Bosnia and Herzegovina scored the highest fiscal surplus in the Western Balkan region in 2018

Bosnia and Herzegovina had experienced a significant improvement between 2008 and 2018, from a deficit of 3.9% to a surplus of 1.7% of GDP. In 2018, the Western Balkan region recorded an average fiscal deficit of 0.3% of GDP, as compared to the average fiscal deficit of 2.9% in OECD countries.

In Bosnia and Herzegovina, the Parliament has oversight power throughout the budget cycle

In Bosnia and Herzegovina, the executive submits reports for the approval of the legislature throughout the budget cycle. This includes the executive budget proposal, supplementary budgets, and year-end budget reports and financial statements. Bosnia and Herzegovina is the only country in the Western Balkans to submit mid-year implementation reports for approval, a practice that is also rare in OECD countries.

Bosnia and Herzegovina has the least favourable business environment in the Western Balkan region

According to the World Bank’s ease of doing business index, Bosnia and Herzegovina had the lowest score in the region with the total score of 65, compared to the regional average of 73 and the OECD-EU average of 78. Among the index components, the ease of paying taxes of the Western Balkans region recorded the largest gap compared to the average of the OECD-EU countries – and Bosnia and Herzegovina also scored the region’s lowest in this component. In particular, businesses in Bosnia and Herzegovina spend 411 hours per year complying with tax obligations, 2.5 times more than the OECD-EU average.
How to read the figures:

- Country value in **green** (not represented if not available)
- Range of Western Balkan countries values in **purple**
- Average of Western Balkan countries in **orange**
- Average of OECD countries in **blue**
- Average of EU countries in **grey**

Values have been rounded.

**Public Finance and Economics**

**Fiscal balance (2018)**

- Bosnia and Herzegovina: 1.7% of GDP

**Government gross debt (2018)**

- Bosnia and Herzegovina: 34.3% of GDP

**Government investment (2017)**

- Bosnia and Herzegovina: 6.8% of total government expenditures

Public Employment

**Public sector employment as % of total employment (2018)**

- Bosnia and Herzegovina: 29.2%

**Gender equality in public sector employment (2018)**

- Bosnia and Herzegovina: 42.1%

Budgeting Practices

**Formal powers of the legislature to amend executive budget proposal (2019)**

- BIH: State level, Brčko District - Unrestricted
- Federation of Bosnia and Herzegovina, Republika Srpska - Within total deficit/surplus proposed by the Executive

- Western Balkans: 50% Unrestricted
- 16.7% Mixed

**Identification, measure and disclosure of sources of fiscal risks (2019)**

**Macro economic shocks**

- BIH: Considered a risk
- Western Balkans: Considered a risk
- OECD: Considered a risk

**Change in debt interest rates**

- BIH: Measured/estimated
- Western Balkans: Measured/estimated
- OECD: Measured/estimated

**Environmental degradations**

- BIH: Disclosed
- Western Balkans: Disclosed
- OECD: Disclosed

**Public-Private Partnerships**

- BIH: Considered a risk
- Western Balkans: Considered a risk
- OECD: Considered a risk

**State-owned enterprises**

- BIH: Disclosed
- Western Balkans: Disclosed
- OECD: Disclosed

*While not directly related to general forecasting parameters there are narrower fiscal risks that arise from specific sources. For example, the possible need to provide fiscal support to state-owned enterprises.*

## Public Procurement

### Functionalities provided by the e-procurement system (2019)

<table>
<thead>
<tr>
<th>Tender announcement</th>
<th>E-submission of bids</th>
<th>Notification of award</th>
<th>E-invoicing</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIH</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Western Balkans</td>
<td>☑ 0% 0% 0%</td>
<td>☑ 50% 0% 0%</td>
<td>☑</td>
</tr>
<tr>
<td>OECD</td>
<td>☑ 97% 3% 0%</td>
<td>☑ 81% 13% 6%</td>
<td>☑ 35% 23% 42%</td>
</tr>
</tbody>
</table>

- Provided on central e-procurement system
- Only on that of specific procuring entities
- No

Source: OECD Survey on Public Procurement

### Strategic public procurement by objective (2019)

<table>
<thead>
<tr>
<th>Support to green public procurement</th>
<th>Support to SMEs</th>
<th>Support to innovative goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIH</td>
<td>☑</td>
<td>☐</td>
</tr>
<tr>
<td>Western Balkans</td>
<td>☐ 0% 33% 0%</td>
<td>☐ 0% 67% 0%</td>
</tr>
<tr>
<td>OECD</td>
<td>☑ 25% 68% 10%</td>
<td>☑ 10% 68% 16% 6%</td>
</tr>
</tbody>
</table>

- Policy/strategy both at the central level and at the level of some specific procuring entities
- Policy/strategy at the central level
- Policy/strategy at the level of some specific procuring entities
- No policy/strategy

