



TRANSPARENCY
INTERNATIONAL
Bosna i Hercegovina

ELECTION CAMPAIGN MONITORING

LOCAL ELECTIONS 2020.



MAY 2021.



ELECTION CAMPAIGN MONITORING

LOCAL ELECTIONS 2020.

MAY 2021.



"Election Campaign Monitoring - Local Elections 2020" was created within the project "Support to Citizens in the Fight against Corruption" with the financial support of the American people through the United States Agency for International Development (USAID), and implemented by Transparency International in BiH, together with partner organizations Centers for Civil Initiatives and Center for Media Development and Analysis .

"Election Campaign Monitoring - Local Elections 2020" was made possible with the support of the American people through the United States Agency for International Development (USAID). Content is the sole responsibility of Transparency International in BiH and does not necessarily reflect the views of USAID or the United States Government.

CONTENT

1. LEGAL FRAMEWORK	6	7. APPEARANCE OF OFFICIALS ON PUBLIC SERVICES	36
2. METHODOLOGY	8	7.1 BHRT	36
3. POLITICAL PARTY FINANCING AND ELECTION CAMPAIGN COSTS	10	7.2 RTRS	38
3.1 PARTY FINANCING ACCORDING TO ANNUAL FINANCIAL STATEMENTS	10	7.3 FTV	39
3.2 FINANCING FROM ILLEGAL SOURCES	13	8. VIOLATION OF THE ELECTION LAW AND ABUSE OF PUBLIC RESOURCES IN ELECTION CAMPAIGN	41
3.3 POLITICAL PARTIES DEBTS	15	8.1 DISTRIBUTION OF SPECIAL INCENTIVES, SUBSIDIES AND MONEY TO CERTAIN CATEGORIES OF POPULATION	42
3.4 DECLARED ELECTION CAMPAIGN COSTS	16	8.2 DISTRIBUTION OF GIFTS, PACKAGES OR MONEY TO VOTERS BY PARTY ACTIVISTS OR OFFICIALS	44
4. ADVERTISING MONITORING AND ELECTION CAMPAIGN COSTS	20	8.3 PROVIDING SPECIAL BENEFITS LIKE "FREE" EXAMINATIONS, MEDICINES, DISCOUNTS ON FEES AND BILLS ETC., FOR INDIVIDUAL PROMOTION	46
4.1 ADVERTISING MONITORING IN THE MEDIA DURING THE 2020 ELECTION CAMPAIGN	21	8.4 USE OF INCREASED EMPLOYMENT FOR ELECTION SUPPORT IN PUBLIC COMPANIES, ESTABLISHMENTS AND INSTITUTIONS	47
4.2 OUTDOOR ADVERTISING MONITORING	24	8.5 PAID ADVERTISING OF PUBLIC INSTITUTIONS, PUBLIC ENTERPRISES PROMOTING CERTAIN CANDIDATES OR OFFICIALS	48
4.3 MONITORING OF PRE-ELECTION RALLIES OF POLITICAL PARTIES IN THE CAMPAIGN FOR LOCAL ELECTIONS IN 2020	25	8.6 INTENSIFICATION OF PUBLIC WORKS IN THE PRE-ELECTION PERIOD	51
5. COMPARATIVE ANALYSIS OF PRESENTED AND RECORDED ELECTION CAMPAIGN COSTS	28	8.7 ADVERTISING PARTIES AND CANDIDATES IN PLACES WHERE FORBIDDEN	53
6. USE OF PUBLIC FUNCTIONS FOR ELECTION CAMPAIGN PURPOSES (OFFICIALS' CAMPAIGN)	31	8.8 EARLY CAMPAIGN	53
		8.9 THREATS TO VOTERS AND OTHER FORMS OF PRESSURE ON VOTERS	54
		9. CONCLUSIONS AND RECOMMENDATIONS	55

1. LEGAL FRAMEWORK

Financing of political parties in Bosnia and Herzegovina is regulated by the Election Law, the Law on Political Party Financing and a number of bylaws. The Election Law in the chapter "Campaign Financing" regulates the obligation to submit financial reports, their content, authorized submitters, the powers of the Central Election Commission (hereinafter: CEC), the obligation to submit statements on the financial status of candidates, i.e. reports of elected members of government and determines the maximum amount of funds that a political entity can spend to finance an election campaign.

The Law on Political Party Financing regulates the manner and conditions under which political parties and members of political parties, acting on their behalf, provide funds for their work. This is how the sources of financing of political parties are defined, the use of these financial resources, prohibited contributions and activities are stated, as well as financial control of political parties, obligation to keep business books and submit financial reports, competence and role of CEC, and sanctions for non-compliance with defined provisions.

Despite numerous initiatives and attempts to improve legislation on political parties financing, the regulations in force still do not provide a solid basis for preventing abuses in financing of political parties. The insufficient level of transparency and accountability required of political parties continues to allow parties to benefit by circumventing the law and not punishing evasion of accountability to the public and voters.

In addition, supervision of party funding by CEC BiH, limited by the legal framework and lack of resources, leads to untimely detection of violations and abuses, and punitive measures are not sufficient to motivate parties to adhere to them.

The current law does not address the difference between expenses considered as campaign expenses and regular ones, operating costs of political parties during the campaign, which prevents independent verification of campaign cost levels. It does not define CEC's responsibilities for auditing costs of parties, nor does it promote the use of single bank accounts for transactions of political parties, which are the two most important criteria for establishing effective control over party funding. Also, it does not stimulate the use of bank accounts for all incomes and payments of political parties, and allows the possibility of using several bank accounts, which results in the use of cash and makes financial control more difficult.

The law prescribes the obligation to report on the benefits derived from the activities of entities that are in any way related to or under the control of a political party, but does not regulate what is considered related party, and how to ensure the implementation of this provision and control whether all benefits realized by related parties have been reported. Although there is an obligation of political parties to publicly display on their website the origin and manner of spending the funds collected during the past calendar year, neither the form nor the deadlines for publication are prescribed.

The provisions related to fines do not correspond to the committed violations of political parties, considering that a fine of up to 10,000 BAM cannot motivate the parties to respect the law, because the possible profits that can be obtained through

violation of these provisions are multiple times greater.

Monitoring of the Local Elections 2020 once again showed the shortcomings of the Election Law and the Law on the Political Party Financing when it comes to banning the use of public functions and public institutions for promotion during the election campaign, which is why it is necessary to introduce mechanisms to prevent misuse of public funds, public functions and public institutions during election campaigns. When it comes to budget spending, new employment in the public sector or similar allocations that could be related to the election campaign, the laws in BiH do not prescribe special rules or other prohibitions.

Practice in Bosnia and Herzegovina shows an increase in the number of activities of public officials during the election campaign. Cases of direct connection of candidates or political parties with the campaigns of public bodies financed from the budget are typical. The Election Law of Bosnia and Herzegovina in Chapter 7 regulates the rules of conduct in the election campaign, and in Chapter 16 the obligations of the media in the election campaign. Informing about regular activities of public officials at all levels of government is allowed within the informative programs of electronic media, without stating their candidacy in elections and party affiliation, whenever it comes to activities arising from the legally determined scope of bodies to which they belong. Public officials at all levels of government who are candidates in elections must not have a privileged position over other participants in the election process.

The second report on the compliance of the BiH Group of countries of the Council of Europe for the fight against corruption (GRECO) in relation to the recommendations given in its Third Round of the Evaluation Report on Bosnia and Herzegovina, states that BiH has not fulfilled its obligations when it comes to transparency of party financing, and very little progress has been made in the area of the European Criminal Law Convention on Corruption.

GRECO has previously made nine recommendations to Bosnia and Herzegovina regarding the transparency of political party funding, and the February report states that Bosnia and Herzegovina has satisfactorily implemented only one recommendation, and that changes to the 2016 election legislation have enabled the partial implementation of five recommendations, while three recommendations have not yet been implemented.

The first non-implemented recommendation is related to review of provisions relating to political parties, in particular party or election campaign financing, which are currently scattered in different legislative texts, with the aim of achieving consistency, comprehensiveness and applicability for the profession and political parties, in particular taking into account their consolidation into one legislative document.

The second relates to taking measures to prevent violations of limit rules spending during the election campaign, by showing costs outside the reporting period and giving CEC a mandate to supervise the expenses of political parties outside of election campaigns. The latter refers to the increase of financial and human resources assigned to the Audit Department of the Central Election Commissions to be better

equipped to effectively perform its supervisory tasks related to political financing, including ensuring faster and more significant supervision of political parties and financial reports during election campaigns.

The ODIHR International Observation Mission warned of shortcomings in the legal framework, as most previous recommendations were not taken into account, including the introduction of effective provisions on preventing the misuse of state funds, financing and monitoring campaigns, and resolving election disputes. The Mission expressed, in its Report after the 2018 General Elections, a particular concern with a lack of political will to embark on electoral reforms.

2. METHODOLOGY

Transparency International in BiH (hereinafter: TI BiH) regularly monitors the implementation of laws and financial reports of parties, and monitors election campaigns in order to inform citizens in a timely manner on campaign financing, costs of political parties, with special reference to the use of public functions and funds of institutions for the purpose of the campaign, while on the other hand it seeks to ensure more transparent financing of political parties through advocacy activities and improvement of the legal framework.

Election campaign monitoring for the Local Elections in 2020 included, among other things, financing of political parties according to post-election and annual financial reports submitted by political parties to CEC and comparison of reported election campaign costs with TI BiH monitoring findings.

Monitoring the costs of the election campaign is divided into three parts: monitoring advertising in the media, monitoring advertising on billboards and monitoring costs of election rallies. Due to the lack of an adequate source of data, costs of online advertising could not be tracked, although political parties are increasingly focusing on this form of advertising.

Media advertising monitoring is based on measuring:

- Duration of broadcasting pre-election videos on 12 TV stations (ALFA TV, ATV, BHT, FACE TV, FTV, HAYAT, K3, N1, NOVA BH, O KANAL, RTRS, TV BN)
- Lease of space in print media (Dnevni avaz, EuroBlic, Glas Srpske, Gracija, Kakanjske novine, Naša riječ, Nezavisne novine, Oslobođenje, Semberske novine and Večernji list)

Monitoring and estimates of advertising prices were performed with the cooperation of an agency¹ specialized in media monitoring. The agency is engaged in monitoring and registering advertising and paid political programming broadcasted on broadcasters nationwide, television, and print media.

When monitoring advertising in the media, the Agency used publicly available price lists of political advertising from the monitored media. During the monitoring, advertisements, their duration and commercial value were recorded according to the valid media price lists.

Monitoring of advertising on TV stations and print media covered 14 political parties, but half spent small amounts, significantly less than in the previous years, which shows that the parties are focusing on other forms of advertising.

Most political parties were covered by monitoring of advertising on billboards, as well as monitoring of the cost of pre-election rallies. These two monitorings were done in 70 most populated local communities in BiH in which TI BiH had field observers.

After obtaining data, through this report, a special analysis and comparison of the presented and determined costs in the campaign **was done for the 15 largest political parties** that spent the most significant amounts in the election campaign. Those are:

- ALLIANCE OF INDEPENDENT SOCIAL DEMOCRATS - SNSD
- PARTY OF DEMOCRATIC ACTION - SDA
- PARTY OF DEMOCRATIC PROGRESS - PDP
- UNITED SRPSKA
- CROATIAN DEMOCRATIC UNION OF BOSNIA AND HERZEGOVINA - HDZ BIH
- DEMOCRATIC PEOPLE'S ALLIANCE - DNS
- SOCIAL DEMOCRATIC PARTY OF BOSNIA AND HERZEGOVINA - SDP BIH
- OUR PARTY
- SERBIAN DEMOCRATIC PARTY - SDS
- SOCIALIST PARTY
- DEMOCRATIC ALLIANCE - DEMOS
- ALLIANCE FOR A BETTER FUTURE OF BOSNIA AND HERZEGOVINA - SBB BIH
- PEOPLE AND JUSTICE
- SOCIALIST PARTY OF SRPSKA - SPS
- SOCIAL DEMOCRATS OF BIH

In the second part of the report, which refers to the officials' campaign and misuse of public resources, TI BiH monitored performances of officials on public services, and that part of the monitoring was also done by a professional agency.

