by limited citizen-friendly reporting, insufficient availability of procurement plans and reports by contracting authorities, and widespread perceptions among key informants that the system is not genuinely transparent or competitive. The public procurement portal provides some functionality, including access to open procurement data, but practical barriers remain in access to full documentation and guidance tools.

In contrast, the Supreme Audit Institution represents a comparatively strong component of the accountability framework, with regularly published and accessible reports and proactive public communication. Key informants consistently view the SAI as transparent and accessible, although audit-related datasets remain unavailable in machine-readable formats. Overall, the findings suggest that while formal strategies and reporting mechanisms exist, Bosnia and Herzegovina continues to face structural and governance challenges that limit effective transparency, citizen participation, and evidence-based monitoring across the PFM cycle.

LIST OF ABBREVIATIONS AND ACRONYMS

AJN	Public Procurement Agency of Bosnia and Herzegovina
APIK	Agency for the Prevention of Corruption and Coordination of the Fight against Corruption
BiH	Bosnia and Herzegovina
CHU	Central Harmonisation Unit
CoM	Council of Ministers of Bosnia and Herzegovina
EU	European Union
FAQ	Frequently Asked Questions
FMC	Financial Management and Control
FOI	Freedom of Information
FUK	Financial Management and Control System (Finansijsko upravljanje i kontrola)
INTOSAI	International Organisation of Supreme Audit Institutions
IR	Internal Audit (Interna revizija)
KI	Key Informant
MoFT	Ministry of Finance and Treasury of Bosnia and Herzegovina
OBS	Open Budget Survey
PFM	Public Financial Management
SAI	Supreme Audit Institution
SME	Small and Medium-sized Enterprises
WeBER 3.0	Western Balkan Enablers for Reforming Public Administrations 3.0

I. WeBER PAR Monitor: What we monitor and how

I.1 WeBER's approach to monitoring PAR

The Public Administration Reform (PAR) Monitor methodology was developed in 2015-2016, as part of the first Western Balkans Enabling Project for Civil Society Monitoring of Public Administration Reform (WeBER) project. Since the onset, WeBER has adopted a markedly evidence-based approach in its endeavour to increase the relevance, participation and capacity of civil society organisations (CSOs) in the Western Balkans to advocate for and influence the design and implementation of PAR. The PAR Monitor methodology is a cornerstone WeBER product, enabling civil society monitoring of PAR based on evidence and analysis.

In line with WeBER's focus on the region's EU accession process, once the SIGMA *Principles of Public Administration* were revised in 2023, the WeBER PAR Monitor methodology was also redesigned in 2024, building on the Principles,¹ and on SIGMA Methodology,² and complementing the monitoring by SIGMA by providing additional observations focused on transparency, inclusiveness, openness or other aspects of state administrations' work depending on PAR area in question. This revision helps maintain the focus of WeBER's recommendations on EU-compliant reforms, thus guiding the governments in the region towards successful EU accession and future membership. The main changes in the revised PAR Monitor methodology are briefly listed below.³

1 OECD (2023), *The Principles of Public Administration*, OECD Publishing, Paris, <https://doi.org/10.1787/7f5ec453-en>.

2 Available at: <https://www.sigmaweb.org/en/publications/documents/2024/assessment-methodology-of-the-principles-of-public-administration.html>.

3 For detailed information on the scope and process of methodology revision please visit <https://www.par-monitor.org/par-monitor-methodology/>.

Table 1: Main changes in the PAR Monitor methodology

STRUCTURE

In order to align with the new SIGMA methodological approach, the following structural changes are introduced:

- Introduction of single indicator per PAR area, divided into sub-indicators, further consisting of several sub-indicator elements (i.e. specific criteria assessed), in order to streamline the approach and emphasise the focus on transparency, inclusiveness and openness in each PAR area.
- Introduction of types of sub-indicator elements, ensuring that all following aspects of reform are covered:
 - 1) Strategy and Policy,
 - 2) Legislation,
 - 3) Institutional Setup,
 - 4) Practice in Implementation, and
 - 5) Outcomes and Impact.
- Introduction of a 100-point scale, for a more nuanced assessment of progress in each PAR area.

DATA SOURCES

- Introduction of interviews with “key informants”, i.e. key non-state actors engaged and familiar with the processes. These interviews serve as a data source for the “Outcomes and Impact” elements instead of the formerly implemented survey of civil society organisations.
- More systematic use of public perception survey results as a data source for “Outcomes and Impact” elements and expanding the scope of the survey to complement the assessment in five PAR areas – all except “Strategy for PAR”.
- Removal of the survey of civil servants as a data source due to persistent issues with ensuring adequate response rates across the region’s administrations.

PAR MONITOR REPORTING

- Six national PAR Monitor reports, one per PAR area (36 in total for the entire PAR Monitor), in order to facilitate timely publication and advocacy for the monitoring results rather than publishing the results of 18 months of research at the end of the process.
- Six regional Western Balkan overview reports, one per PAR area (6 in total).

I.2 Why and how WeBER monitors the “Public Financial Management” area

The manner in which public resources are planned, allocated, spent, and reported on has a direct influence on the efficiency and integrity of public administration. Thus, transparent, accountable, and well-managed public finances reflect the government’s commitment to serving citizens’ needs and using resources responsibly. WeBER’s focus on participatory budget formulation and transparent budget execution, therefore, aims to assess how open and accountable the management of public finances is in practice. The monitoring focus extends to the accessibility and user-friendliness of budget documentation, as they enable citizens and civil society to meaningfully participate and oversee the entire budget cycle. Additionally, WeBER looks into whether the legal and institutional framework for public procurement provides a sound ground for conducting transparent and competitive processes, and whether a transparent and competitive public procurement system exists practice. Finally, equally important aspect of external oversight of public finances is observed through the transparency of work of supreme audit institutions and their practice of proactive engagement of the public. Weaknesses in transparency, inclusiveness, or accountability mechanisms risk fostering inefficiency and corruption, while strong and open PFM systems strengthen public trust, fiscal responsibility, and the overall credibility of public administration reform.

Monitoring in **the Public Financial Management area** is based on six SIGMA Principles in this area:

Principle 23: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing policy needs with fiscal constraints.

Principle 25: The government implements the budget in line with estimates and reports on it in a comprehensive and transparent manner, allowing for timely scrutiny.

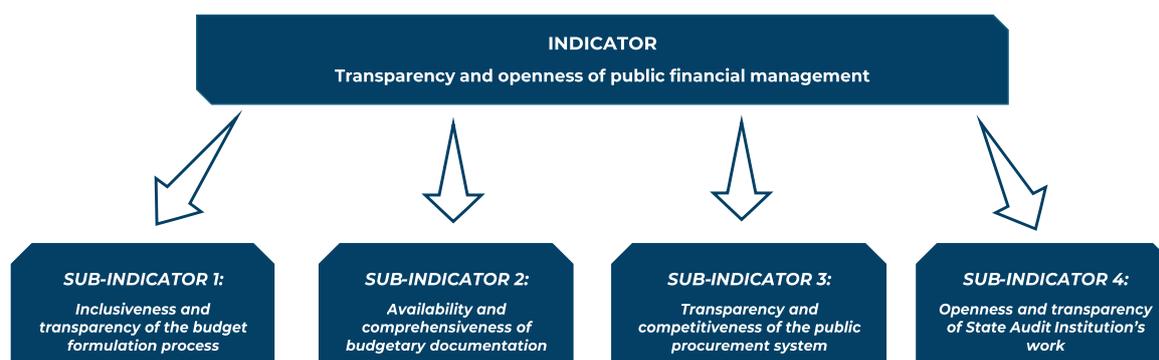
Principle 26: Public administration bodies manage resources in an effective and compliant manner to achieve their objectives.

Principle 28: Public procurement legislation, including public-private partnerships and concessions, is based on principles of equal treatment, non-discrimination, transparency, proportionality and competition, and supported by a sound governance framework.

Principle 29: Contracting authorities conduct public procurement operations, including public-private partnerships, efficiently and economically.

Principle 31: All public funds are effectively audited by an independent auditor that provides assurance on the use of public resources and helps improve the functioning of the public sector.

These Principles are assessed from the perspective of the availability and accessibility of all relevant information on the budget process, while also examining the extent to which open and competitive public procurement processes are present within the system. A focus on transparency and openness seeks to determine the extent to which relevant authorities publish information which helps the interested public gain insight into crucial aspects of the system – budget formulation and execution, and the audit of the use of public resources.



The monitoring period for the Public Financial Management covers developments since the last PAR Monitor cycle, which lasted from January until November 2022. Thus, this report focuses primarily on 2023 and 2024, as well as the end-of-2022 developments not covered in the previous cycle. Although this report provides a comparison of findings with previous PAR Monitor editions, country scores are incomparable to the previous monitoring due to methodological changes.

The **first sub-indicator** focuses on the existence of policy and legal frameworks that provide for an inclusive and transparent budget formulation process and envisage citizen involvement, while also examining if external stakeholders are engaged in practice. For the assessment of outcomes and impact, researchers conduct three key informant interviews with non-state actors who possess significant expertise in the area and/or experience participating in the analysed processes and use the public perception survey findings.