Source: OECD Survey on Public Procurement

## Human Resources Management

### Level of delegation of HRM in line ministries at the central government level (2019)

Composite index from 0 (lowest) to 1 (highest)

<table>
<thead>
<tr>
<th>BIH</th>
<th>Western Balkans</th>
<th>OECD</th>
<th>OECD-EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.52</td>
<td>0.56</td>
<td>0.64</td>
<td>0.64</td>
</tr>
</tbody>
</table>

Source: OECD Survey on Strategic Human Resources Management in Central/Federal Governments

### Separation between regular HRM practices and those for Senior Civil Servants (2019)

Composite index from 0 (lowest) to 1 (highest)

<table>
<thead>
<tr>
<th>BIH</th>
<th>Western Balkans</th>
<th>OECD</th>
<th>OECD-EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.20</td>
<td>0.36</td>
<td>0.55</td>
<td>0.53</td>
</tr>
</tbody>
</table>

Source: OECD Survey on Strategic Human Resources Management in Central/Federal Governments

## Institutions

### Status of the head of Centre of Government (2019)

- BIH
  - State level, Republika Srpska, Brčko District - Political appointee
  - Federation of Bosnia and Herzegovina - Civil servant

<table>
<thead>
<tr>
<th>Western Balkans</th>
<th>OECD</th>
<th>OECD-EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political appointee</td>
<td>67%</td>
<td>52%</td>
</tr>
<tr>
<td>Civil servant</td>
<td>33%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Source: OECD (2019) Questionnaire for the Western Balkans on Organisation and Functions of the Centre of Government

## Digital Government

### Existence of a list with fully digital services provided in the public sector (2019)

<table>
<thead>
<tr>
<th>BIH</th>
<th>Western Balkans</th>
<th>OECD</th>
<th>OECD-EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>Yes, but it is not available online</td>
<td>Yes, and it is available online</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Western Balkans</th>
<th>OECD</th>
<th>OECD-EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>50% 33%</td>
<td>17%</td>
</tr>
<tr>
<td>No</td>
<td>18% 7%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Source: OECD (2019) Survey for the Western Balkans on Digital Government
Outcomes

Satisfaction and confidence across public services (2019)

National government

25% 34%

BIH

Western Balkans

Average

Range

Judicial system

30% 33%

Education system

56% 57%

Health care

53% 52%

OECD

Average

BIH

Western Balkans

OECD

OECD-EU

Source: Gallup World Poll

Ease of doing business (2020)

Composite indicator from 0 (worst) to 100 (best)

65 73 78 77

BIH

Western Balkans

OECD

OECD-EU


Share of top and bottom performers in mathematics in the Programme for International Student Assessment [PISA] (2018)

Top

1% 2% 11% 11%

BIH

Western Balkans

OECD

OECD-EU

Bottom

58% 54% 24% 21%

0% 0%

100%

100%

0%

100%

100%

Bottom performers are students who reached a score below 2 in the assessment, while top performers are those who reached a score of 5 and 6.

Source: OECD, PISA 2018 Database

Notes

The public finance and economics data for Western Balkans countries, which are based on the IMF’s World Economic Outlook and the IMF’s Government Financial Statistics databases – harmonised with the System of National Accounts (SNA), were extracted on 19 February, 2020. For the OECD and the EU28 averages – also based on the SNA – data were extracted from the OECD Government at a Glance online database from the last available update: 14 January, 2020 (financial government accounts: 21 January, 2020). Western Balkans, OECD and EU28 averages for public finance and economics are weighted. The SNA government debt definition differs from the definition of debt applied under the Maastricht Treaty and for this reason the EU average is not presented here. Where not disaggregated and for Western Balkans average, data for Bosnia and Herzegovina reflects the response consolidated by the State level based on the responses received from relevant authorities at the State level, Federation of Bosnia and Herzegovina, Republika Srpska and Brčko District.

For more information on the data (including full methodology and figure notes) and to consult all other Country Fact Sheets:

The Excel spreadsheets used to create the tables and figures in Government at a Glance: Western Balkans 2020 are available via the StatLinks provided throughout the publication:
https://doi.org/10.1787/a8c72f1b-en

Government at a Glance: Western Balkans 2020

Government at a Glance: Western Balkans presents information on public governance in the Western Balkan region – covering Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia, and compares it to OECD and OECD-EU countries. This first regional edition features 40 indicators on public finance, public employment, centre of government, budgeting practices and procedures, human resources management, public procurement, digital government, core government results and serving citizens. Governance indicators provide important benchmarks on public administration systems, practices and performance. Indicators are presented in a user-friendly format using charts, with brief descriptive analyses of the major findings, and a methodological section on the definition of the indicator and any limitations in data comparability.

* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo’s declaration of independence.