In addition, TI BiH monitored public events organized by public institutions through field observers in 70 local communities to assess the extent to which they were used for election promotion. Observers monitored whether election candidates were present at the events, whether their presence was in the description of their work, whether they were addressing the audience, whether political messages were being delivered, whether party activists were present, etc.

¹ CEC BiH. The structure of the total income of political parties realized in 2018.

Also, TI BiH observers recorded on the ground all types of misuse of public resources and violations of the Election Law, and these phenomena were monitored and analyzed through 13 categories:

- Distribution of special incentives for subsidies and money to certain categories of the population (Item 8.1 of the report)
- Distribution of gifts, packages or money to voters by party activists or officials (8.2)
- Providing special benefits, "free" examinations, medicines, discounts on fees and bills, etc. for the promotion of individuals (8.3)
- Using increased employment for electoral support in public enterprises, establishments and institutions (8.4)
- Paid advertising of local institutions and public companies that promote certain candidates or officials (8.5)
- Intensification of public works in the pre-election period (8.6)
- Advertising of parties and candidates in places where it is forbidden (8.7)
- Early campaign (8.8)
- Threats to voters and all forms of pressure on voters (8.9)
- Using the premises of institutions/establishments/public companies for the promotion of parties and candidates
- Pressure on public sector employees to vote for certain candidates
- Preventing certain political entities from carrying out their activities
- Other examples of misuse of public resources in the campaign

3. POLITICAL PARTY FINANCING AND ELECTION CAMPAIGN COSTS

3.1 FINANCING ACCORDING TO ANNUAL FINANCIAL STATEMENTS

According to CEC BiH², the annual financial report for 2020 was submitted by 131 political parties, which is 71.58% of the total of 183 political parties, which are in the records of the Central Election Commission of Bosnia and Herzegovina.

According to the data from the financial reports, political parties in 2020 were financed from the following sources:

²

https://www.izbori.ba/Documents/2020/Fin_izv_2020/God_fin_izvjestaji/Info/Informacija_o_podnesenim_izvjestajima_politickih_stranaka_2020_godinu_sa_izvorima_finansiranja.pdf

REVENUES	AMOUNT	STRUCTURE
Membership fee	1,805,651.30 BAM	8.37 %
Contributions of individuals	2.811.977,97 BAM	13,04 %
Contributions of legal entities	357.161,82 BAM	1,66 %
Revenues from political parties	462.383,65 BAM	2,14 %
Profit from legal entities owned by the party	0,00 BAM	0,00 %
Revenues from gifts and services that the party was not obliged to pay	224.350,27 BAM	1,04 %
Budget revenues	15.550.506,55 BAM	72,10 %
Revenues from publishing, sale of propaganda material and organization of party manifestations	0,00 BAM	0,00 %
Other income	355.666,81 BAM	1,65 %
TOTAL INCOME	21.567.698,37 BAM	100,00 %

DEBTS OF POLITICAL PARTIES AS OF 31.12.2020.	9.140.535,18 BAM
---	-------------------------

Source: CEC BiH report

During 2020, political parties of Bosnia and Herzegovina received from the budgets of all levels of government in BiH about 15.5 million BAM, according to data from the annual financial reports published by the Central Election Commission of BiH.

The Law on Political Party Financing stipulates that political parties may be financed from the budget of Bosnia and Herzegovina, entity budgets, cantonal budgets, the budget of the Brcko District of Bosnia and Herzegovina, and the budgets of other local government units in accordance with the law.

When it comes to financing from the budget of BiH, funds are distributed in such a way that 30% of funds are distributed equally to all political parties, 60% of funds are distributed according to the number of parliamentary or delegate mandates and 10% of the total amount is distributed to parliamentary groups in proportion to the number of parliamentary or delegate seats belonging to the underrepresented sex³.

In Republic of Srpska, for political parties, i.e. coalitions, budget funds are allocated in such a way that 20% of funds are distributed in equal amounts to parties that have deputies and councilors, and 80% of funds are distributed proportionally to the number of mandates won.⁴

Federation of Bosnia and Herzegovina has not passed a special law on the financing of political parties from the budget, so the funds for political parties financing and other political entities are allocated in accordance with the Law on Budget Execution of the Federation of Bosnia and Herzegovina, which is adopted every year.

³ Law on Financing of Political Parties of BiH ("Official Gazette of BiH" No. 95/12 and 41/16)

⁴ Law on Financing of Political Parties from the Budget of the Republic, City and Municipality ("Official Gazette of RS" No. 65/08)

According to the FBIH Law on Budget Execution for 2020, funds intended for financing political entities are distributed so that 40% of the planned amount belongs to political entities represented in Parliament, in equal amounts, and 60% according to the number of deputies in the Houses of Parliament, on the date of the mandates⁵

The Law on Political Party Financing from the budget of the Brcko District of Bosnia and Herzegovina stipulates that funds from the budget of the Brcko District of BiH shall be allocated for:

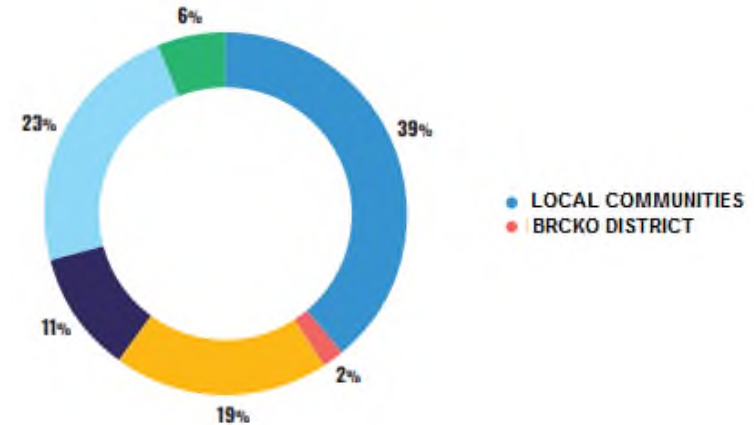
- Election campaign of political parties participating in the elections for the Brcko District Assembly
- Regular work of political parties represented in the Assembly of Brcko District of BiH

Funds for the election campaign of political parties are provided in the year in which:

- Regular elections for the Assembly of Brcko District is held in the amount of 0.03% of revenues in the budget of Brcko District or 60,000 BAM, whichever is lower

Funds for the regular work of political parties are allocated on an annual basis of 0.1% of revenues in the budget of Brcko District of BiH or 200,000 BAM, depending on which of these two amounts is lower. The funds allocated for the regular work of political parties and their parliamentary clubs in the Brcko District Assembly are distributed in such a way that:

- 30% of the funds are distributed in equal amounts to all parliamentary clubs of political parties represented in Brcko District Assembly, and 70% of the total amount is distributed in proportion to the number of seats each political party has in the Brcko District Assembly at the time of distribution



	2019	2020	
	Paid	Planned	Paid
LOCAL COMMUNITIES	6.549.924,36	6.219.827,28	6.057.901,77
BRCKO DISTRICT OF BIH	200.000,00	259.999,94	259.999,94
CANTONS	3.955.578,57	3.501.061,99	2.863.968,28
FEDERATION OF BIH	3.713.004,00	1.816.488,00	1.770.702,00
REPUBLIC OF SRPSKA	3.531.916,65	3.924.999,26	3.597.915,93
BOSNIA AND HERZEGOVINA	933.609,53	950.000,04	942.158,00

That is somewhat less than in the previous years, when over 18 million BAM were paid to the parties, and the reason is that Federation of BiH planned half less money in the budget than in the previous years. 1.1 million BAM less was allocated from the cantonal level, while Republic of Srpska planned a larger allocation for political parties compared to the previous years, but the entire amount has not been paid yet.

3.2 FINANCING FROM ILLEGAL SOURCES

According to the Law on Political Party Financing in BiH, financing is prohibited to: administrative bodies of Bosnia and Herzegovina, entities, cantons, Brcko District of Bosnia and Herzegovina, and city and municipal bodies. Also, the financing of political parties is prohibited for private companies that have concluded a public procurement contracts with the executive authorities at all levels in BiH if the value of the contracts in one calendar year exceeds the amount of 10,000.00 BAM.

⁵ Law on Execution of the Budget of the Federation of Bosnia and Herzegovina for 2020

Political parties report very few donations from private companies in their reports, and those donations are as much as 50% less than in 2016, when they amounted to around 700,000 BAM.

As in previous years a large part of these contributions came from prohibited sources, i.e. from private companies that had business with the executive authorities, TI BiH reported to CEC those donations and the parties had to return them to donors or were punished. Because of that, a large number of parties stopped reporting those donations. Thus, for example, SNSD has not shown a single mark of donation from private companies in its reports for four years.

This practice is also confirmed by the CEC data, which show less and less reported donations from legal entities in election years.

Along with the application, CEC was also provided with the lists of contracts that the financiers of these parties signed with the executive authorities during 2020, and it is interesting that numerous bodies are managed by the parties that donated.

Thus, the company BOSSIL doo, which appears among the donors of HDZ BiH in Vitez, last year got the job of building an access road worth over 329,000 BAM from the municipality of Vitez, where HDZ is in power. It is a forbidden contribution, so HDZ will have to return the donation, and CEC can impose sanctions up to three times the amount of the received contribution. Also, in 2019, this company received contracts worth over 2.4 million BAM from the municipality of Vitez, so it is indicative that it is related to the financing of the local HDZ.

In the same way, SDA was financed by the company Akva invest from Zivinice, which got a job worth 34,000 BAM from the city of Zivinice. In addition to SDA, the same company also donated to Social Democrats of BiH, and in addition to jobs from the City of Zivinice, it also received several deals from public companies over the years. However, the Law on Political Party Financing does not prohibit parties from being financed by companies that do business with public companies and public institutions.

The company Vlastic Gradnja from Travnik, which donated to SDA, had several concluded contracts during the last year with the Municipalities of Travnik and Novi Travnik, while the company BH Busenje from Tuzla, which also donated to SDA, had concluded contracts with the Municipality of Gracanica. Among the HDZ donors, the donation of the company Arh concept d.o.o. is disputable since the company had business with the City Administration of the City of Mostar, the Municipality of Citluk and several public institutions.

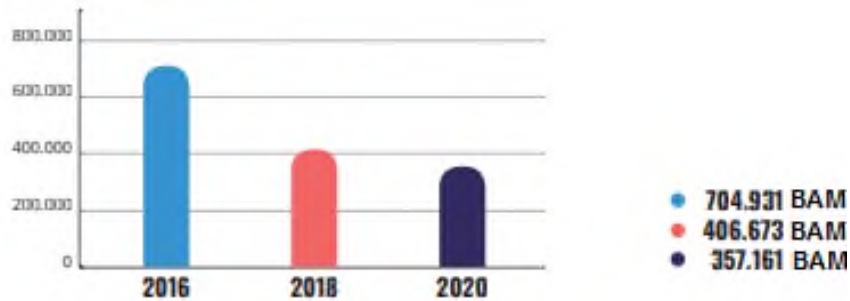
Two companies that had business with the Municipalities of Lukavac and Gracanica are among the financiers of the Social Democrats of BiH. Also, one donor of SBB signed contracts with the City of Zivinice, and it is disputable that the donor of the Brcko branch of this party, Galax Niskogradnja, has concluded numerous agreements with Brcko District and many other local communities.

SDP received banned donations from the Gypsum Mine in Donji Vakuf, which had concluded deals with this municipality, while PDP and DF had two banned donors each, and received the jobs of the executive authorities. One of the donors of DF is a company from Kakanj, which concluded deals worth 2.2 million with this municipality and the municipal Institute for Construction in 2020 alone.