Table 2: Indicator elements under sub-indicator 1

Indicator element: number and title	Type
E 1.1 There is a strategic document in force that envisages the improvement of inclusivity and transparency of the budget formulation process as a goal	Strategy and policy
E 1.2 Regulations stipulate citizens' involvement in the budget formulation process	Legislation
E 1.3 External stakeholders are provided with complete information in advance, giving them sufficient time to prepare for consultations in the budget formulation process	Practice in implementation
E 1.4 Responsible government bodies are proactive in ensuring that a wide range of external stakeholders become involved in the budget formulation process	Practice in implementation
E 1.5 Key non-state actors consider the budget formulation process as inclusive and transparent	Outcomes and impact
E 1.6 Citizens' perception of inclusivity of the budget formulation process	Outcomes and impact

The **second sub-indicator** assesses the availability and comprehensiveness of budgetary documentation, while also looking into the accessibility of reports. Monitoring of strategy and policy and practice elements is performed by analysing strategic documents and official data publicly available on the websites of relevant institutions. Assessment of outcomes and impact is based on the findings obtained from three key informant interviews and the public perception survey.

Table 3: Indicator elements under sub-indicator 2

Indicator element: number and title	Type
E 2.1 There is a strategic document in force that envisages improvement of the transparency of budgetary documentation	Strategy and policy
E 2.2 Enacted annual budget includes a medium-term perspective illustrating how revenue and expenditure will develop beyond the next fiscal year	Practice in implementation
E 2.3 Budget documentation presents the budget implications on the priority policy areas	Practice in implementation
E 2.4 Citizen Budget is regularly published online	Practice in implementation
E 2.5 In-year budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation
E 2.6 Mid-year budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation
E 2.7 In-year and mid-year budget execution reports contain data on budget spending by different expenditure classifications	Practice in implementation
E 2.8 Year-end budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation
E 2.9 Year-end budget execution reports contain data on budget spending by different expenditure classifications	Practice in implementation
E 2.10 Year-end budget execution reports or separate reports contain information on the significant impacts of the budget implementation on the priority policy areas	Practice in implementation
E 2.11 Year-end budget execution reports or separate reports contain information on capital investment	Practice in implementation
E 2.12 Consolidated annual reports on internal financial control and internal audit are timely published and easily accessible online	Practice in implementation
E 2.13 Budgetary data is published in open data format	Practice in implementation
E 2.14 Key non-state actors consider that the budgetary documentation is comprehensive and enables further research	Outcomes and impact
E 2.15 Citizens' perception of availability of budget execution information	Outcomes and impact

The third sub-indicator examines the openness and competitiveness of the public procurement system. Specifically, the assessment looks into the existence and public availability of procurement plans and reports, competitiveness and openness of procedures, and user-friendly characteristics of the public procurement portal.

Monitoring of strategy and policy, legislation and practice aspects is performed by combining various data sources to maximise reliability of results. It includes qualitative analysis of strategic documents, legal acts and official data that is publicly available or obtained from responsible institutions using FOI requests. The analysis of certain practice type elements under this sub-indicator is conducted on a sample of five contracting authorities with the highest contracted procurement values in the calendar year preceding the year of the monitoring. For the outcomes and impact assessment, researchers conduct three key informant interviews.

Table 4: Indicator elements under the sub-indicator 3

Indicator element: number and title	Type
E 3.1 There is a strategic document in force that envisages improvement in transparency and competitiveness of the public procurement system	Strategy and policy
E 3.2 Regulations stipulate transparency and competitiveness as the key principles of public procurement processes	Legislation
E 3.3 No special legislation creates exceptions from the general law on public procurement	Legislation
E 3.4 There is a designed central procurement body that supports transparency and competitiveness of public procurement processes	Institutional set-up
E 3.5 Central procurement body regularly reports to the public on the implementation of overall public procurement policy	Practice in implementation
E 3.6 Reporting on public procurement policy by the central procurement body is citizen-friendly	Practice in implementation
E 3.7 Central review body regularly reports to the public on procedures for the protection of the rights of bidders in public procurement	Practice in implementation
E 3.8 Public procurement portal is user-friendly	Practice in implementation
E 3.9 Central-level contracting authorities regularly publish up-to-date annual procurement plans that are easily accessible online	Practice in implementation

E 3.10 Central-level contracting authorities regularly publish annual procurement reports that are easily accessible online	Practice in implementation
E 3.11 Open procedures represent a standard public procurement method	Practice in implementation
E 3.12 Public procurement processes are competitive	Practice in implementation
E 3.13 Public procurement data is available in open format(s)	Practice in implementation
E 3.14 Key non-state actors consider public procurement system as competitive and transparent	Outcomes and impact
E 3.15 Key non-state actors consider exceptions from public procurement law as adequately regulated and applied in practice	Outcomes and impact

The **fourth sub-indicator** focuses on the regular communication and citizen-friendly presentation of supreme audit institutions' (SAI) activity and reports. Monitoring of this sub-indicator is based on the review of the strategic framework, regulations and SAI's website. For the assessment of outcomes and impact, researchers conduct key informant interviews.

Table 5: Indicator elements under the sub-indicator 4

Indicator element: number and title	Type
E 4.1 There is a strategic document in force that envisages enhanced communication and cooperation of SAI with external stakeholders	Strategy and policy
E 4.2 Regulations stipulate the transparency of the SAI's work	Legislation
E 4.3 SAI's annual activity reports are regularly published and easily accessible online	Practice in implementation
E 4.4 SAI's audit reports are citizen-friendly and easily accessible online	Practice in implementation
E 4.5 Data contained in the external audit reports are available in open format(s)	Practice in implementation
E 4.6 SAI uses a variety of channels for external communication and promotion of its activities and reports	Practice in implementation
E 4.7 Key non-state actors consider SAI's work as transparent and SAI's reports as easily accessible	Outcomes and impact

II. TRANSPARENCY AND OPENNESS OF PUBLIC FINANCIAL MANAGEMENT

This section presents the assessment results for Bosnia and Herzegovina. Each sub-section presents the results for one sub-indicator (four in total), beginning with a brief overview of developments since the PAR Monitor 2021/2022. This is followed by a detailed assessment of the sub-indicator elements, starting with the policy, legislation and institutional framework, then moving to the practice in implementation, and ending with outcomes and impact. Each sub-indicator assessment concludes with the graph showing the awarded points.

The graph below displays the overall results for the Public Financial Management area in Bosnia and Herzegovina, measured on a scale from 0 to 100 points.

Transparency and openness of public financial management (score 0-100)



II.1 Inclusiveness and transparency of the budget formulation process

Principle 23: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing policy needs with fiscal constraints.

Awarded points per element in sub-indicator 1: Inclusiveness and transparency of the budget formulation process⁴

Indicator elements	Element type	Score
E 1.1 There is a strategic document in force that envisages the improvement of inclusivity and transparency of the budget formulation process as a goal	Strategy and policy	0/1
E 1.2 Regulations stipulate citizens' involvement in the budget formulation process	Legislation	0/1
E 1.3 External stakeholders are provided with complete information in advance, giving them sufficient time to prepare for consultations in the budget formulation process	Practice in implementation	0/2
E 1.4 Responsible government bodies are proactive in ensuring that a wide range of external stakeholders become involved in the budget formulation process	Practice in implementation	0/3.5
E 1.5 Key non-state actors consider the budget formulation process as inclusive and transparent	Outcomes and impact	0/3
E 1.6 Citizens' perception of inclusivity of the budget formulation process	Outcomes and impact	0/2
Total score for sub-indicator 1		0/12.5

⁴ The first sub-indicator focuses on the following SIGMA sub-principle: The government stimulates citizen engagement in the budgeting process by making a complete set of budget documentation publicly available, preparing a citizen budget and using open budgeting tools.

Since the last monitoring cycle, no significant improvements have been recorded in the overall transparency and inclusiveness of the budget formulation process at the state level in Bosnia and Herzegovina. While certain reporting practices remain relatively stable—particularly regarding the availability and structure of execution reports—the budget continues to lack a medium-term perspective, policy-priority impact presentation, and open data publication in machine-readable formats. Delays in budget adoption and the continued absence of systematic citizen-oriented and research-friendly budget documentation further indicate that reform progress in this area has remained limited.

The assessment of this sub-indicator focuses on whether Bosnia and Herzegovina ensures an inclusive and transparent budget formulation process by establishing an adequate strategic and legal framework and applying it in practice. The analysis is based on the review of strategic and legal documents, publicly available institutional sources and consultation mechanisms, as well as on key informant interviews and public perception survey results.

At the strategic level, the assessment examined whether Bosnia and Herzegovina has a valid strategic document in force that explicitly envisages improvements in transparency and inclusiveness of the budget formulation process, including concrete measures and clear assignment of responsibilities. For this purpose, researchers analysed the Public Finance Management Improvement Strategy 2021–2025, published by the Ministry of Finance and Treasury of Bosnia and Herzegovina. The review found that the Strategy does not contain specific measures aimed at improving transparency of the budget formulation process, nor does it outline activities intended to increase inclusiveness and participation of citizens or civil society in budget preparation. As a result, no points were awarded under this element.

From the perspective of legislation, the assessment reviewed whether regulations provide a legal basis for citizens' involvement in the budget formulation process. The analysis focused on the Law on the Budget of the Institutions of Bosnia and Herzegovina and International Obligations of Bosnia and Herzegovina for 2024 and the Law on the Financing of the Institutions of Bosnia and Herzegovina. The findings show that the existing legal framework does not provide any formal mechanisms enabling citizens or non-state actors to participate in budget planning, either regarding specific parts of the budget or the annual budget as a whole. Consequently, citizen participation in budget formulation remains legally unregulated and formally absent.

In terms of implementation practice, the assessment examined whether external stakeholders are provided with complete and timely information in advance of consultations, including draft budget documents, consultation timelines and clear guidance on participation. However, the monitoring found

that no consultations with external stakeholders took place in the most recent budget formulation process. Since participation of citizens and civil society is not envisaged by the legal framework, the budget formulation process is conducted without formal public consultation procedures. Therefore, Bosnia and Herzegovina did not meet the criteria related to completeness or timeliness of information provision, resulting in no points being awarded.

Furthermore, the assessment examined whether responsible government bodies proactively involve a wide range of external stakeholders in the budget formulation process, including business associations, trade unions, professional organisations, local government associations, academic community, organisations focusing on gender equality, and organisations representing marginalised groups. The monitoring found no evidence that any of these stakeholder groups were proactively engaged during the budget formulation process. Since budget planning is not included in formal consultation mechanisms, and no legal provisions regulate stakeholder engagement in this area, no points were awarded for proactive outreach.

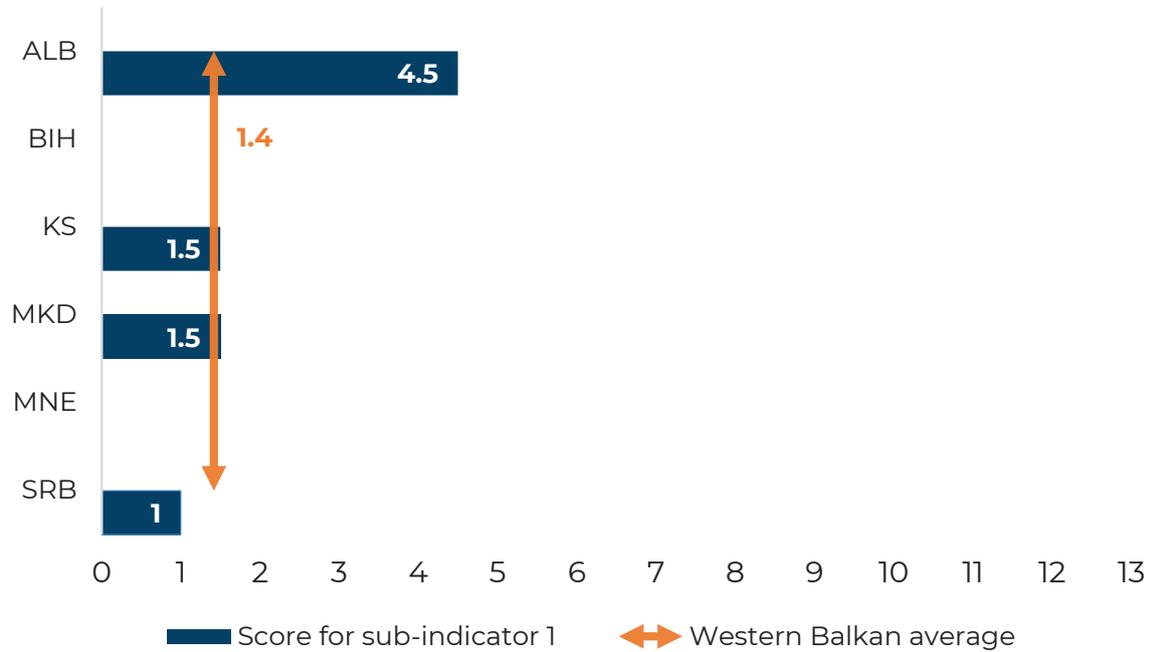
The outcomes and impact assessment, based on key informant interviews conducted in November 2025, further confirms the lack of transparency and inclusiveness in practice. None of the three interviewed key informants agreed with the statement that the budget formulation process is transparent, and none agreed that it is inclusive. All three key informants emphasised that the budget adoption process lacks both transparency and inclusiveness, noting that institutions approve the budget without public consultation, stakeholder engagement, or any structured input from citizens or expert communities. This resulted in no points being awarded under this element.

Public perception survey results reinforce these findings. Only 14.3% of surveyed citizens agreed or strongly agreed with the statement that they have the opportunity to influence how money from the state budget funds is spent. The survey was conducted between 16 February and 26 February 2025, on a sample of 1,020 citizens in Bosnia and Herzegovina. This indicates a very low level of perceived citizen influence over budgetary decisions and further highlights the limited participatory nature of the budget formulation process. As the percentage falls below the minimum threshold for point allocation, no points were awarded under this element.

Overall, the findings show that Bosnia and Herzegovina has not established a strategic, legal or institutional framework that would enable meaningful citizen engagement in budget formulation. The absence of formal consultation mechanisms, combined with the consistently negative perceptions of both key non-state actors and the general public, results in a score of 0 out of 12.5 points, indicating that inclusiveness and transparency of the budget formulation process represent a major weakness of public financial management in Bosnia and Herzegovina.

HOW DOES BOSNIA AND HERZEGOVINA DO IN REGIONAL TERMS?

Sub-indicator 1: Inclusiveness and transparency of the budget formulation process (maximum score 12.5)



II.2 Availability and comprehensiveness of budgetary documentation

Principle 23: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing policy needs with fiscal constraints.

Principle 25: The government implements the budget in line with estimates and reports on it in a comprehensive and transparent manner, allowing for timely scrutiny.

Principle 26: Public administration bodies manage resources in an effective and compliant manner to achieve their objectives.

Awarded points per element in sub-indicator 2: Availability and comprehensiveness of budgetary documentation⁵

Indicator elements	Element type	Score
E 2.1 There is a strategic document in force that envisages improvement of the transparency of budgetary documentation	Strategy and policy	1/1
E 2.2 Enacted annual budget includes a medium-term perspective illustrating how revenue and expenditure will develop beyond the next fiscal year	Practice in implementation	0/3

⁵ The second sub-indicator focuses on the following SIGMA sub-principles: The government stimulates citizen engagement in the budgeting process by making a complete set of budget documentation publicly available, preparing a citizen budget and using open budgeting tools; The annual budget documentation is comprehensive and includes all public expenditures and revenues, fiscal risks, tax expenditures and multi-annual commitments; The budget is presented in administrative, economic, functional, and programmatic terms, and makes use of non-financial performance information. Expenditures related to policies such as green transition and gender equality are tracked to assess the impact of initiatives where there are relevant targets or goals; The ministry of finance monitors the execution of the budget throughout the financial year and regularly publishes budget execution information to enable effective decision-making and transparency; The government publishes its annual financial report no later than six months after the end of the financial year. The supreme audit institution audits the report, and the parliament discusses it before the next budget debate; The annual financial report of the government is comprehensive and based on an appropriate financial reporting framework, is in a format mirroring the format of the budget, explains variations from the budget figures, includes an analysis of state assets and liabilities, and contains non-financial performance information comparing results with performance targets; The government, in its annual financial report or a separate report, provides information on the significant economic, social and environmental impacts of its policies, procurements and operations; The government provides information on capital investment in its annual financial report or a separate report; A single ministry co-ordinates implementation of internal control, reviews progress and reports annually to the government on the development of internal control in the public sector.

E 2.3 Budget documentation presents the budget implications on the priority policy areas	Practice in implementation	0/2
E 2.4 Citizen Budget is regularly published online	Practice in implementation	1/2
E 2.5 In-year budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation	1.5/3
E 2.6 Mid-year budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation	3/3
E 2.7 In-year and mid-year budget execution reports contain data on budget spending by different expenditure classifications	Practice in implementation	3/3
E 2.8 Year-end budget execution reports are published in a timely manner and are easily accessible online	Practice in implementation	3/3
E 2.9 Year-end budget execution reports contain data on budget spending by different expenditure classifications	Practice in implementation	3/4
E 2.10 Year-end budget execution reports or separate reports contain information on the significant impacts of the budget implementation on the priority policy areas	Practice in implementation	0/2
E 2.11 Year-end budget execution reports or separate reports contain information on capital investment	Practice in implementation	0/3
E 2.12 Consolidated annual reports on internal financial control and internal audit are timely published and easily accessible online	Practice in implementation	2/2
E 2.13 Budgetary data is published in open data format	Practice in implementation	0/2
E 2.14 Key non-state actors consider that the budgetary documentation is comprehensive and enables further research	Outcomes and impact	0/3
E 2.15 Citizens' perception of availability of budget execution information	Outcomes and impact	0.5/2
Total score for sub-indicator 2		18/38

Since the previous monitoring cycle, there have been no notable improvements in the availability and comprehensiveness of budgetary documentation in Bosnia and Herzegovina. While certain key budget execution reports remain accessible online and provide information across major expenditure classifications, core weaknesses persist, including the absence of medium-term fiscal projections in enacted budgets, limited use of citizen-friendly formats, and the lack of structured reporting on policy priorities and capital investment performance. Furthermore, budgetary data is still not published in open, machine-readable formats, and the continued delays in budget adoption reduce overall transparency and undermine the usefulness of budget documentation for research, monitoring, and public oversight.

This sub-indicator assesses whether Bosnia and Herzegovina provides comprehensive and accessible budgetary documentation that enables effective monitoring, analysis and public oversight of public financial management. The assessment covers the strategic framework, availability of key budget documents, publication practices, the structure and content of execution reports, and the extent to which budgetary data is made accessible in open formats. At the strategic level, the assessment confirms that Bosnia and Herzegovina has a valid strategic document that explicitly envisages improvements in transparency of budgetary documentation. The Public Financial Management Improvement Strategy 2021–2025 includes measures aimed at strengthening transparency and accessibility of the state budget documentation, including publishing prior-year execution data, improving budget classification, ensuring regular publication of the Citizen’s Budget, and establishing a public register of budget users and state-owned enterprises. These measures are accompanied by defined responsibilities and deadlines, which indicates a clear commitment at the policy level to improving transparency.

However, the implementation of medium-term budget planning remains weak. The analysis of the Law on the Budget of the Institutions of Bosnia and Herzegovina and International Obligations of Bosnia and Herzegovina for 2023 and 2024 shows that enacted annual budgets do not include a medium-term budgetary perspective illustrating how revenues and expenditures will develop beyond the next fiscal year. No aggregate forecasts were included, nor were projections disaggregated per budget users or programmes. This indicates that budget documentation remains largely annual in nature, without adequate linkage to medium-term fiscal planning.