It is interesting that a good part of private companies that finance parties win tenders exactly where those parties exercises power. This raises additional suspicion that money from the budget is being redirected in this way to finance the election campaign, and many parties in an attempt to cover up this phenomenon have stopped showing donations from legal entities.

3.3 POLITICAL PARTIES DEBTS

According to the law, political parties in BiH are obliged to state, on a special form, obligations under loans and borrowings as well as other obligations they have towards suppliers. From these forms, it is evident that the parties have been expressing their obligations to certain companies for years, which they do not pay. These debts are written off after a certain period and this is one of the ways in which the parties are financed by private companies and circumventing legal prohibitions.



Source CEC BiH: Donations of legal entities to political parties in election years

At the end of the last year, the parties presented 357,161 BAM of contributions from legal entities, and a large part of them was prohibited by the Law on Political Party Financing, because private companies that donated to political parties had concluded contracts with executive bodies. TI BiH therefore filed charges with CEC against 10 political parties for receiving 20 banned contributions.

During the last year, the parties received donations from private companies that had concluded contracts with the executive authorities, which is prohibited by the Law on Political Party Financing. Reports were filed against HDZ BiH, SDA, PDP, DF, SDP, NIP, SBB, SD, INDEPENDENT BH LIST and MOVEMENT FOR MODERN AND MORE ACTIVE KRAJINA.

Last year, the parties expressed liabilities in the amount of 9.1 million BAM, and this amount is higher than in the previous years, because for a long time a number of parties have been expressing obligations to individual companies which they are not paying. Here are some examples:

- Since 2014, Socialist Party has been reporting a debt to the company 6. Novembar from Zvornik of around 80,000 BAM. The company is owned by the family of their MP in the BiH Parliamentary Assembly, Jakov Galic, who was mentioned in earlier media reports as the director of this company. It is a company that has been doing business with the state for years and which, according to the law, cannot donate to a political party
- Since 2018, Independent Bloc owes 50,000 BAM to the company Divel d.o.o. from Sarajevo for the loan, and the report states that the debt was to be repaid in 2019. The company is engaged in design and road construction, and previously had business with the Municipalities of Ilidza and Centar Sarajevo, and received million-dollar contracts from Cesta FBiH and Autocesta FBiH
- Most of DNS's liabilities relate to debts of Porsche Finance Group, which appears for the first time in this year's report with a claim of around 92,200 BAM
- Democratic Front owes Ascanius Media d.o.o. around 579,000 BAM, and the debt arose on January 1, 2018 and compared to the last year is lower by about 115,000 BAM
- SDP BiH continues to express obligations to the company from Zagreb ANALYTICS EXPERT D.O.O. of about 230,000 BAM, which was previously under the USKOK investigation, because it is linked to financial fraud and money laundering. They bought the receivables from the company Promotiv d.o.o. from Siroki Brijeg, and after the charges of TI BiH, the Audit Service of

the Central Election Commission of BiH identified that these are disputed claims because this company is engaged in renting cranes.

3.4 DECLARED ELECTION CAMPAIGN COSTS

131 political parties, 71 coalitions of political parties, 333 independent candidates and 9 lists of independent candidates participated in the 2020 Local Elections. The post-election financial report was submitted to Central Election Commission of Bosnia and Herzegovina by 113 political parties, which is 86.26% of the total number of parties that participated in the Elections. The financial report was not submitted by 18 political parties or 13.74%.

In order to finance the election campaign in accordance with Article 15.10 of the Election Law of BiH, political entities within the legally prescribed limit could spend 32,787,550.50 BAM, of which political parties 26,818,297.20 BAM (25,284,697.20 BAM independently and 1,533,600.00 BAM within coalitions), independent candidates 5,866,222.50 BAM and lists of independent candidates 103,030.80 BAM.

Political parties that submitted a post-election financial report to the Central Election Commission of BiH reported the costs of the election campaign in the amount of 5,522,686.13 BAM⁶

COSTS	AMOUNT	STRUCTURE
Poster printing costs	735.194,54 BAM	13,31%
The costs of poster pasting	856.031,73 BAM	15,50%
Costs of printing pre-election ads, proclamations, announcements, etc. in the media	204.810,20 BAM	28,15%
Costs of organizing and holding pre-election rallies	654.571,44 BAM	3,71%
Costs of printing, duplicating and sending pre-election materials to voters	1.517.273,46 BAM	11,85%
Other propaganda costs	224.350,27 BAM	27,47%
TOTAL	5.522.686,13 BAM	100,00 %

Of the shown amount of 5.5 million BAM, the largest part of the election campaign expenses was made by the 15 largest political parties in BiH, which were also included in the monitoring of advertising conducted by Transparency International in BiH.

	TOTAL
Costs of printing, duplicating and sending pre-elections mat. voters	845.035,10 BAM
Other propaganda costs	805.760,22 BAM
	407.833,73 BAM
	344.994,55 BAM
	338.485,67 BAM
	335.579,77 BAM
	312.282,38 BAM
	300.842,21 BAM
	210.031,05 BAM
	196.223,98 BAM
	165.686,18 BAM
	114.508,35BAM
	103.347,59 BAM
	81.187,52 BAM
	20.900,601 BAM
	4.582.698,90 BAM

Election campaign expenses according to post-election financial reports (15 parties)

PARTY	Poster printing costs	The costs of poster pasting	Pre-printing costs advertisements, proclamations, announcements, etc. in the media	Costs of organizing and maintaining pre-election sets
1 SNSD	79,845,28 BAM	188,170,81 BAM	483,435,53 BAM	935,00 BAM
2 SDA	177,624,95 BAM	58,750,69 BAM	305,875,81 BAM	46,088,11 BAM
3 PDP	64,936,85 BAM	62,058,64 BAM	173,981,93 BAM	- BAM
4 UNITED	82,00 BAM	- BAM	83,704,86 BAM	- BAM
5 HDZ BIH	34,069,86 BAM	100,407,30 BAM	46,989,51 BAM	14,748,42 BAM
6 DNS	6,048,90 BAM	63,533,52 BAM	7,581,90 BAM	1,755,05 BAM
7 SDP BIH	128,161,25 BAM	- BAM	69,695,20 BAM	710,00 BAM
8 OUR PARTY	28,468,39 BAM	102,303,57 BAM	57,474,76 BAM	2,841,16 BAM
9 SDS	41,135,71 BAM	64,276,50 BAM	74,610,90 BAM	2,479,82 BAM
10 SOCIALIST	175,50 BAM	69,341,43 BAM	11,054,16 BAM	- BAM
11 DEMOS	50,171,61 BAM	15,461,55 BAM	83,647,02 BAM	- BAM
12 SBB BIH	6,635,48 BAM	15,830,10 BAM	52,070,88 BAM	3,000,00 BAM
13 PEOPLE AND	-BAM	- BAM	- BAM	46,855,00BAM
14 SPS	5,001,75 BAM	22,698,00 BAM	2,619,90 BAM	11,997,18BAM
15 SOCIALDEOCR	-BAM	- BAM	- BAM	-BAM
TOTAL	622,357,53 BAM	762,832,11 BAM	1,452,742,36 BAM	131,409,74 BAM

The largest part of the presented costs refers to the costs of printing pre-election ads and the costs of posters, and the largest amounts were presented by SDA and SNSD.

As the elections in Mostar were held on December 20th, the parties submitted special reports on the costs of the election campaign in Mostar.

34 local parties, four coalitions of political parties, four independent candidates and one list of independent candidates participated in the 2020 Local Elections in the City of Mostar. The post-election financial report was submitted to BiH Central Election Commission by 24 political parties, which is 70.59% of the total number of parties that participated in the Elections. Financial report was not submitted by 10 political parties or 29.41%.

Political parties that submitted post-election financial reports reported election campaign expenses in the amount of 160,601.46 BAM.

3.4.1 TOTAL ELECTION CAMPAIGN COSTS DECLARED

Political parties ultimately reported the total cost of the campaign when submitting the annual financial reports. In these reports, the parties, in addition to other costs, specifically stated the total costs of the election campaign in the expenditures, so TI BIH used the stated amounts in the analysis and compared them with the monitoring data.

In the annual financial reports of the 15 largest political parties in BiH, which were also the subject of this monitoring, they stated a total of 5.2 million BAM of election campaign expenses.

The total amount stated in the annual financial reports is about 617,000 BAM higher than the amount shown in the post-election financial reports. The difference is mostly related to report of the party People and Justice, which in the annual report showed 450,210 BAM of costs, and in the post-election only 103,347 BAM (346,882 BAM less).

This party did not participate in the elections in Mostar and did not submit a report for these elections. Interestingly, most of this party's costs are recorded under Other Propaganda Costs.

Costs of printing, duplicating and sending pre-elections mat. voters	Other propaganda costs	TOTAL
81,661,20 BAM	31,110,78 BAM	883,644,25 BAM
164,676,79 BAM	62,748,08 BAM	859,108,43 BAM
5,345,00 BAM	383,893,94 BAM	450,210,09 BAM
2,700,00 BAM	105,195,31 BAM	419,490,19 BAM
63,831,98 BAM	60,130,18 BAM	406,240,68 BAM
- BAM	83,704,86 BAM	361,081,24 BAM
94,938,53 BAM	183,077,45 BAM	359,690,69 BAM
710,00 BAM	279,278,33 BAM	353,853,48 BAM
36,738,46 BAM	66,031,05 BAM	293,973,79 BAM
13,991,68 BAM	111,125,07 BAM	225,589,06 BAM
20,304,12 BAM	7,224,00 BAM	210,031,05 BAM
13,555,63 BAM	2,850,37 BAM	175,507,86 BAM
3,539,60 BAM	23,479,33 BAM	103,789,16 BAM
17,767,92 BAM	23,359,36 BAM	83,444,11 BAM
519,760,91 BAM	1,423,208,11 BAM	14,765,01 BAM
		5,200,419,09 BAM

Election campaign expenses according to annual financial reports (15 parties)

	PARTY	Poster printing costs	The costs of poster pasting	Pre-printing costs advertisements, proclamations, announcements, etc. in the media	Costs of organizing and maintaining pre-election sets
1	SNSD	79.845,28 BAM	197.599,84 BAM	492.492,15 BAM	935,00 BAM
2	SDA	188.261,42 BAM	61.759,12 BAM	332.141,98 BAM	49.521,04 BAM
3	PDP	- BAM	- BAM	- BAM	60.971,15 BAM
4	UNITED SRPSKA	64.408,71 BAM	63.138,64 BAM	184.047,53 BAM	- BAM
5	HDZ BIH	47.040,82 BAM	158.632,30 BAM	61.756,98 BAM	14.848,42 BAM
6	DNS	- BAM	277.294,38 BAM	82,00 BAM	- BAM
7	SDP BIH	7.049,25 BAM	63.533,51 BAM	7.581,90 BAM	3.510,05 BAM
8	OUR PARTY	73.865,15 BAM	- BAM	- BAM	- BAM
9	SDS	28.490,39 BAM	102.303,57 BAM	57.474,76 BAM	2.935,56 BAM
10	SOCIALIST PARTY	10.628,24 BAM	69.516,93 BAM	4.327,14 BAM	16.000,00 BAM
11	DEMOS	41.135,71 BAM	64.276,50 BAM	74.610,90 BAM	2.479,82 BAM
12	SBB BIH	50.171,61 BAM	15.461,55 BAM	93.468,70 BAM	- BAM
13	PEOPLE AND	6.635,48 BAM	15.830,10 BAM	51.304,65 BAM	3.000,00 BAM
14	SPS	5.001,75 BAM	22.698,00 BAM	2.619,90 BAM	11.997,18 BAM
15	SOCIALDEOCRATS	14.085,01 BAM			680,00 BAM
	TOTAL	616.618,82 BAM	1.112.044,44 BAM	1.361.908,59 BAM	166.878,22 BAM

4. ADVERTISING MONITORING AND ELECTION CAMPAIGN COSTS

During the election campaign, Transparency International in BiH monitored two forms of advertising of political parties, as well as pre-election rallies. The aim of the monitoring was to estimate the costs of the election campaign, and the data obtained showed a large deviation from the actual situation in relation to what the parties state in their reports.

The total costs recorded by TI BIH for the 15 largest parties exceed the amount they stated in their reports by at least 1.46 million BAM. They reported 5.20 million BAM of election campaign expenses in their

reports, while TI BIH recorded 6.66 million BAM of expenses through monitoring. The actual figure is probably even higher, because TI BIH covered only two forms of advertising.

On the one hand, monitoring of advertising in the media included only 12 leading TV stations and 10 print media, while on the other hand, monitoring of advertising through billboards included only data from 70 municipalities that were monitored. Also, the estimate of the cost of pre-election rallies is based only on the data that the field observers of TI BIH reported from the rallies in 70 municipalities.

Due to the lack of an adequate source of data, it was not possible to measure the costs of online advertising, which was among the most significant and started well before the official start of the campaign, which is why TI BIH sent 78 reports to CEC.

It should also be noted that forms on which political parties report campaign costs are outdated and it is not possible to clearly interpret from the form what exactly the costs refer to. From the name itself, it is clear that, in relation to the form that the parties filled out in their financial statements, the data of TI BIH does not refer to the costs of printing posters (parties stated 614,779 BAM), costs of printing, duplicating and sending election materials to voters (512,743 BAM) so the deviations of the data stated by the parties in relation to the actual situation are far greater than the mentioned 1.46 million BAM.

4.1 ADVERTISING MONITORING IN THE MEDIA DURING THE 2020 ELECTION CAMPAIGN

During the election campaign for the Local Elections in 2020, a total of 2,331 advertisements of political parties that were included in the monitoring were recorded, according to the list of media that included 12 TV stations and 34 print media from all over Bosnia and Herzegovina. Monitoring of advertising of political parties in the media for the needs of TI BIH was conducted by a professional media monitoring agency⁷.

During the monitoring advertisements, their duration and commercial value were recorded according to the valid media price lists. During the campaign, a significantly higher number of ads on TV stations was

⁷ Parameter

recorded compared to the print media. Thus, 74 (3%) advertisements were recorded in the print media,

TV	Number of posts	Duration (s)	Commercial value
ALFA	46	3540	26210 BAM
ATV	392	25770	554459 BAM
BHT	44	964	17898 BAM
FACE TV	48	9850.5	94577.79 BAM
FTV	132	2163	50436 BAM
Hayat	259	7971	107730 BAM
K3	421	49834	420442 BAM
N1	133	1349	7890 BAM
NOVA BH	13	65	2600 BAM
O kanal	19	1053	26921 BAM
RTRS	290	13378	202832 BAM
TVBN	460	20363	994375 BAM
TOTAL	2257	136300,5	2.506.370,79 BAM

while 2,257 (97%) advertisements were recorded on TV stations.

The total area of advertisements in the print media is 38,270 cm², while the total duration of advertisements on TV stations was 136,300.5 seconds. The total commercial value of the advertisement is 2,571,123.2 BAM, of which 2,506,379.79 BAM is on TV stations.

The largest number of publications, when it comes to the print media, was recorded in Semberske novine (16), and in Nezavisne novine (14).

PRESS	Number of posts	Area (cm ²)	Commercial value
Dnevni avaz	6	1.459	3.457,74 KM
Euroblic	10	5.028	19.709,76 KM
Glas Srpske	11	2.006	2.846,6 KM
Gracija	4	5.515	18.585,55 KM
Kakanjske novine	4	3.521	540,5 KM
Nasa rijec	5	4.795	6.917,55 KM
Nezavisne novine	14	2.063	2.816,99 KM
Oslobodenje	3	650	968,5 KM
Semberske novine	16	12.327	7.396,2 KM
Vecernji list	1	906	1.513,02 KM
TOTAL	74	38.270	64.752,41 KM

When it comes to TV stations, the largest number of announcements was recorded on BNTV, 460 ads or 20% of the total advertising content recorded on TV stations. It is followed by K3 with 421 and ATV with 392 ads. These three TV stations also recorded the highest commercial ad value. When it comes to production, the total estimated cost of parties for the production of video content is 220,100 BAM.

OVERVIEW OF MEDIA ADVERTISING BY PARTIES

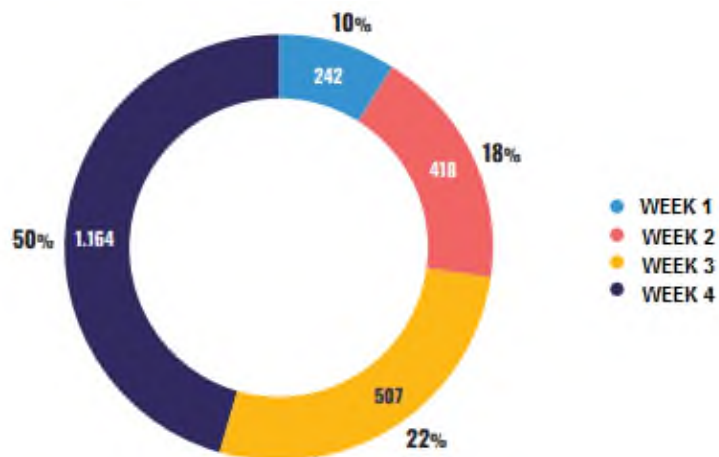
During the election campaign, political parties involved in the monitoring advertised through 2,331 advertisements in the print and electronic media, and 2,571,123 BAM was spent for that. When the estimated production costs for creating the ad, which amount to 230,420 BAM, are added to that, the total estimated cost is 2,801,543 BAM.

SNSD had the largest number of ads - 615. It is followed by PDP with 377 ads, while SDA is in the third place with 341 ads. Advertising of these three parties has more than 50% share in the total advertising, both by the number of publications, as well as by costs.

The lowest number of advertisements was recorded for HDZ BiH, SPS and DF, while no advertisement was recorded for A-SDA party⁸. Although it had the largest number of advertisements, SNSD is not the party with the largest expenditure on advertising due to the estimated value of advertisements in the media in which it advertised. The biggest commercial value of ads had PDP 748,999.76 BAM. It is followed by SNSD with 680,674.33 BAM.

These two parties spent the largest amount of money on advertising the candidates for the mayor of Banja Luka. When it comes to production costs, it is estimated that SNSD set aside the most money 58,800 BAM, while in second place is PDP with an estimated production cost of 54,900 BAM.⁹

When it comes to advertising intensity, it is evident that advertising grew from week to week and that the largest number of ads, as much as 50%, was recorded in the last week of the campaign.



4.2 OUTDOOR ADVERTISING MONITORING

⁸ DF li ASDA were covered by media advertising monitoring. As these parties did not spend large amounts in the campaign, they did not enter the top 15 parties that spent the largest amount in the campaign. Therefore, instead of them, the Socialist Party and the Social Democrats of BiH were included in this analysis, which entered the first 15 parties in terms of costs.

⁹ The value of video production is influenced by pre-production (script preparation and production), production (directing, number of cameras and cameramen, accessories, extras and other staff needed to manage the location of the recording),

TV	Number of posts	Commercial value	The value of production ¹⁰	TOTAL
DEMOS	107	103.373,20 BAM	5.800,00 BAM	109.173,20 BAM
DNS	38	113.368,20 BAM	350,00 BAM	113.718,20 BAM
HDZ BiH	1	1.513,02 BAM	300,00 BAM	1.813,02 BAM
People and Justice	11	61.086,92 BAM	2.000,00 BAM	63.086,92 BAM
Our Party	83	20.680,49 BAM	2.800,00 BAM	23.480,49 BAM
PDP	377	748.999,80 BAM	54.900,00 BAM	803.899,80 BAM
SBB	128	22.314,29 BAM	1.170,00 BAM	23.484,29 BAM
SDA	341	228.058,30 BAM	28.200,00 BAM	256.258,30 BAM
SDP	151	31.805,93 BAM	300,00 BAM	32.105,93 KM BAM
SDS	173	350.390,00 BAM	35.900,00 BAM	386.290 BAM
SNSD	615	680.674,30 BAM	58.800,00 BAM	739.474,3 BAM
SPS	1	3.000,00 BAM	0,00 BAM	3.000 BAM
US	302	204.890,20 BAM	39.300,00 BAM	244.190,20 BAM
TOTAL	2.331	2.571.123,00 BAM	2.571.123,00 BAM	2.799.974,65 BAM

Transparency International in BiH, with the help of field observers, collected data on the number and type of advertisements on billboards displayed by political parties in 70 local communities.

Based on publicly available prices from the two largest suppliers of these services, and based on the area and location of billboards, TI BIH made an estimate of the minimum cost of advertisement highlighted in the election campaign.

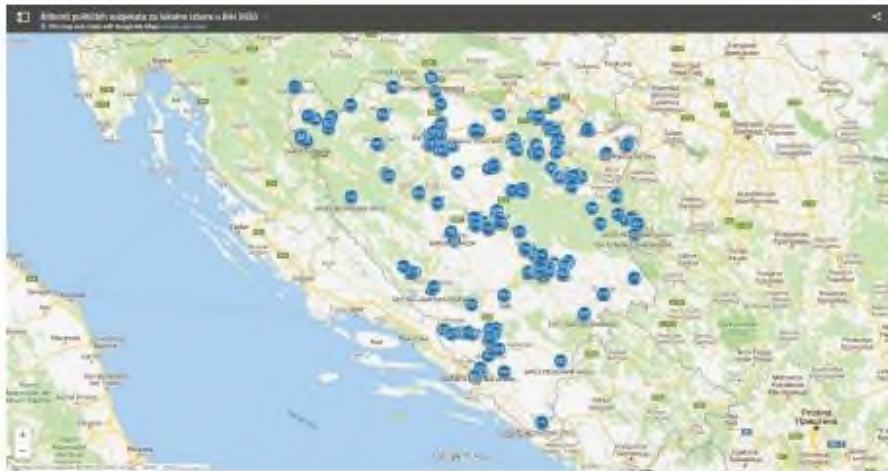
TI BIH observers in 70 municipalities recorded **2,835 billboards** whose value at publicly available prices amounted to **4,418,829 BAM**. Of that number, 81% were billboards of the 15 largest parties, with cost estimated to **3,583,082 BAM**.

This figure is probably even higher if we take into account the fact that the data does not include advertisements on LED billboards, of which there were many. The data includes only static posters on billboards, and monitoring was done in only 70 local communities.

The cost estimate for each party is done separately based on the number of billboards and their market value.

post-production (editing, finishing, graphics, animations, etc.). The approximate value given in this table is made on the basis of visible elements, but it can deviate both higher and lower.

¹⁰ The value of video production is influenced by pre-production (script preparation and production), production (directing, number of cameras and cameramen, accessories, extras and other staff needed to manage the location of the recording), post-production (editing, finishing, graphics, animations, etc.). The approximate value given in this table is made on the basis of visible elements, but it can deviate towards both higher and lower values.



Billboards of political entities for the local elections in BiH 2020

COSTS	AMOUNT
SNSD	709.445,00 BAM
SDA	684.497,00 BAM
SDP	305.607,00 BAM
DNS	247.915,00 BAM
PEOPLE AND JUSTICE	235.442,00 BAM
PDP	107.586,00 BAM
SDS	232.323,00 BAM
UNITED SRPSKA	171.514,00 BAM
HDZ	272.863,00 BAM
SOCIALISTY PARTY	135.652,00 BAM
DEMOS	116.941,00 BAM
SPS	99.790,00 BAM
OUR PARTY	93.553,00 BAM
Social Democrats BiH	85.757,00 BAM
SBB	84.197,00 BAM
TOTAL	3.583.082,00 BAM

Billboard advertising costs

The largest amounts in campaign were spent on this type of advertising. However, due to the very look of the CEC forms, the parties do not report the costs of this type of advertising separately, so it is not possible

to clearly determine under which of the six items were included. For example, NIP, which had a significant number of billboards in the campaign, reported over 80% of its costs under "Other Propaganda Costs", while other parties showed the largest amounts under "Costs of Printing Election Ads, Announcements, Proclamations, etc. in the media."