In addition, budget documentation does not present the implications of budget allocations for priority policy areas. The assessment examined whether the budget or accompanying materials demonstrate how the budget affects key reform and development priorities, including private sector development,

green and digital transition, human capital, and fundamental rights and the rule of law. The findings show that budget documentation does not address these policy priorities in a structured manner. Furthermore, the budget for 2025 had not been adopted at the time of monitoring, limiting the availability of current-year documentation and further illustrating recurring institutional delays.

In terms of citizen-oriented transparency tools, the Citizen's Budget is available online for 2024 through the Ministry of Finance and Treasury website. However, it is not available for 2025, as the annual budget has not yet been adopted. Therefore, publication exists only for the previous fiscal year, not for the current one.

Budget execution reporting shows comparatively stronger performance. In-year budget execution reports are available online and easily accessible through the Ministry's website. At least two quarterly execution reports for 2025 were published and could be accessed within three clicks from the homepage. Nevertheless, the timeliness criterion was not met, as the reports were published approximately three months after the end of the reporting periods, which exceeds the required deadline. As a result, accessibility is achieved, but timely publication remains problematic.

Mid-year budget execution reports are published in a semi-annual format and were assessed as both timely and easily accessible. The Ministry publishes semi-annual execution reports which can be accessed within two clicks, and publication is conducted within the acceptable time limits. This demonstrates a relatively strong institutional practice of making semi-annual execution data publicly available.

Furthermore, both in-year and mid-year budget execution reports contain expenditure data disaggregated according to key classifications. The analysed reports include administrative, economic and functional expenditure categories, allowing a more detailed overview of budget execution patterns. Reports are published in PDF format and contain embedded tables and explanatory notes.

Year-end budget execution reporting is also available and accessible. The assessment analysed the last two available year-end execution reports, covering fiscal years 2023 and 2024. Both reports were published within the required timeframe and are accessible online in fewer than three clicks. The reports provide expenditure data according to administrative, economic and functional classifications, but they do not include programme-based classification. This indicates that reporting remains focused on traditional accounting categories, rather than performance- or programme-oriented budgeting.

In addition, year-end execution reports do not provide information on the significant impacts of budget implementation on priority policy areas. No structured assessment was found regarding how budget execution affected

private sector development, green and digital transition, human capital, or fundamental rights and rule of law. As such, year-end reporting remains descriptive and financial in nature, rather than impact-oriented.

A major weakness is also identified in the area of capital investment reporting. The year-end budget execution reports for 2023 and 2024 do not contain structured information on the five largest capital investment projects, nor do they provide data on physical progress, deviations from planned spending, or citizen-friendly presentation through visuals or infographics. Only a brief narrative reference is included regarding one multi-year capital project (reconstruction and furnishing of the diplomatic mission building in Vienna), without measurable indicators of progress or project-level breakdowns. Capital expenditure tables exist, but they are aggregated and do not fulfil the requirements of project-based reporting.

On the other hand, consolidated annual reporting on internal financial control and internal audit is available and published online. The Ministry of Finance and Treasury, through its Central Harmonisation Unit, publishes consolidated reports on financial management and control and internal audit for 2023 and 2024. These reports are easily accessible online and published within a reasonable timeframe after the submission deadlines for budget beneficiaries, thus contributing positively to the transparency of internal control mechanisms.

Despite progress in publishing key reports, Bosnia and Herzegovina performs poorly in open data availability. No budget-related datasets are published in machine-readable formats such as CSV, XLSX or JSON. Additionally, Bosnia and Herzegovina lacks a functional national open data portal, which further limits access to reusable fiscal datasets and prevents structured public reuse of budget information. The perception of non-state actors confirms these shortcomings. Key informant interviews conducted in November 2025 indicate that none of the interviewed stakeholders consider annual budgets or budget execution reports to be comprehensive enough, nor do they believe that available documentation provides adequate information for research, analysis or policy monitoring. Interviewees particularly emphasised that recurring delays in budget adoption result in extended interim financing, which undermines predictability and reduces the usefulness of budget documents for monitoring public spending.

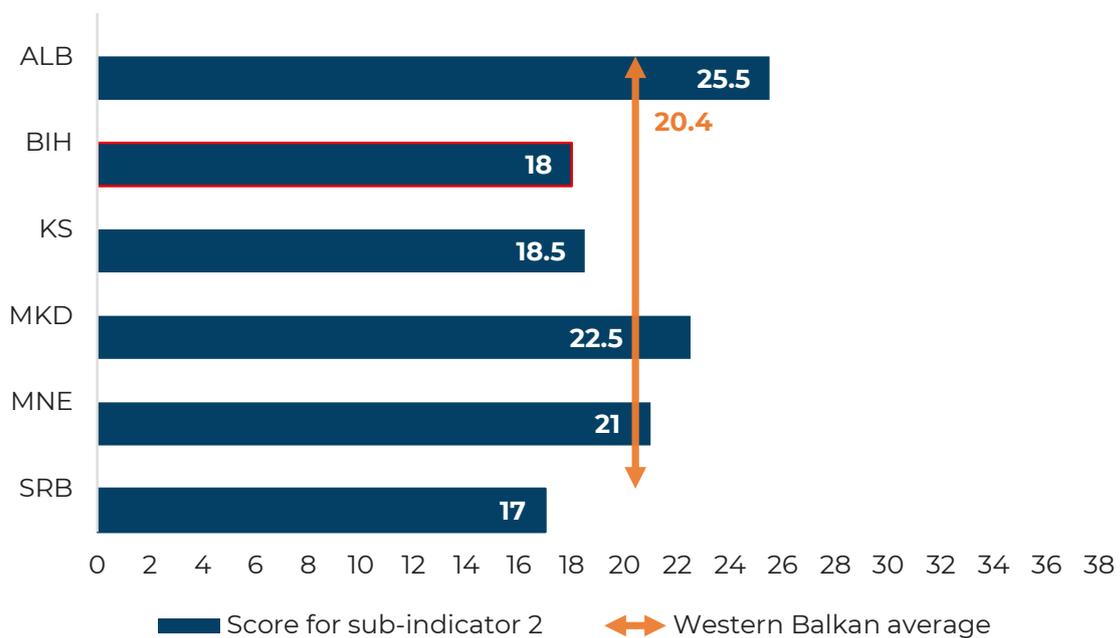
Public perception findings also indicate only partial trust in the availability of execution information. According to the public perception survey conducted in February 2025, only 31.9% of citizens agree or strongly agree that state authorities publish information on how money from the state budget is spent. While this indicates some degree of visibility, the percentage remains low and reflects limited citizen confidence in fiscal transparency.

Overall, Bosnia and Herzegovina demonstrates a mixed performance in the availability and comprehensiveness of budgetary documentation. While

execution reports and internal control documentation are published and accessible, the budget system lacks medium-term perspective, programme-based reporting, open data publication, impact assessment, and citizen-friendly reporting on capital investment projects. The findings indicate that transparency improvements remain largely technical, while the analytical and policy relevance of budget documentation remains limited.

HOW DOES BOSNIA AND HERZEGOVINA DO IN REGIONAL TERMS?

Sub-indicator 2: Availability and comprehensiveness of budgetary documentation (maximum score 38)



II.3 Transparency and competitiveness of the public procurement system

Principle 28: Public procurement legislation, including public-private partnerships and concessions, is based on principles of equal treatment, non-discrimination, transparency, proportionality and competition, and supported by a sound governance framework.

Principle 29: Contracting authorities conduct public procurement operations, including public-private partnerships, efficiently and economically.

Awarded points per element in sub-indicator 3: Transparency and competitiveness of the public procurement system⁶

Indicator elements	Element type	Score
E 3.1 There is a strategic document in force that envisages improvement in transparency and competitiveness of the public procurement system	Strategy and policy	1/1
E 3.2 Regulations stipulate transparency and competitiveness as the key principles of public procurement processes	Legislation	1/1
E 3.3 No special legislation creates exceptions from the general law on public procurement	Legislation	1.5/1.5

⁶ The third sub-indicator focuses on the following SIGMA sub-principles: The public administration has clear and comprehensive policies in place for the longer-term development of the public procurement system, including PPPs and concessions; Public procurement legislation, including public-private partnerships (PPPs) and concessions, reflects internationally recognised principles, such as value for money, free competition, transparency, non-discrimination, equal treatment, mutual recognition and proportionality; A body with a clear political and legal mandate at central level is entrusted with a policy-making function to steer and manage public procurement reform. The key functions and responsibilities to implement the public procurement system are clearly distributed among central procurement institutions, which have the necessary authority and resources; A central procurement body monitors, oversees and evaluates the procurement system and identifies possible improvements. It provides public access to consolidated data on public procurement operations (including both contract award and performance); Contracting authorities widely use e-procurement, which covers all stages of the procurement process; The public procurement market is competitive and attracts interest of domestic and international economic operators, especially small and- medium-sized enterprises; Contracting authorities develop annual or multi-annual procurement plans, aligned with budget planning, and publish them on time. A thorough needs analysis and market research guide the preparation of individual procurement, including definition of desired outcomes; Competitive procedures are standard procurement methods, and contracting authorities use other procedures only in duly justified exceptional circumstances.