Therefore, in the analysis, TI BIH compared only the total costs of the campaign that the parties stated in their reports with the sum of the costs of advertising in the media, advertising on billboards and pre-election rallies.

4.3 MONITORING OF PRE-ELECTION RALLIES

During the election campaign, TI BIH field observers monitored 1,098 pre-election rallies of the most political parties in 70 local communities. Of that number, 724 rallies were held by the 15 largest parties, which spent the largest amounts in the campaign. Due to the circumstances caused by the COVID - 19 pandemic, most parties did not hold large pre - election rallies. However, several of these were recorded during the monitoring, and did not account even the minimum epidemiological measures.

TI BIH field observers recorded, among other things, the contents of these gatherings so that a cost estimate could be made. The prices of individual contents recorded at pre-election rallies were collected on the basis of market research and served as a basis for estimating total costs.

COSTS	AMOUNT
Photograph (by event)	50,00 BAM
Food (per person)	15,00 BAM
Cameraman (per event)	100,00 BAM
Waiter (per person, 1 waiter for 40 people)	50,00 BAM
Sound system (for 100 persons)	300,00 BAM
Drinks (per person)	10,00 BAM
Tent (per person)	3,50 BAM
Fireworks (per event)	100,00 BAM
Host (per event)	50,00 BAM

In addition to these costs, which were calculated on a fixed basis, more expensive equipment was rented at certain larger gatherings (stage, lighting, LED screens, etc.). Estimates were made separately for each gathering.

However, due to the specific circumstances and numerous "rallies on the move" that overlapped with public events, it was not possible to make a precise assessment and include a larger number of rallies. Also, numerous rallies were held indoors where the minimum of epidemiological measures were not respected, so TI BIH did not send observers to such events due to health risks.

Thus, the number of attended rallies is much smaller than those held, among other things due to the fact that the monitoring covered only 70 local communities.

PARTY	Data from monitoring	Pre-election rally costs are shown in annual financial report	DIFFERENCE
SDA	110.889,00 BAM	49.521,04 BAM	-61.367,96 BAM
SNSD	63.060,00 BAM	935,00 BAM	-62.125,00 BAM
PEOPLE AND JUSTICE	27.047,00 BAM	60.971,15 BAM	33.924,15 BAM
SDP	18.840,00 BAM	0,00 BAM	-18.840,00 BAM
SDS	16.227,00 BAM	2.479,82 BAM	-13.747,18 BAM
SOCIALIST PARTY	10.563,00 BAM	16.000,00 BAM	5.437,00 BAM
UNITED SRPSKA	10.104,50 BAM	0,00 BAM	-10.104,50 BAM
PDP	7.749,00 BAM	0,00 BAM	-7.749,00 BAM
HDZ	6.558,00 BAM	14.848,42 BAM	8.290,42 BAM
SPS	6.340,00 BAM	11.997,18BAM	5.657,18 BAM
DEMOS	6.432,00 BAM	0,00BAM	-6.432,00 BAM
SOCIAL DEMOCRATS BIH	3.441,00 BAM	680,00 BAM	-2.761,00 BAM
DNS	3.180,00 BAM	3.510,05 BAM	330,05 BAM
OUR PARTY	1.395,00 BAM	2.935,56 BAM	1.540,56 BAM
SBB	1.250,00 BAM	3.000,00 BAM	1.750,00 BAM
TOTAL	293.075,50 BAM	166.878,22 BAM	-126.197,28 BAM

However, the costs of pre-election rallies also differed significantly from what the parties stated in their reports. The amount shown by these 15 parties in their reports is about 160,000 BAM less than the one determined by TI BiH (at the attended rallies and local communities included in the sample).

In some cases, the amounts shown are even higher than those determined through monitoring, which should be expected given that the monitoring does not cover all local communities. However, some parties that held larger rallies showed miserable or no costs at all.

In the case of SNSD, only 935 BAM of costs of the pre-election rallies were shown, although this party held several larger rallies where the shown amount of the total costs of 935 BAM could not cover even the minimum of their costs.



SNSD pre-election rally in Banja Luka on October 16, 2020

Although not all data could be collected through the monitoring of pre-election rallies due to the specific conditions in which the campaign took place, it turned out that the parties did not state the real organizational costs in their reports.

This practice of showing unrealistic costs was present in previous years as well. Thus, during the campaign for the General Elections in 2018, ten largest parties reported 1.18 million BAM in the costs for pre-election rallies, which is significantly more than the currently reported 166,000 BAM. TI BiH noted that those parties held 559 rallies, which is an average cost of 2,115 BAM per pre-election rally, although they hired expensive equipment and pop artists whose price significantly exceeded this amount.

5. COMPARATIVE ANALYSIS OF PRESENTED AND RECORDED ELECTION CAMPAIGN COSTS

Fifteen leading political parties in Bosnia and Herzegovina have reported 5.2 million BAM in propaganda costs in their post-election reports for the last local elections. However, only the costs of media and outdoor advertising (through billboards) as well as the costs of pre-election rallies recorded by Transparency International in BiH (TI BiH) cumulatively, by 1.46 million BAM, exceed this amount, which clearly shows that the parties did not realistically present information on financing.

Of the 15 parties included in this monitoring, only four (NIP, HDZ, SP, Our Party) showed higher total campaign costs than the determined costs of pre-election rallies and two forms of advertising (media advertising and billboard advertising).

The costs presented by the parties in the reports had to be significantly higher than the data obtained by TI BIH, given that the monitoring of outdoor advertising and pre-election rallies covered only 70 local communities. Also, TI BIH did not include the costs of printing election materials, online advertising and the like.

The remaining 11 political parties reported 1.96 million BAM less in total election campaign expenses than those identified through monitoring.

It should be noted that TI BIH recorded the costs of advertising on billboards, for which the parties spent about 3.58 million BAM, in only 70 out of 142 local communities, and that the costs of online and other forms of advertising for which no data is available were not recorded, which clearly shows that the amount the parties actually spent on propaganda is far higher.


On the other hand, data on media advertising, collected for the needs of TI BIH by media monitoring agencies, show that 15 parties spent at least 2.74 million BAM on the production and display of advertisements in the media. The costs of pre-election rallies in local communities from the sample, for these 15 parties, according to the TI BiH, amounted to 293,075.50 BAM.

The biggest difference in the costs shown in relation to those determined through monitoring appears with SNSD and it amounts to over 628 000 BAM. In its reports, this party showed the total costs of propaganda of 883 000 BAM, although according to the estimates of TI BIH, only the pre-election rallies, billboards and media advertising of this party were worth 1.5 million BAM.

Also, this party reported only 935 BAM as the cost of holding pre-election rallies, although before and during the campaign they had dozens of smaller and larger rallies where they had sound system, stage, food, drinks and all other contents whose price does not even closely correspond to the shown amount. TI BiH estimates that these rallies cost 63,060 BAM.

A huge difference also appears with PDP, because according to market prices, this party spent around 911,000 BAM only on advertising in the media and on billboards, and expressed the total costs of propaganda in the amount of 419,000 BAM. When the costs of online advertising and other forms of advertising are added to that, it is clear that the total amount is far higher.

	PARTY	Billboard advertising costs	Costs of production and display of advertisements on TV and print media	Pre-election rally costs	TOTAL
1	SNSD	709,445,00 BAM	739,474,30 BAM	63,060,00 BAM	1,511,979,30 BAM
2	SDA	684,497,00 BAM	256,258,30 BAM	110,889,00 BAM	1,051,644,30 BAM
3	SDP	305,607,00 BAM	32,105,93 BAM	18,840,00 BAM	356,552,93 BAM
4	DNS	247,915,00 BAM	113,718,20 BAM	3,180,00 BAM	364,813,20 BAM
5	NIP	235,442,00 BAM	63,086,92 BAM	27,047,00 BAM	325,575,92 BAM
6	PDP	107,586,00 BAM	803,899,80 BAM	7,749,00 BAM	919,234,80 BAM
7	SDS	232,323,00 BAM	386,290,00 BAM	16,227,00 BAM	634,840,00 BAM
8	US	171,514,00 BAM	244,190,20 BAM	10,104,50 BAM	425,808,70 BAM
9	HDZ	272,863,00 BAM	1,813,02 BAM	6,558,00 BAM	281,234,02 BAM
10	SP	135,652,00 BAM	0,00 BAM	10,563,00 BAM	146,215,00 BAM
11	DEMOS	116,941,00 BAM	109,173,20 BAM	6,432,00 BAM	232,546,20 BAM
12	SPS	99,790,00 BAM	3,000,00 BAM	6,340,00 BAM	109,130,00 BAM
13	OUR PARTY	93,553,00 BAM	23,480,49 BAM	1,395,00 BAM	118,428,49 BAM
14	SD	85,757,00 BAM	0,00 BAM	3,441,00 BAM	89,198,00 BAM
15	SBB	84,197,00 BAM	23,484,29 BAM	1,250,00 BAM	108,931,29 BAM
	TOTAL	3,583,082,00 BAM	2,799,974,65 BAM	293,075,50 BAM	6,676,132,15 BAM



Total propaganda costs shown in annual fin. reports	DIFFERENCE
883.644,25 BAM	-628.335,05 BAM
859.108,43 BAM	-192.535,87 BAM
353.853,48 BAM	-2.699,45 BAM
359.690,69 BAM	-5.122,51 BAM
450.210,09 BAM	124.634,17 BAM
419.490,19 BAM	-499.744,61 BAM
210.031,05 BAM	-424.808,95 BAM
361.081,24 BAM	-64.727,46 BAM
406.240,68 BAM	125.006,66 BAM
225.589,06 BAM	79.374,06 BAM
175.507,86 BAM	-57.038,34 BAM
83.444,11 BAM	-25.685,89 BAM
293.973,79 BAM	175.545,30 BAM
14.765,01 BAM	-74.432,99 BAM
103.789,16 BAM	-5.142,13 BAM
5.200.419,09 BAM	-1.475.713,06BAM

The costs of SDS, which were recorded through monitoring, by at least 424 000 BAM are higher than the total costs shown in the reports, because this party spent significant amounts (over 618 000 BAM) on advertising in the media and on billboards.

The data collected by TI BIH, which refers to only two forms of advertising, differs drastically from the total costs of propaganda expressed in the reports of the Party of Democratic Action SDA (174 000 BAM), United Srpska (64 000 BAM) and DEMOS reports (57 000 BAM).

The case of SPS, which was founded in February 2020, is also interesting, because the report states that they spent more in the campaign than they collected, mostly through donations from the prominent members. According to the report, the total campaign expenses of this party amounted to 83,444 BAM and

Election Campaign Monitoring/Local Elections 2020

the total revenues were 67,877 BAM. Debts of 47,000 BAM are stated in the liabilities, but the costs are shown to be 20% lower than those recorded by TI BiH on only two forms of advertising in the campaign.

TI BiH has been pointing out for years that the parties do not report all the income they have at their disposal, and part of the campaign is financed by numerous privileged private companies that do business with the state, which is prohibited by law. Also, party campaigns are often funded by public institutions and public companies, which is also prohibited.

TI BiH submitted the collected documentation on monitoring of media advertising and external advertising of political parties to CEC, and the Audit Service should determine the veracity of the data presented in the reports of the parties.

the ratings of informative shows are far higher than the party chronicles that serve to present the candidates.

The notion of the use of public office for pre-election purposes is still not precisely regulated by the law in BiH. Holders of public office who ran in the elections used their position for personal or party promotion, and TI BiH has long warned that party functions have completely "merged" with public functions during the election campaign. Precisely because of the "merging" of candidate's role with public functions that the candidates perform, there was inequality between political entities from the ruling and opposition parties. According to earlier ODIHR reports, the authorities favored candidates who were in office when allocating campaign space, while the ruling parties put pressure on voters.

Visits to schools, hospitals, factories, as well as the ceremonial opening of public facilities, public distribution of legally acquired rights of budget users in order to promote individual candidates have intensified. This has resulted in increased promotional reporting on officials in more popular news programs, rather than in election chronicles, as TI BiH also warned.

In order to show the clear scale of this phenomenon in the pre-election period, observers hired by Transparency International in BiH observed co-events organized by government institutions three months before the elections.

The aim of such monitoring was to show the extent to which institutions, public functions and their better access to the media are being abused to promote parties and candidates.

Number of public events related to the opening of infrastructure facilities	249
Events where party features were noticed	144
Public events where candidates in the local elections addressed the audience	727
Public events where political messages were delivered	211
Public events where messages against political opponents were delivered	48
Public events whose nature is not within the competence/department of the official who attended	175
Public events at which threats were made to voters	4
Events at which pre-election promises were made	302
Object-opening events that has already been opened/promoted	82
TOTAL OBSERVED EVENTS	1057

6. USE OF PUBLIC FUNCTIONS FOR ELECTION CAMPAIGN PURPOSES (OFFICIALS' CAMPAIGN)

Officials' campaign is a term often used for the activities of public officials in the pre-election period, which are presented as regular, and are essentially a part of the election promotion. The problem is that the media report on these activities of officials in more popular news programs, and not in election chronicles. In that way, the parties and candidates who are currently in power receive additional promotion, because

In the observed period (three months before the Local Elections 2020, as well as three months before the Local Elections in Mostar), TI BiH observers covered 1,057 events organized by public institutions and public companies, including events of opening infrastructure facilities, visits, tours, meetings and other activities.

Of the total number of events covered, 727 or 69% were candidates in the local elections and addressed the media and citizens. This figure would be even higher if it included events featuring leaders and officials of the largest parties in Bosnia and Herzegovina, who were not candidates in local elections but used these events to promote their views and policies. However, the fact that the presence of candidates in local elections was noticed at 69% of events speaks volumes about the purpose of organizing such events, which

Election Campaign Monitoring/Local Elections 2020

were mostly used for election promotion and bringing government officials to a dominant position, as indicated by numerous examples.

Perhaps the most obvious example was recorded in Banja Luka, where party activists of the Socialist Party of Srpska (SPS) carried posters with messages thanking the party's candidates in the local elections, Goran Selak and Darko Milosevic, at the opening of the 950-meter road in Sargovac.

It should be noted that monitoring showed that in 211 cases, messages were made against political opponents at public events, while in 302 cases, pre-election promises were made to voters.



SPS activists and candidates at the opening of the 950-meter road in Sargovac, Banja Luka

An interesting example is the opening of an indoor soccer tournament in Hrastovac - Kakanj, where the tournament was organized by public companies Vodokom Kakanj and Grijanje Kakanj, and SDA Kakanj party and its mayor candidate Mirnes Bajraktarevic, who at that time was the director of PC Grijanje Kakanj.

At the very beginning of the tournament, the host thanked the organizers, mentioning the director of the public

company "Grijanje" Mirens Bajtarevic, the director of "Vodokom" Haris Veispahic and emphasizing that it is "our party SDA Kakanj". Although Mirnes Bajtarevic was the director of the public company that organized the tournament, at one point he was asked as the "future mayor" to address the event, which he welcomed on his own behalf and on behalf of SDA.

Apart from the abuse of the public event for party promotion, in this case it is also disputable that two public companies finance an event where the party and the candidate are promoted. TI BIH reported this case to CEC, but the procedure is not over yet.

Through the monitoring of public events in 175 cases, presence of officials who were not in charge of these events was noticed, and most of them were officials who were candidates in the elections.

Most of these cases were noticed on the first day of the new school year, when many candidates who have no competence in the field of education visited schools and distributed school supplies, protective masks and the like to children. TI BIH sent complaints to the Ombudsman for Children about this case. An interesting example is from Banja Luka, where Miso Kovacevic (a member of the ruling coalition) received permission to enter the classroom and distribute gifts to children, although he does not have any function related to education.

For now, charges against Srdjan Amidzic and Boris Jerinic for the misuse of children for political promotion have led to a reaction from the Ombudsman. The recommendation to the Ministry of Education and Culture of the RS stated that this ministry failed to conduct the supervision procedure in educational institutions because it is forbidden to conduct political activities in schools.





The case from Visoko should also be pointed out, where the mayor Amra Babić, during her visit to schools, handed out to the children the schedule of classes on which her picture was located¹¹.

Activists of political parties were present at 396 public events, while observers noticed party features at 144 events. Here again, we highlight the example from Visoko, where party activists at the opening of construction sites for the water supply network "Water for 12,000 inhabitants" handed out protective masks with the features of Independent List.

In the last month, when the official election campaign took place, there has been an increase in the activity of public officials who have largely abused the organization of public events for trips to pre-election rallies.

There were 152 cases where, after the public events organized by institutions and attended by party officials, pre-election rallies of their parties were held in the same local communities.

The most obvious example was the abuse of the service helicopter of the Government of the Republic of Srpska for the pre-election rallies trips of the member of the Presidency of BiH, Milorad Dodik.

A brief analysis¹² published by TI BiH showed that in the first ten days of the campaign, this helicopter flew at least seven times to SNSD pre-election rallies, because the venue and time coincide with the flight destinations of the AV 119 (AW 119) helicopter owned by the Helicopter Service of the Government of the Republic of Srpska. Data from the *flightradar24.com* and *flightaware.com* portals, which record every flight, show that the RS Government helicopter mostly flew where SNSD party rallies were held.

SNSD Pre-election rallies

18. 10. 2020.
Srebrenica, Bratunac, Milići
19. 10. 2020.
Lopare, Ugljevik, Bijeljina
20. 10. 2020.
Kalinovik, Foca, Pale
21. 10. 2020.
Trebinje
23. 10. 2020.
Brcko, Kozarska Dubica
24. 10. 2020.
Modrica
25. 10. 2020.
Teslic

E7-PCI Helicopter flights

18. 10. 2020.
Banja Luka - Bratunac
19. 10. 2020.
Bijeljina - Banja Luka
20.10.2020.
Banja Luka - Sarajevo
21.10.2020.
Trebinje - Banja Luka
23.10.2020.
Brcko - Banja Luka
24.10.2020.
Banja Luka - Brcko - Modrica
25.10.2020.
Teslic



Out of the total number of public events (1057), as many as 249 were organized on the occasion of opening of infrastructure facilities, which speaks volumes about the extent of the use of public resources in the campaign and increased public spending for election promotion. Numerous such works were timed during the election campaign, and in 82 cases it was about opening facilities that had already been opened or promoted.

Candidates who are currently in office most often used such events to lead the so-called officials' campaigns in the media, because these events were more covered by the media as events of public institutions.

This was especially noticeable in the last month before the local elections, i.e. during the official election campaign, when special rules of media reporting applied. While their opponents presented their views and programs in the election chronicles, the candidates who are currently in office in just one month appeared on three public services in 3,254 announcements, which, with their content, indicated the stand of the officials, and gave them space to promote their political/party views. Therefore, it is important to point out that as many as 69% of the observed events included the appearance of candidates in local elections.

¹¹ <https://transparentno.ba/2020/09/09/izborna-kampanja-u-skolskim-klupama-raspored-casova-sa-likom-gradonacelnice-visokog/>

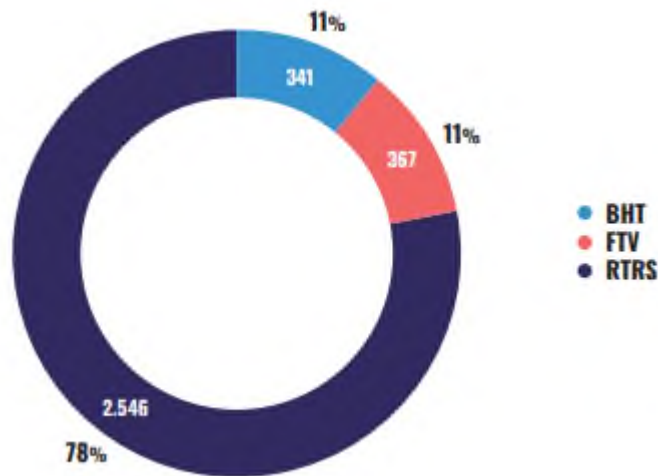
¹² <https://transparentno.ba/2020/10/27/za-deset-dana-izborne-kampanje-helikopter-vlade-rs-sedam-puta-letio-na-predizborne-skupove-snsd-a/>

7. APPEARANCE OFFICIALS ON PUBLIC SERVICES

During the election campaign for the 2020 Local Elections, the performances of officials on three public services, BHRT, FTV and RTRS, were also monitored. During the observed period, a total of 3,254 publications were recorded, which content indicated the views of officials, and gave them space to promote their political views.

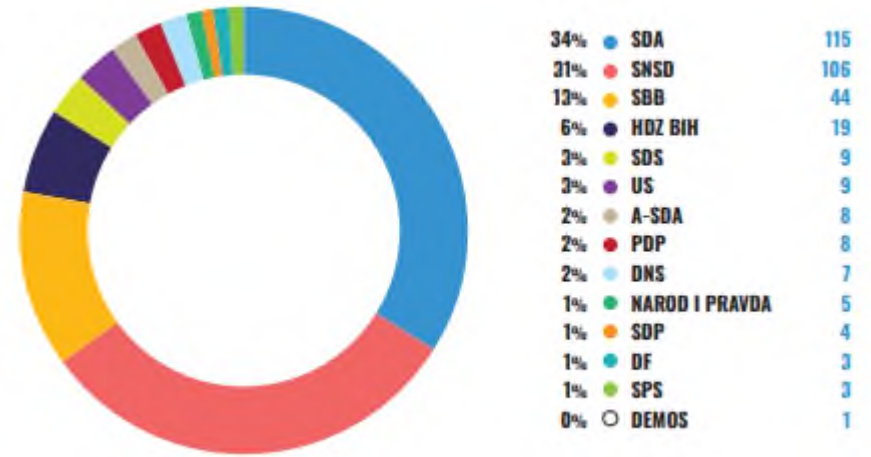
It should be noted that these are appearances of officials in news and other shows who were **not presented as candidates in the elections**, but used the time to promote their and party views.

The largest number of such performances was recorded on RTRS, as much as 78% of the total recorded content. When it comes to broadcasting dates, the highest incidence was recorded during the central news programs in the period from 7 p.m. to 8 p.m.



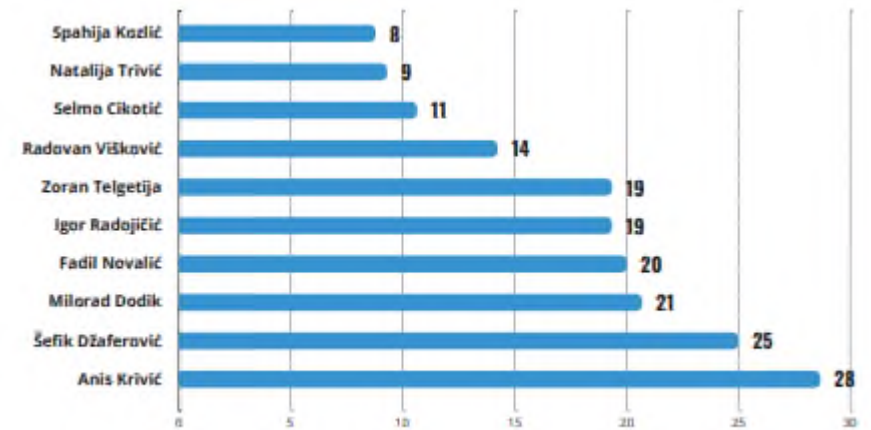
7.1 BHRT

In the period from October 16th to November 14th, a total of 341 appearances of public officials was recorded on BHRT. The largest number of announcements referred to SDA officials 34% (115 appearances), while SNSD officials were in second place 31% (106 appearances). When it comes to dates and shows, the largest number of announcements is recorded in Dnevnik at 7 p.m.