E 3.4 There is a designed central procurement body that supports transparency and competitiveness of public procurement processes	Institutional set-up	1.5/2
E 3.5 Central procurement body regularly reports to the public on the implementation of overall public procurement policy	Practice in implementation	1/2
E 3.6 Reporting on public procurement policy by the central procurement body is citizen-friendly	Practice in implementation	0/1.5
E 3.7 Central review body regularly reports to the public on procedures for the protection of the rights of bidders in public procurement	Practice in implementation	2.5/2.5
E 3.8 Public procurement portal is user-friendly	Practice in implementation	1.5/3
E 3.9 Central-level contracting authorities regularly publish up-to-date annual procurement plans that are easily accessible online	Practice in implementation	0/3
E 3.10 Central-level contracting authorities regularly publish annual procurement reports that are easily accessible online	Practice in implementation	0/3
E 3.11 Open procedures represent a standard public procurement method	Practice in implementation	0/2
E 3.12 Public procurement processes are competitive	Practice in implementation	0/2
E 3.13 Public procurement data is available in open format(s)	Practice in implementation	1/2
E 3.14 Key non-state actors consider public procurement system as competitive and transparent	Outcomes and impact	0/3
E 3.15 Key non-state actors consider exceptions from public procurement law as adequately regulated and applied in practice	Outcomes and impact	1.5/3
Total score for sub-indicator 3		12.5/32.5

Since the previous monitoring cycle, no substantial progress has been observed in improving the transparency and competitiveness of the public procurement system in Bosnia and Herzegovina. Although strategic and legal frameworks continue to formally promote transparency and competition, key implementation gaps remain evident, particularly in the lack of regular reporting by central institutions, limited availability of procurement plans and reports from major contracting authorities, and continued reliance on non-competitive procedures. While the public procurement portal provides certain user-friendly features and allows access to open-format data, key informants still assess the system as insufficiently transparent and only weakly competitive in practice, indicating that reforms have not translated into meaningful improvements on the ground.

Bosnia and Herzegovina continues to demonstrate a mixed performance in the area of transparency and competitiveness of public procurement. While the strategic and legal framework formally supports transparent and competitive procurement practices, implementation remains inconsistent and is marked by limited proactive disclosure, weak enforcement in practice, and persistent concerns regarding the actual level of competition in procurement procedures. Overall, the system remains formally regulated but practically vulnerable to non-transparent procedures and limited market contestability.

At the strategic level, Bosnia and Herzegovina has a valid policy framework that explicitly envisages improvements in transparency and competitiveness of the public procurement system. The Public Procurement Strategy 2024–2028 identifies transparency as a key tool for accountability and integrity, acknowledging that corruption risks remain high and that institutional enforcement mechanisms are weak. The Strategy includes concrete measures aimed at strengthening transparency and improving competitiveness, including further alignment of procurement legislation with EU standards, simplification of the regulatory framework, enhanced oversight of negotiated procedures, and measures aimed at supporting SME participation. The Strategy also recognises the complexity of the current system, including a large number of by-laws, which reduces accessibility and limits participation of smaller market actors. Responsibilities are clearly assigned to contracting authorities, the Public Procurement Agency, the Procurement Review Body, the Court of Bosnia and Herzegovina, and relevant anti-corruption institutions. Based on these measures and institutional assignments, Bosnia and Herzegovina meets the criteria related to strategic commitment to transparency and competitiveness.

The legislative framework also establishes transparency and competitiveness as key principles. The Law on Public Procurement of Bosnia and Herzegovina explicitly defines these principles in Article 3, requiring contracting authorities

to act transparently, ensure equal treatment and non-discrimination, and guarantee fair competition aimed at achieving efficient use of public funds. These principles apply across procurement procedures and also extend to mechanisms of legal protection. The legal framework therefore formally provides a solid foundation for transparent and competitive procurement processes.

In terms of exceptions, the monitoring did not identify any special *lex specialis* legislation adopted in the observed period that would create a separate procurement regime outside the general law. While the procurement law itself includes sector-specific exceptions and special procedures, such as those related to defence and security procurement regulated through Article 8 and relevant by-laws, these represent internal exceptions within the same legal system rather than a parallel legal framework. Therefore, Bosnia and Herzegovina meets the criteria related to the absence of separate special legislation derogating the general procurement law.

Regarding institutional set-up, Bosnia and Herzegovina has an established central procurement authority at the national level. The Public Procurement Agency exists as the central body responsible for procurement policy oversight, monitoring, and professional support. Its mandate includes monitoring the implementation of procurement legislation, preparing analyses and reports, and publishing information relevant to procurement procedures. The Agency also provides technical and advisory assistance to contracting authorities and bidders. However, while it publishes relevant laws, regulations, manuals, and provides links to the central e-procurement portal, it does not maintain a stable and easily accessible repository of standardised blank forms and templates that could be used by procurement participants. This limits practical usability of the Agency's online resources, despite the existence of relevant regulatory documentation and guidance.

In terms of reporting practice, the Public Procurement Agency published one annual report covering public procurement system performance for 2023, which includes data on procurement outcomes and concluded contracts. However, no report for 2024 was publicly available during the monitoring period. As a result, reporting does not meet the requirement of regular publication for the last two full calendar years. The lack of consistent reporting reduces transparency regarding overall procurement performance and limits the possibility of systematic monitoring by civil society and researchers.

Citizen-friendly reporting practice also remains insufficient. While the available report for 2023 includes certain visual elements and is accessible through the Agency's website within a limited number of clicks, the methodological requirement for assessing citizen-friendliness depends on the existence of reporting for the last two calendar years. Since reporting for 2024 is missing, no points can be allocated. Furthermore, even within the 2023 report, concise

reader-friendly summaries of key procurement outcomes are largely absent, and the report relies more on general introductions and descriptive content rather than structured communication of main results to a broader public.

A more consistent reporting practice is observed in the work of the central review body responsible for protection of bidder rights. Annual activity reports for both 2023 and 2024 are available through the Appeals Audit Office. This demonstrates a higher degree of transparency regarding complaint-handling and legal protection procedures compared to the overall procurement reporting practice of the central procurement authority. The availability of these reports supports accountability in procurement oversight mechanisms and provides insight into the volume and structure of procurement-related complaints.

The usability of the public procurement portal shows partial progress. The portal provides an FAQ section, a search function with key filters (including notice type, contracting authority, contractors, and time period), and the possibility to download procurement datasets in open format. These functions support access to procurement information and enable a certain level of independent analysis. However, free access to full tender documentation is not ensured, as tender documentation is distributed through email and users must register in order to receive updates. In addition, the portal does not provide a glossary of key procurement terminology and lacks a structured how-to guide in textual or multimedia format. These limitations reduce accessibility for non-specialised users and restrict the portal's citizen-friendliness.

A major weakness in this area concerns proactive transparency of contracting authorities. The assessment of a sample of five contracting authorities with the highest contracted procurement values indicates that none of them regularly publish annual procurement plans for either the current or the previous year. Similarly, none of the sampled authorities publish annual procurement reports for the relevant years, and such documents are not available through their websites or the public procurement portal. As a result, contracting authorities fail to meet criteria related to regularity and accessibility of procurement planning and reporting. This significantly limits public oversight, reduces predictability, and prevents early identification of risks related to procurement priorities and planned spending.

The assessment of procurement procedures in practice further indicates weak performance in ensuring openness and competitiveness. Based on data collected through FOI procedures, it was not confirmed that open procedures represent the dominant procurement method. The criteria requiring that at least 95% of procurements and at least 95% of contracted value be awarded through open procedures were not met. This suggests continued reliance on non-open procedures, which increases risks of reduced transparency and limits competition.

Competitiveness is also assessed as weak. It was not confirmed that at least 60% of procurement procedures involved more than one tenderer, nor that the share reached 90%. This indicates that a significant portion of procurements may be conducted with single-bidder participation, reflecting persistent market barriers, low bidder interest, procedural complexity, or potential structural risks of restricted competition.

In the area of open data availability, Bosnia and Herzegovina demonstrates partial compliance. Procurement data is available in machine-readable format through the public procurement portal, enabling download and reuse of datasets for analysis. However, Bosnia and Herzegovina lacks a national open data portal, meaning that procurement datasets are not published through a government-sponsored open data infrastructure. This prevents full compliance with best practices in open data transparency, although the existence of portal-based datasets represents a positive development.

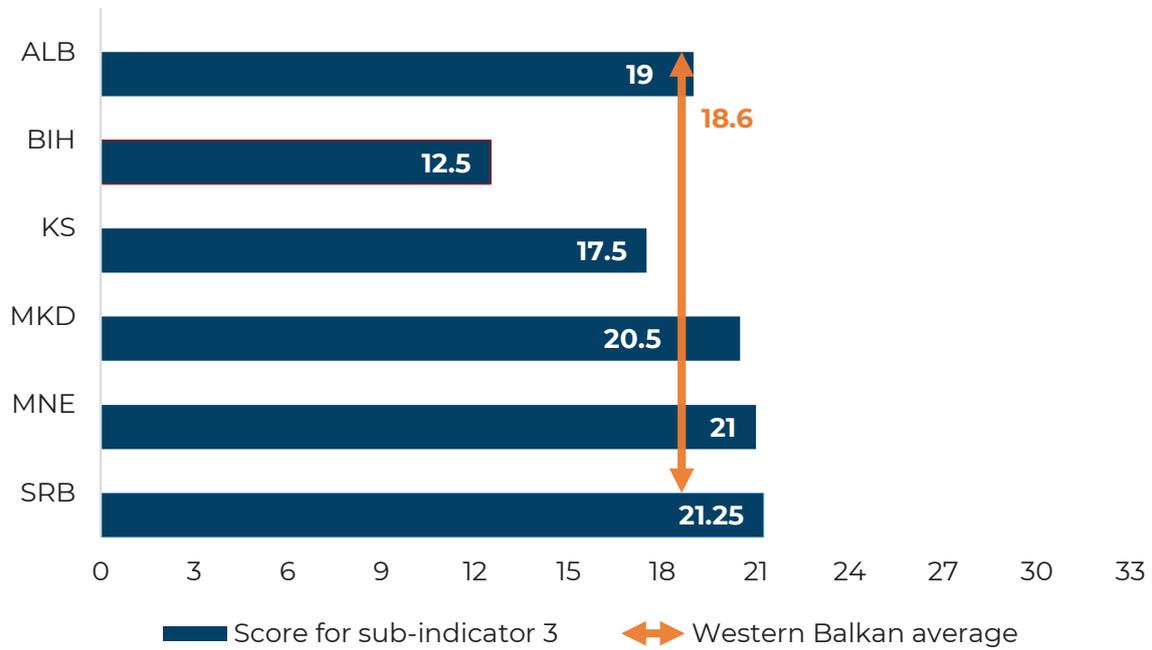
Key informant perceptions further confirm that the formal regulatory framework does not translate into effective transparency and competitiveness in practice. None of the interviewed stakeholders agreed that the procurement system is transparent or competitive. Responses ranged from “tends to disagree” to “fully disagree”, reflecting a consistently negative assessment of procurement performance. Informants emphasised that procurement is often characterised by procedural opacity, inconsistent oversight, and limited accountability mechanisms, despite being formally regulated by law.