Number of posts, percentage of total posts

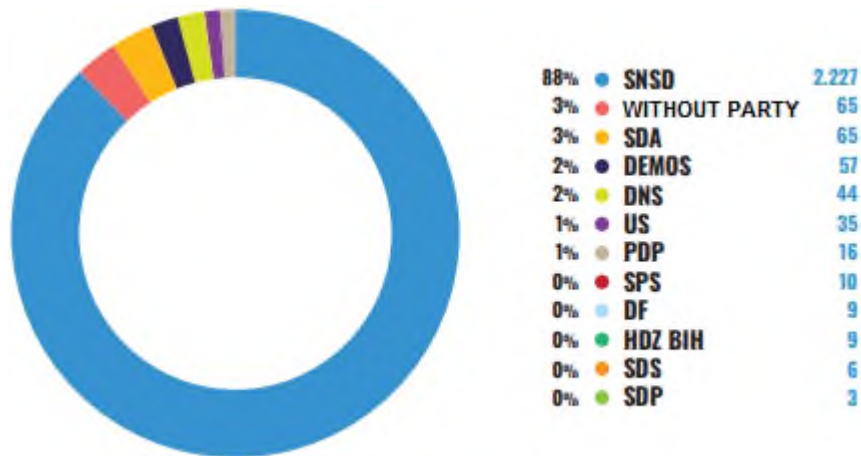
An overview of the top ten officials with the highest number of appearances recorded on BHRT.



7.2 RTRS

During the election campaign, 2546 appearances of public officials were recorded on RTRS. Of the total number of the recorded performances, as many as 88% referred to public officials who came from SNSD. The total duration of the appearance of SNSD officials on RTRS is 133 hours.

When it comes to the period, the largest number of performances is recorded in the central news program Dnevnik 2 at 07:30 pm, which showed daily recordings of SNSD representatives who visited local communities, talked about various infrastructure projects that should improve the life quality of the local population, and attended various events.

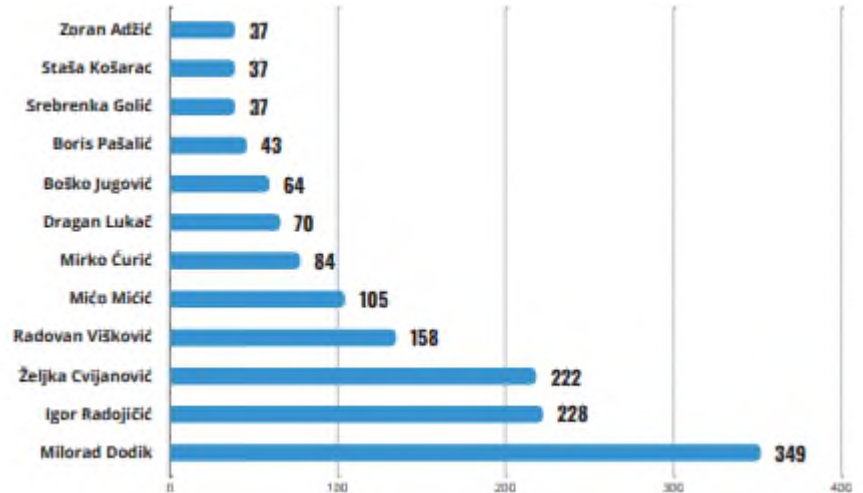


Number of posts, percentage of total posts

The largest number of appearances is recorded for Milorad Dodik and Igor Radojicic. Almost 16 hours of RTRS program was the appearance of Igor Radojicic, who was the candidate for the mayor of Banja Luka. Apart from Radojicic, the candidates for the mayors of Bijeljina and Trebinje, Mico Micic and Mirko Curic, as well as the candidate for the mayor of Pale, Bosko Jugovic, are among the top ten in terms of the number of appearances. All these candidates were supported by SNSD.

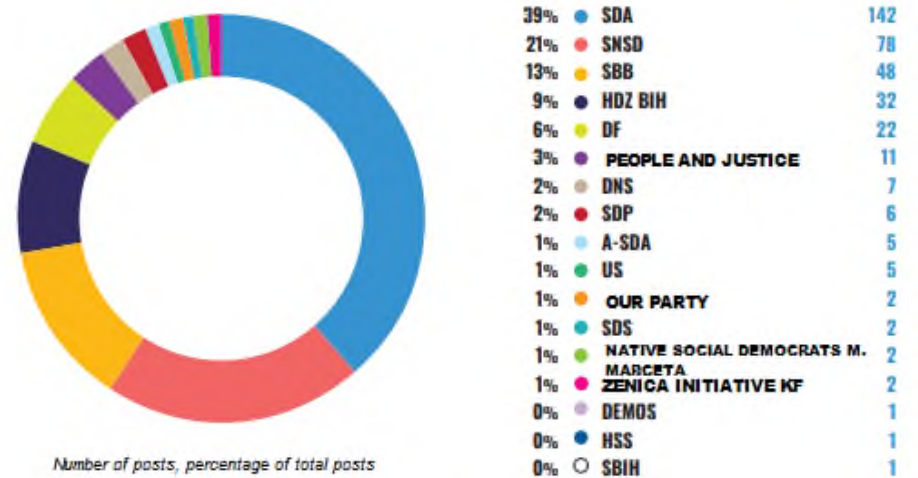
A significant number of appearances belonged to the current mayors of the municipalities of Visegrad, Srebrenica, Dobo, and Istocno Novo Sarajevo, who were at the same time candidates for a new mandate.

Overview of officials with the highest number of recorded appearances:



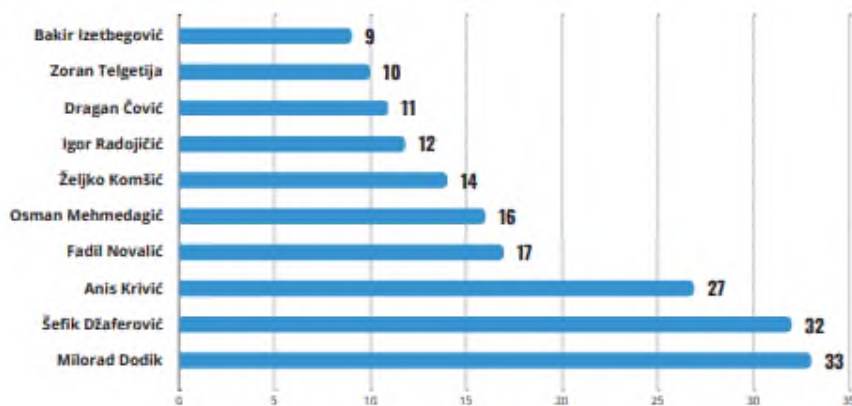
7.3 FTV

During the election campaign, a total of 367 appearances of public officials were recorded on Federal Television. The highest incidence is recorded for SDA party officials, as much as 39% of the total recorded content or almost 10 hours of programming. The largest number of announcements was recorded during the central news program at 7:30 p.m.



Number of posts, percentage of total posts

Overview of the officials with the highest number of recorded appearances on FTV during the campaign:



In addition to the editorial policy of public services, the number of appearances was mostly influenced by the activity of officials during the election campaign, their frequent public appearances and the run of the so-called "officials' campaign".

In the case of RTRS, which gave over 88% of the space to SNSD officials and in which Milorad Dodik received 84,909 minutes of space, and the party's candidate for the mayor of Banja Luka Igor Radojčić 55,820 minutes, it is clear that it was an abuse of public service to promote the ruling party in Republic of Srpska.

It should be noted that this was the appearance of officials in the news and other shows who were **not presented as candidates in the elections**, but used the space to promote their and party views.

8. VIOLATION OF THE ELECTION LAW AND ABUSE OF PUBLIC CAMPAIGN RESOURCES

In addition to the officials' campaign, during the observed period, there was a growing trend of misuse of public resources for the purpose of the election campaign of parties and candidates. Transparency International in BiH recorded 2,459 examples that can be characterized as misuse of public resources in the campaign and violation of the election law.

These phenomena, which were divided into 13 categories according to a predetermined methodology, were recorded by field observers in 70 local communities that were included in the sample:

- Distribution of special incentives for subsidies and money to certain categories of the population (Item 8.1 of the report)
- Distribution of gifts, packages or money to voters by party activists or officials (8.2)
- Providing special benefits, "free" examinations, medicines, discounts on fees and bills, etc. for the individual's promotion (8.3)
- Using increased employment for electoral support in public enterprises, establishments and institutions (8.4)
- Paid advertising of local institutions and public companies that promote individual candidates or officials (8.5)
- Intensification of public works in the pre-election period (8.6)
- Advertising of parties and candidates in places where it is forbidden (8.7)
- Premature campaign (8.8)
- Threats to voters and all forms of pressure on voters (8.9)
- Use of institutions/establishments /public companies's premises for the promotion of parties and candidates
- Pressure on public sector employees to vote for certain candidates
- Preventing certain political entities from carrying out their activities (4 reports of poster destruction)
- Other examples of misuse of public resources in the campaign (95 cases were recorded, mostly related to biased reporting of local media in the campaign and the use of equipment of public institutions and companies for the parties needs)

Total number of recorded cases of law violations and misuse of public resources:

Using increased employment for electoral support in public enterprises, establishments and institutions	35
Providing special benefits, "free" examinations, medicines, discounts on fees and bills, etc. for individual's promotion	70
Using institutions/establishments/public companies's premises for parties and candidates promotion	121
Paid advertising of local institutions, public companies that promote individual candidates or officials	16
Pressure on public sector employees to vote for certain candidates	8
Distribution of special incentives, subsidies and money to certain categories of population	368
Distribution of gifts, packages or money to voters by party activists or officials	102
Threats to voters and all forms of pressure on voters	8
Preventing certain political entities from carrying out their activities	4
Paid advertising outside the election campaign period	142
Advertising of parties and candidates in places where it is prohibited	68
Other examples of the use of public funds	95
Intensification of public works in the pre-election period	1.422
TOTAL	2.459

During the monitoring, it was noticed that some of these phenomena were more intense, so it can be stated that they have become generally accepted patterns of behavior of most political parties in conducting the election campaign and "buying voters support".

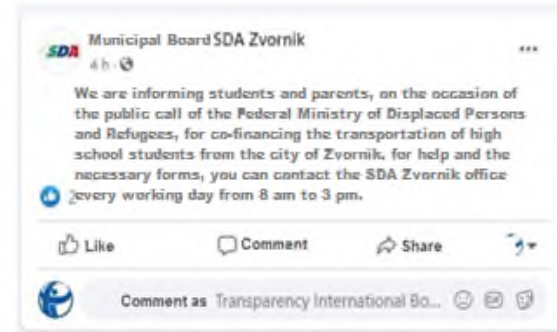
8.1 DISTRIBUTION OF SPECIAL INCENTIVES, SUBSIDIES AND MONEY TO CERTAIN CATEGORIES OF POPULATION

In addition to the intensification of public works in the pre-election period, it can be said that the distribution of incentives and subsidies is the most dominant form of misuse of public money to obtain electoral support. During the monitoring in the municipalities covered by the sample, 368 cases were recorded where special incentives were distributed. It is important to note that this item does not record examples of regular budget subsidies, where the rights of certain categories of the population are resolved through a kind of legal framework (such as regular annual subsidies given to agricultural producers, etc.). Through monitoring, TI BiH tried to record only examples of one-time subsidies and other benefits that are timed before the elections, started or announced in the observed period of three months.