At the same time, key informants generally agreed that the legal framework adequately regulates exceptions to procurement law. However, they strongly disagreed that exceptions are in practice limited to those regulated by law. Interviewees particularly highlighted frequent use of direct negotiation procedures, indicating that the legal framework does not effectively prevent excessive reliance on exceptions and non-competitive methods. This further reinforces the conclusion that the procurement system faces implementation weaknesses and enforcement challenges.

Overall, Bosnia and Herzegovina has established a strategic and legislative framework supportive of transparency and competitiveness, supported by an operational central procurement body and a procurement portal with certain functional improvements. Nevertheless, implementation remains weak, particularly regarding proactive disclosure by contracting authorities, consistency of procurement reporting, and the actual competitiveness of procurement procedures. Stakeholder perceptions confirm persistent distrust and highlight that formal compliance does not translate into effective transparency and competition. The findings indicate that further reforms are needed, particularly in enforcing disclosure obligations, strengthening oversight of exceptions and negotiated procedures, improving reporting consistency, and enhancing market participation to ensure genuine competitiveness in public procurement.

HOW DOES BOSNIA AND HERZEGOVINA DO IN REGIONAL TERMS?

Sub-indicator 3: Transparency and competitiveness of the public procurement system (maximum score 32.5)



II.4 Openness and transparency of state audit institution's work

Principle 31: All public funds are effectively audited by an independent auditor that provides assurance on the use of public resources and helps improve the functioning of the public sector.

Awarded points per element in sub-indicator 4: Openness and transparency of state audit institution's work⁷

Indicator elements	Element type	Score
E 4.1 There is a strategic document in force that envisages enhanced communication and cooperation of SAI with external stakeholders	Strategy and policy	0.5/1
E 4.2 Regulations stipulate the transparency of the SAI's work	Legislation	1/1
E 4.3 SAI's annual activity reports are regularly published and easily accessible online	Practice in implementation	4/4
E 4.4 SAI's audit reports are citizen-friendly and easily accessible online	Practice in implementation	4/4
E 4.5 Data contained in the external audit reports are available in open format(s)	Practice in implementation	0/2
E 4.6 SAI uses a variety of channels for external communication and promotion of its activities and reports	Practice in implementation	2/2
E 4.7 Key non-state actors consider SAI's work as transparent and SAI's reports as easily accessible	Outcomes and impact	3/3
Total score for sub-indicator 4		14.5/17

⁷ The fourth sub-indicator focuses on the following SIGMA sub-principles: Audit reports are concise and contain relevant and useful recommendations, and procedures are in place to follow up on audit reports; The SAI communicates widely on its activities and audit results through the media, websites and other means and makes its reports publicly available, in a timely manner.

Since the previous monitoring cycle, Bosnia and Herzegovina has maintained a relatively stable institutional and regulatory framework governing the transparency and external communication practices of the Supreme Audit Institution (SAI), with no major structural reforms recorded in this area. However, improvements have been observed in the accessibility of audit-related reporting and the consistency of online publication practices, particularly through the continued development of the official website and the regular release of audit documentation and annual reports.

Since the previous monitoring cycle, the Supreme Audit Institution of Bosnia and Herzegovina (SAI BiH) has made visible progress in improving transparency and external communication. The institution regularly publishes its audit reports and has strengthened its outreach efforts by improving the accessibility of its website and increasing its presence on social media platforms. These steps contribute to greater visibility of audit findings and enhance the ability of the public and stakeholders to follow the work of the SAI.

However, despite these improvements in communication and publication practices, challenges remain in ensuring that audit findings translate into stronger accountability and corrective action by audited institutions. While audit recommendations are regularly issued and publicly available, the effectiveness of follow-up mechanisms and the implementation of recommendations continues to depend on the responsiveness of audited bodies and the overall institutional environment. Strengthening cooperation with relevant institutions and ensuring more systematic monitoring of recommendation implementation would further improve the impact of external audit on public financial management and integrity.

At the strategic level, the assessment confirms that there is a valid strategic document that partially envisages enhanced cooperation between the SAI and external stakeholders. The Public Financial Management Improvement Strategy 2021–2025 contains provisions supporting cooperation through mechanisms aimed at improving the implementation of audit recommendations. The strategy explicitly refers to establishing cooperation with external actors, including the civil society sector, through a working group and joint activities, with the Audit Office contributing through tailored trainings and support for users of audit reports. This demonstrates that strategic planning exists regarding cooperation with external stakeholders. However, the strategy does not clearly outline concrete measures specifically aimed at improving public communication of the SAI toward citizens in a structured way, which limits the overall scope of strategic communication planning.

In terms of legislation, the regulatory framework provides a solid basis for transparency. The Law on Audit of the Institutions of Bosnia and Herzegovina defines transparency as one of the guiding principles of the SAI's work and explicitly requires that audit findings and reports be made publicly available. The legal provisions indicate an obligation of public reporting, thus confirming that transparency is regulated not only as an abstract principle but also through concrete requirements for publication of audit results. Furthermore, the SAI has adopted and publicly confirmed the application of INTOSAI professional standards through the Decision on the Application of the IFPP Framework, which strengthens institutional alignment with international transparency and accountability principles. Taken together, the legal and professional framework provides a sufficiently robust foundation for ensuring transparency of the SAI's work.

The assessment of implementation practice confirms strong results regarding publication and accessibility of annual documentation. The SAI regularly publishes annual activity reports and annual work programmes, and these documents are easily accessible online within a limited number of steps from the homepage. This indicates that reporting practices are stable and predictable, meeting both the regularity and accessibility requirements under the methodology. The institutional approach to online reporting therefore supports transparency and provides the public with continuous access to key operational documents.

The accessibility and citizen-friendliness of audit reports also represents a major strength. Reports published by the SAI are provided in searchable PDF formats, allowing simple text navigation and supporting usability for researchers, journalists, and citizens. In addition, audit reports contain structured summaries, introductory explanations, and numerous tables that highlight key findings, enabling easier understanding even for non-expert audiences. Graphs and visual elements are also frequently used to support interpretation of audit findings and public procurement outcomes. Furthermore, reports are directly accessible online through the SAI website within fewer than three clicks, which exceeds the methodological threshold for easy access. These characteristics demonstrate a strong commitment to making audit findings understandable and publicly visible, contributing to a high level of transparency in practice.

However, despite strong accessibility of reports, the assessment finds that the SAI does not provide audit data in open, machine-readable formats. External audit results are published exclusively as PDF documents, meaning datasets are not available in formats such as Excel, CSV, or other reusable open-data standards. In addition, Bosnia and Herzegovina still lacks a national open data portal, preventing publication of audit datasets through a central government open data platform. As a result, while reporting is transparent in narrative

form, the system does not enable advanced data reuse or automated analysis through open datasets, which limits research and monitoring potential.

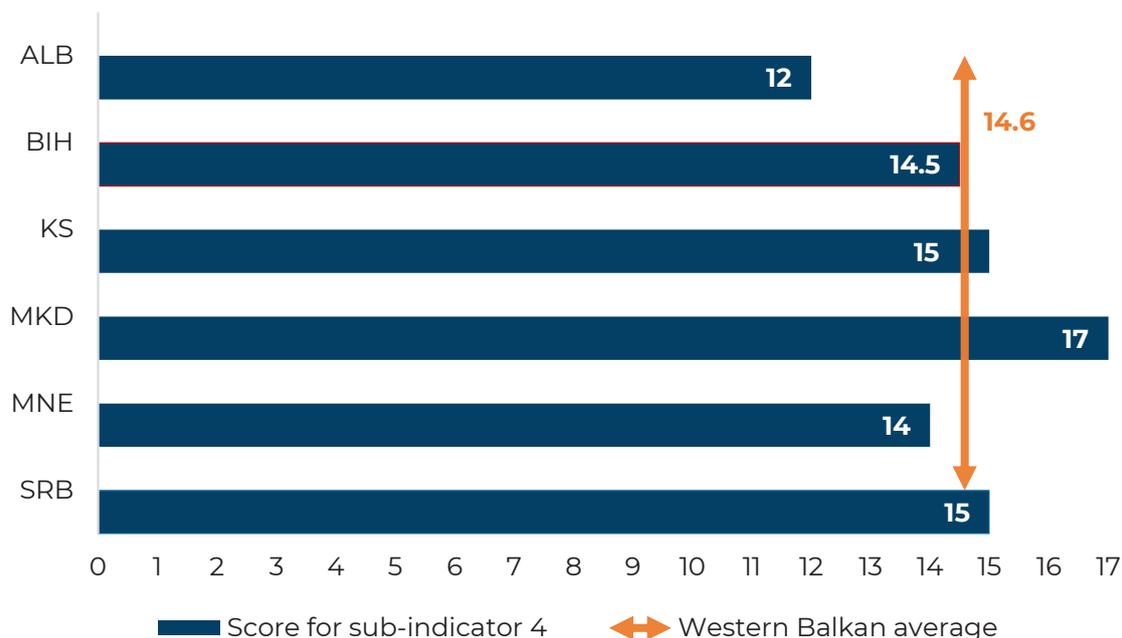
In terms of proactive communication, the SAI uses multiple external channels beyond its official website. The institution maintains social media presence, including platforms such as YouTube and X (Twitter), where it promotes its activities and shares public information. This indicates that the SAI does not rely solely on formal publication of reports but also uses additional communication tools to increase public visibility and outreach. Such diversified communication channels strengthen institutional openness and support the dissemination of audit findings to broader audiences.

Finally, perceptions among key non-state actors strongly support the conclusion that the SAI is transparent and that its reporting is accessible. All interviewed key informants expressed positive agreement that the SAI operates transparently and that audit reports are easily accessible online. Respondents also highlighted the State Audit Office of Bosnia and Herzegovina as a positive institutional example, noting that its practices demonstrate consistent public reporting and serve as an encouraging benchmark for openness and accountability. This external perception reinforces the quantitative and desk-based findings and confirms that the SAI is widely regarded as one of the more transparent institutions at the central level.

Overall, the monitoring results indicate that Bosnia and Herzegovina's SAI performs strongly in terms of public availability of audit documentation, accessibility of reporting, and proactive communication practices. The legal framework supports transparency and aligns with INTOSAI standards, while implementation practice demonstrates consistent publication of reports and user-friendly online access. The main remaining gap concerns the absence of open-format datasets and machine-readable audit data, which prevents full compliance with open-data principles and limits the possibility of independent reuse of audit information for advanced analysis. Nevertheless, in the broader context of public sector transparency, the SAI remains among the strongest-performing institutions in Bosnia and Herzegovina in this monitoring area.

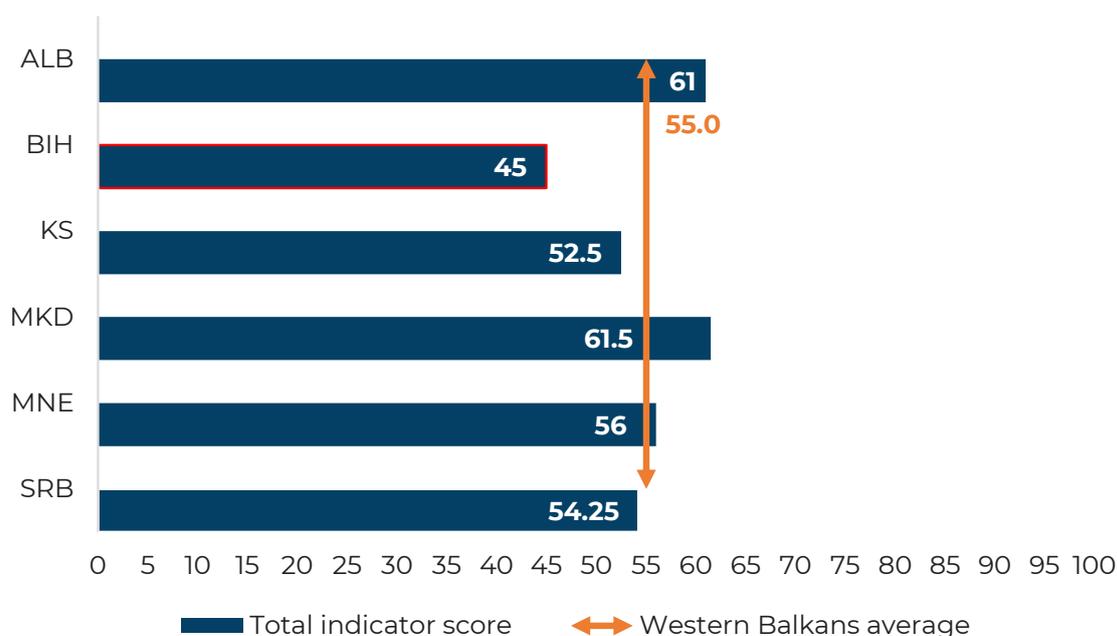
HOW DOES BOSNIA AND HERZEGOVINA DO IN REGIONAL TERMS?

Sub-indicator 4: Openness and transparency of State Audit Institution's work (maximum score 17)



OVERALL SCORES COMPARISON IN THE PUBLIC FINANCIAL MANAGEMENT AREA

Indicator: Transparency and openness of public financial management



Regional overview report for Public Financial Management area, with results for all WB administrations is available at: www.par-monitor.org

II.5 Recommendations for the Public Financial Management area

II.5.1 TRACKING RECOMMENDATIONS FROM PAR MONITOR 2021/2022

<i>Recommendations</i>	<i>Type (short term/medium term/long term)⁸</i>	<i>Status</i>	<i>Explanation</i>
BiH MoFT has a single place on its website for ALL information on executed budget (quarterly, mid-year, annual), listing separately different budget execution reports, but it should be better organized and easily accessible.	Short term	No action taken	Nothing changed from the previous cycle.
Publishing of budget execution data should be as comprehensive as possible, for better understanding of external stakeholders and greater transparency. Meaning, besides “business as usual” publishing information by economic categories, each report should allow for accessing execution data by functions of the Government, and individual budget users’ execution for the whole public sector (state budget, local self-governments, social security organisations, state-owned enterprises)	Short term	No action taken	Nothing changed from the previous cycle.
Year-end budget report should provide performance information of the Government. Firstly, this information should be disclosed in concise and citizen-friendly way explaining achievements by the Government in terms of budget execution, and secondly, more detailed information can be provided by disclosing information on programme-budget indicators at the level of programmes of all budget users, at least.	Short term	No action taken	Nothing changed from the previous cycle.

⁸ Recommendations for which the assessed time for implementation is up to one year are labelled as short-term. Medium-term recommendations should be implementable within a period of one to three years. Long-term recommendations require more than three years to be implemented.

MoFT should pursue open data policy to the fullest, by publishing ALL budgetary data in preferably more than one open format, in line with the open data standards. This should also entail making datasets easily accessible and clearly visible website banner/ section.	Short term	No action taken	Nothing changed from the previous cycle.
MoFT CHU should regularly produce and publish online quality reviews of internal audit reports.	Short term	No action taken	Nothing changed from the previous cycle.
MoFT CHU should improve external communication, by publishing materials for explaining PIFC and highlighting important developments in the public sector to the citizens, using simple language and examples from practice. This can be done through various means such as infographics, videos, or brochures, or via social media channels.	Short term	No action taken	Nothing changed from the previous cycle.
Ministries on the State level, but also other levels of government should dedicate an easily accessible, single website section for updates on FMC within the organisation. It should at least include mission and goals of the organisation, responsible persons for implementing the PIFC, business procedures, information on risk management, reported irregularities. Beyond descriptions and static information, this section should be regularly updated with results of PIFC implementation in daily functioning of the organisation.	Medium term	No action taken	Nothing changed from the previous cycle.
New public procurement law should be adopted and it should include: <ul style="list-style-type: none"> · Liability in contracting authorities regarding violations of the provisions of the Public Procurement Law; · Introduction of provisions on the fight against corruption and conflict of interest · Ensure prevention of preferential treatment of domestic bidders. 	Medium term	No action taken	Nothing changed from the previous cycle.

II.5.2 RECOMMENDATIONS FROM THE 2024/2025 MONITOR REPORT

Recommendations from the monitoring cycle 2024/2025 for the Public Financial Management area are listed below. The recommendations are grouped into three types, according to the estimated time needed for their implementation. Recommendations for which the assessed time for implementation is up to one year are labelled as short-term. Medium-term recommendations should be implementable within a period of one to three years. Long-term recommendations would likely require more than three years to be implemented.

Short-term recommendations

- *The BiH Ministry of Finance and Treasury should establish a single, clearly visible and user-friendly online portal for budget execution reporting (quarterly, mid-year, annual), including archives and methodological explanations.**
- *The Ministry of Finance should pursue an open data policy by publishing all budget execution datasets in at least two machine-readable formats (e.g., CSV/XLSX and JSON), aligned with open data standards and clearly accessible on the website.**
- *The CHU should improve external communication on PIFC reforms by publishing simplified explanations of FMC, internal audit, and risk management using guides, infographics, and digital outreach.**
- *The CHU should institutionalise the regular publication of annual and thematic quality reviews of internal audit reports, highlighting systemic weaknesses and corrective measures, while respecting confidentiality requirements.**

Medium-term recommendations

- *Ministries and key institutions should establish a dedicated and regularly updated FMC/PIFC website section, including responsible persons, internal procedures, risk management frameworks, irregularity reporting channels, and annual FMC implementation summaries.**
- *Institutions should be required to report annually on risk management implementation, including key risks, mitigation measures, and monitoring results, linked to strategic planning and budget execution.*
- *Budget execution reporting should be expanded beyond economic classification, ensuring public access to execution data by function and by individual budget users, including the ability to track spending across the wider public sector.**

Long-term recommendations

- The annual budget execution report should be upgraded into a performance-oriented reporting tool by integrating concise performance summaries and programme-level indicators, published in both technical and citizen-friendly formats.*
- Bosnia and Herzegovina should prioritise adoption and implementation of a strengthened Public Procurement Law that ensures accountability and effective sanctioning mechanisms for violations, including enforceable liability provisions.*
- Public procurement should be strengthened through enhanced anti-corruption safeguards and transparency measures, including stronger conflict of interest rules and proactive disclosure of tender documentation, contract implementation, modifications, and final payments.*

** Recommendations from the previous cycle (repeated and modified)*

METHODOLOGY APPENDIX

For producing this report for Bosnia and Herzegovina, the following research methods and tools were used for data collection and calculation of elements:

- Analysis of official documentation, data, and official websites
- Requests for free access to information
- Interviews with stakeholders and key informants
- Public perception survey.

Monitoring heavily relied on the analysis of official documents publicly available on the websites of administration bodies and on the data and information contained therein. However, in cases where the data was not available, researchers sent requests for free access to information to relevant institutions in order to obtain information necessary for awarding points for the elements.

Table 6. FOI requests sent in Bosnia and Herzegovina

Institution	Date of request	Date of reply to the request
Public Procurement Agency of Bosnia and Herzegovina	07.11.2025.	25.11.2025.

Interviews with key informants were conducted and used as a base for point allocation for elements 1.5, 2.14, 3.14, 3.15 and 4.7. Additionally, they were used to collect qualitative, focused, and in-depth inputs on monitored phenomena. Interviews with other stakeholders (such as representatives of public administration bodies) were additionally used in the research to complement and verify otherwise collected data and findings. Selection of interviewees was based on purposive, non-probability sampling, targeting interlocutors based on their expertise on the topic.

Key informant interviews were comprised of a set of up to four questions where the participants expressed their agreement on a four-point scale: fully disagree, tend to disagree, tend to agree and fully agree. Points under elements 1.5, 2.14, 3.14, 3.15 and 4.7 were allocated if all key informants stated that they tend to agree/fully agree with the statement. Additionally, a set of open-ended questions was used, allowing for a discussion with interviewees and on-the-spot sub-

questions rather than strictly following a predetermined format. Interviewees were given full anonymity in terms of personal information and institutional/organisational affiliation.

Table 7. Interviews conducted in Bosnia and Herzegovina

Date	Interviewees
20.11.2025.	Transparency International BiH
21.11.2025.	Youth Activism Development Center CROA
21.11.2025.	University of Sarajevo

List of interview questions

- **Element 1.5**

The following questions are used for point allocation for element 1.5. Point allocation is determined based on fully agree/tend to agree responses. For each question where all key informants fully agree/tend to agree with the statement, 1.5 points are allocated.

1. To what extent do you agree with the following statement: **The budget formulation process is transparent.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree
2. To what extent do you agree with the following statement: **The budget formulation process is inclusive.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

Additional guiding questions (not used for point allocation, but relevant for providing qualitative insight necessary for the assessment):

1. Can you describe your experience, if any, with participating in the budget formulation process?
2. In your opinion, how open and accessible is the budget formulation process to non-state actors?
3. Have you observed any improvements or setbacks in transparency or inclusiveness over the past few years? If so, what triggered them?
4. Do you think that feedback from non-state actors is taken into account during the budget planning process? Please elaborate

- **Element 2.14.**

The following questions are used for point allocation for element 2.14. Point allocation is determined based on the ratio of fully agree/tend to agree responses. For each question where all key informants fully agree/tend to agree with the statement, 0.75 points are allocated.

1. To what extent do you agree with the following statement: **Available annual budgets are comprehensive enough.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree
2. To what extent do you agree with the following statement: **Available annual budgets provide adequate information for the purpose of research, analysis and policy monitoring.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree
3. To what extent do you agree with the following statement: **Available budget execution reports are comprehensive enough.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

4. To what extent do you agree with the following statement: **Available budget execution reports provide adequate information for the purpose of research, analysis and policy monitoring.**

- a) fully disagree
- b) tend to disagree
- c) tend to agree
- d) fully agree

Additional guiding questions (not used for point allocation, but relevant for providing qualitative insight necessary for the assessment):

1. How would you assess the accessibility of annual budgets and execution reports online? Are they easy to find and use?
2. In your view, does the format and structure of the published budget documents support understanding and analysis by non-experts?
3. What kind of information do you find missing or insufficient in the available annual budgets or execution reports?
4. Have you or your organisation used publicly available budget documents for research, advocacy, or monitoring? If so, how useful were they?
5. Have you encountered any challenges when trying to access or understand budget documentation? If yes, can you describe them?

- **Element 3.14.**

The following questions are used for point allocation for element 3.14. Point allocation is determined based on the ratio of fully agree/tend to agree responses. For each question where all key informants fully agree/tend to agree with the statement, 1.5 points are allocated.

1. To what extent do you agree with the following statement: **Public procurement system, as established by the public procurement legislation, is transparent.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

2. To what extent do you agree with the following statement: **Public procurement system, as established by the public procurement legislation, is competitive.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

Additional guiding questions (not used for point allocation, but relevant for providing qualitative insight necessary for the assessment):

1. Based on your experience, how would you describe the overall transparency of the public procurement system at the central level?
2. Do you believe that the current legal and institutional framework ensures fair competition in public procurement?
3. Have you observed any common practices or patterns that reduce transparency and competitiveness in procurement procedures?
4. Are there mechanisms in place that allow for meaningful oversight or public scrutiny of procurement processes? If yes, how effective are they?

- **Element 3.15**

The following questions are used for point allocation for element 3.15. Point allocation is determined based on the ratio of fully agree/tend to agree responses. For each question where all key informants fully agree/tend to agree with the statement, 1.5 points are allocated.

1. To what extent do you agree with the following statement: **The public procurement law adequately regulates exceptions to its application.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree
2. To what extent do you agree with the following statement: **Exceptions from the application of the public procurement law are in practice limited to those regulated by the law.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

Additional guiding questions (not used for point allocation, but relevant for providing qualitative insight necessary for the assessment):

1. How would you assess the clarity and adequacy of legal provisions regulating exceptions to the public procurement law?
2. In your experience, are exceptions applied strictly within the legal framework, or are there cases where they are used more broadly?
3. Do you think the use of exceptions has increased or decreased over time? What factors might have influenced this trend?
4. Are there sufficient oversight or control mechanisms to monitor the use of exceptions in public procurement?
5. What reforms or safeguards would you recommend to ensure that exceptions are used appropriately and do not undermine integrity of public procurement, transparency or competition?

- **Element 4.7.**

The following questions are used for point allocation for element 4.7. Point allocation is determined based on the ratio of fully agree/tend to agree responses. For each question where all key informants fully agree/tend to agree with the statement, 1.5 points are allocated.

1. To what extent do you agree with the following statement: **The work of the SAI is transparent.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree
2. To what extent do you agree with the following statement: **SAI's reports are easily accessible online.**
 - a) fully disagree
 - b) tend to disagree
 - c) tend to agree
 - d) fully agree

Additional guiding questions (not used for point allocation, but relevant for providing qualitative insight necessary for the assessment):

1. How would you assess the overall transparency of the SAI's work, including its audit and reporting practices?

2. In your experience, how easy is it to access SAI reports online? Are they published in a timely and user-friendly manner?
3. Do you find the content and structure of the SAI's reports suitable for understanding key findings and recommendations?
4. Do you think the SAI engages sufficiently with civil society, media, or the public to communicate its work and findings?

The public perception survey is based on a questionnaire targeting the general public (18+ permanent residents) of Bosnia and Herzegovina. The survey was conducted through computer-assisted telephone interviewing (CATI) in combination with computer-assisted web interviewing (CAWI).

The survey was conducted between 16.02.2025 and 26.02.2025. The margin of error for the sample of 1020 citizens is **±3,50%**, at the 95% confidence level.

Table 8: public perception survey questions in the area of Public Financial Management

Statement 20	Strongly disagree	Disagree	Agree	Strongly agree	Don't know/ No opinion
I have the opportunity to influence how money from the state budget funds is spent.	1	2	3	4	99
Statement 21	Strongly disagree	Disagree	Agree	Strongly agree	Don't know/ No opinion
State authorities publish information about how money from the state budget funds is spent.	1	2	3	4	99

LIST OF REFERENCED SOURCES IN THIS REPORT

Reports

SIGMA country reports on the Assessment against the Principles of Public Administration, available at: <https://tinyurl.com/3uwz5dh7>

European Commission country reports for 2025, available at: <https://tinyurl.com/5eun87sd>

Open Budget Survey country results, available at: <https://internationalbudget.org/open-budget-survey/country-results>.

Legal acts, by-laws, and policy documents

Budget execution reports and budget documentation of Bosnia and Herzegovina, available at: <https://www.mft.gov.ba/>

Strategic and policy documents related to Public Internal Financial Control (PIFC), Financial Management and Control (FMC), and internal audit in Bosnia and Herzegovina, available at: <https://www.mft.gov.ba/>

Bosnia and Herzegovina public procurement legal and policy framework is available at: <https://www.javnenabavke.gov.ba/>

Law on Financing of the Institutions of Bosnia and Herzegovina, available at: <https://shorturl.at/1PXQM>

Law on Audit of the Institutions of Bosnia and Herzegovina, available at: <https://shorturl.at/1PXQM>

Law on Public Procurement of Bosnia and Herzegovina, available at: <https://shorturl.at/MJvIZ>

Websites

Bosnia and Herzegovina Ministry of Finance and Treasury, available at: <http://www.mft.gov.ba>
Public Procurement Agency of Bosnia and Herzegovina, available at: <https://www.javnenabavke.gov.ba>

e-Procurement Portal (BiH), available at: <https://www.ejn.gov.ba>

BiH SAI, available at: <https://www.revizija.gov.ba/?lang=en>

BiH SAI social media, available at: <https://www.youtube.com/channel/UCMZCIG5esqlfJL8baGarL4w> and <https://x.com/UredzaReviziju>



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