There have been many cases of assistance to students as well as the implementation of various projects to co-finance the purchase of textbooks and transportation of students, as well as scholarships. As the pre-election activities took place during September and October, and since the school year has already begun,

there is a suspicion that the implementation of these projects was prolonged in order to be used in the election campaign, as textbooks procurement and transportation issues should be completed in August, not October.

We should also point out the example from Zvornik, where SDA local office distributed forms for allocating funds from the Federal Ministry of Displaced Persons and Refugees to co-finance the transportation of students.



Also, the City of Siroki Brijeg published on its official website a notice of free transportation for all students in the area of Siroki Brijeg for September 2020, and the costs of transportation were covered by the City of Siroki Brijeg.

It is important to point out that many of these benefits can be directly linked to the election campaign of individual candidates. Here is an example from Bileca, where the Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska organized distribution of bred heifers in front of a private dairy factory whose owner was also SNSD candidate for the mayor. It was a project to help subcontractors who worked for this dairy factory.

In addition to this, numerous examples of one-time distribution of subsidies to certain categories of the population have been recorded, which are timed to the pre-election period and cannot be justified as systematic problem solving for some of these categories of the population. Here it is important to single out some of the examples that were recorded in the pre-election period:

- The municipality of Ugljevik granted a one-time aid of 100 BAM for 350 retirees
- The Mayor of Ugljevik personally attended the event of a one-time aid of 100 BAM to the children of demobilized fighters
- The Mayor of Zenica paid 100,000 BAM to the Association of Pensioners, claiming that the case has nothing to do with the elections and that the Association will distribute aid to socially disadvantaged retirees
- The Municipality of Pale has allocated 20,000 BAM from the budget reserve for the most vulnerable retirees
- The Municipality of Centar Sarajevo, through the Association, distributed a one-time aid of 50 BAM to war invalids

Election Campaign Monitoring/Local Elections 2020

- The Municipality of Foca granted a one-time assistance to retirees, 50 BAM
- Agrarian Fund of the City of Trebinje with the support of the Unit for Coordination of Agricultural Projects and the City of Trebinje distributed vouchers worth 125 BAM for 49 agricultural producers
- Member of the Presidency of BiH Milorad Dodik at the pre-election rally of his party on October 20, 2020 in Foca promised a donation of 10,000 BAM to the Association of Families 4+
- The Municipality of Centar Sarajevo paid a one-time financial aid for 55 mothers and provided hygiene packages for babies

Numerous examples have been recorded where some candidates ran their own campaigns through the allocation of these subsidies.

- The Government of Tuzla Canton has approved a one-time financial aid for parents who had their third and fourth child in 2020, and the news was announced by the Minister of Agriculture, Forestry and Water of the Tuzla Canton Mustafa Sakic, who was also a candidate for the mayor of Gradacac. He also published information on when the submission of the requests to the Center for Social Work for the allocation of one-time assistance begins, and what documents are needed, although it is not within his competence
- The Municipality of Hadzici helped the Basketball Association of BiH with 5,000 BAM, and the money was handed over by the Mayor Hamdo Ejubovic, who was also a candidate for that position
- The Mayor of Istocna Ilidza Marinko Bozović (who was also a candidate for this position) signed the Agreement on the allocation of funds for co-financing the costs of specialization and professional training of Dr. Dragana Tesanović, employed at the PHI Hospital "Serbia" in the amount of 3,000 BAM
- On the occasion of marking the 25th anniversary of the war in Vozuca, the Mayor of Dobojski Boris Jerinic (who was also a candidate for this position) handed out a one-time financial aid for the families of the victims
- On November 9, the Mayor of the Municipality of Novo Sarajevo, Nedžad Koldžo, handed out 90 "appropriate packages for mothers from the area of this municipality"

During the monitoring, TI BiH recorded 288 similar examples where one-time benefits were distributed to certain categories of population. Increased budget spending in the pre-election period is something that TI BiH has been pointing out for many years and it can be brought into direct connection with some kind of voter support purchase.

8.2 DISTRIBUTION OF GIFTS, PACKAGES OR MONEY TO VOTERS BY PARTY ACTIVISTS OR OFFICIALS

In addition to budget allocations, numerous examples of mass distribution of gifts, packages or money to voters by party activists or officials were recorded through monitoring. There were 102 such cases that

could not be related to direct payments from the budget, because candidates most often distributed personal money gifts or other benefits to voters. We single out some examples:

- Candidate for the mayor of Zavidovici Samir Sibonjic from A SDA within the company HAS SA d.o.o handed over a donation of seedlings and irrigation systems to 47 families
- The Socialist Party provided free transportation for all citizens of Brcko District during the election campaign
- SNSD Banja Luka in its premises distributed free serological tests for Coronavirus
- The list leader for councilors of SNSD Municipal Board Kozarska Dubica, Rodoljub Topic, provided a lawn mower worth 860.00 BAM for Petar Pecija community
- Leader of HDZ BiH list for the Mostar City Council Mario Kordic distributed packages to the sick and employees in the Mostar isolation ward
- Milan Petkovic from United Srpska together with the owner of the bakery Zlatno zrno, Branko Petkovic, donated bread to the organization Mozaik prijateljsva
- Deputy President of SNSD Dobojski, Danijel Josic, SNSD candidate for councilor in the Dobojski City Assembly, Aleksandar Goganovic and President of SNSD Center 4, Drazen Vasiljevic visited residents of Brace Jugovic street, listened to their life problems, and handed out financial support on behalf of the President of SNSD Dobojski, Obren Petrovic and Mayor of Dobojski Boris Jerinic
- Husejin Topcagic, PDA candidate for the Gradacac City Council, bought 100 tickets at a price of 5.00 BAM for NK Zvijezda - NK Travnik match. He also visited "NK 12. decembar Rajska" from Gradacac and handed them a mower for the stadium
- Movement for Democratic Action of BiH Gradacac announced on its Facebook page that the local board PDA Vuckovci provided funds for facade and front door of the locker room of the Soccer Club "Jedinstvo 1952" Vuckovci. Husejin Topcagic was in the photo taken in front of the renovated building,
- Candidate for the mayor of Ključ Elvir Risovic divided an amount of money on 2 occasions during 2 days, for: 'Karate club Ključ' the amount of 500 BAM and NK 'Omladinac Sanica' the amount of 850 BAM
- Leader of the SDS board list for the Municipality of Istocno Novo Sarajevo, Slavisa Milicevic and Grawe osiguranje donated new equipment to the Basketball Club "Slavija"
- At the party gathering with dozens of people present at which the party is being promoted and support of voters sought, the president of SNSD in Dobojski, Obren Petrovic, distributed money to retirees, students and young married couples, and the party publicly announced the news on social networks

TI BiH tried to problematize the behavior of SNSD in Dobojski before the Central Election Commission, whose president on several occasions directly distributed money to voters, and the party publicly bragged about it on social networks. TI BiH reported one such case to the Central Election Commission, because the money was directly distributed at a party gathering where direct voter support was sought, although the law prohibits the promise of monetary gain in order to gain voter support. The mentioned gathering, which TI BiH reported to the CEC, took place before the official start of the election campaign.

Central Election Commission of BiH (CEC) rejected a complaint¹³ filed by Transparency International in BiH (TI BiH) against the SNSD leadership in Dobojski, which distributed money at a party rally, arguing that the

¹³ <https://transparentno.ba/2020/11/13/izbornim-zakonom-kupovina-glasova-zabranjena-samo-za-vrijeme-kampanje-cik-odbacio-prijavu-ti-bih/>

Election Law prohibits promising monetary benefits to gain voter support only during the election campaign.

This decision came after the Court of BiH decision in the case of United Srpska's video, which annulled the decision on sanction to this party because the ban on spreading hate speech from the

Article 7.3. of the Election Law applies only to the duration of the election campaign. " From such provisions it follows that parties and candidates have room for a whole range of violations (spreading hatred, buying votes, etc.), if they are not committed within a month of the election campaign.

8.3 PROVIDING SPECIAL BENEFITS, "FREE" EXAMINATIONS, MEDICINES, DISCOUNTS ON FEES AND BILLS, ETC. FOR INDIVIDUAL PROMOTION

During the monitoring, TI BiH observers recorded 95 examples of providing special benefits, "free" examinations, medicines and the like. For this purpose, the resources of public health institutions were most often used, although in a small number of cases, political parties also financed similar activities in the campaign itself.

However, in most of the recorded cases, it was about the use of resources of public health institutions, and the purpose in the end was the promotion of individual candidates. We single out just a few of examples recorded in the three months before the local elections:

- The mayor of Dobož, Boris Jerinic, who was also a candidate for that position, along with five other candidates and officials of his party, attended free mammography examinations organized at Dobož Community Health Center.
- At the reopening of Community Health Center in local community Pistaline (Bosanska Krupa), free mammography examinations were provided. The event was attended by cantonal representatives Ifeta Kadic and Samir Jasaragić (People and Justice Party). The guests were Mayor Armin Halitovic, Mujo Kekic, director of the Public Institution Community Health Center Bosanska Krupa and candidate for councilor, as well as Elvira Mehic, chairwoman of the Municipal Council
- The Mayor of the Municipality of Centar, Nedžad Ajnadžic, distributed free tickets for the Trebević cable car to the users of the Center for Healthy Aging
- In Prijedor, in the midst of the election campaign, Milorad Dodik, a member of the Presidency of BiH, handed out decisions on legalization of land to residents in Aerodromsko naselje and Topolik and in his statements blamed the then city government for not solving the problem
- The mayor of Novo Sarajevo organized a free one-day trip for retirees.
- The City of Trebinje from the Agrarian Fund funded a special shop for retirees where they can get a discount of up to 50%
- In Bijeljina, free mammography examinations for Roma women were attended by the then mayor Mico Micic, as well as candidate for councilor Igor Novakovic



Former mayor of Bijeljina Mico Micic attended the mammography examination

During the campaign and two months before its official start, 70 similar examples were recorded in the sampled municipalities.

8.4 USE OF INCREASED EMPLOYMENT FOR ELECTION SUPPORT IN PUBLIC COMPANIES, ESTABLISHMENTS AND INSTITUTIONS

The emergence of mass employment in public institutions and companies in BiH cannot be adequately monitored due to the lack of adequate administrative sources or non-implementation of public tender procedures. Through monitoring in three months, TI BiH recorded 35 examples of mass employment where a hiring contest was announced. However, many institutions and public companies do not have the obligation to announce a public contest.

It is important to single out the example where the Employment Bureau of the Republic of Srpska during the observed pre-election period made a decision on approving the employment for 2,060 workers of various categories - internships for children of fallen fighters and target groups.

In Novi Grad, just before the start of the election campaign, Mayor Miroslav Drljaca announced that an internship in the Municipal Administration in Novi Grad for the next 12 months will be done by 16 young

people with whom a contract was signed. Eleven interns were hired through the Employment Bureau program, and five with support from the municipal budget¹⁴.

On November 11, the Municipality of Srebrenica announced that, in cooperation with the Employment Bureau of the Republic of Srpska, will finance the employment of seventeen interns who will do internship in the Municipal Administration¹⁵.

Also, it is important to single out the example of the Municipality of Gacko, which during the campaign announced a contest for the admission of 18 interns. At the same time, the then mayor of this municipality, Milan Radmilovic, officially announced in the pre-election debate that 30% of the workers in the municipal administration is redundant.

It is interesting to point out the example¹⁶ of the youth activist of United Srpska, who publicly announced that he got a job with the support of that party. The announcement was shared on the United Srpska Ugljevik website as a promotion of why one should be a member of that party.

Despite the lack of adequate sources that could determine the exact number of workers employed in the pre-election period, the fact that political parties do not hide this phenomenon and brag about it speaks enough about this widespread phenomenon.

8.5 PAID ADVERTISING OF PUBLIC INSTITUTIONS AND PUBLIC ENTERPRISES PROMOTING CERTAIN CANDIDATES OR OFFICIALS

During the observed period, TI BiH recorded 16 cases of paid advertising of public institutions and companies aimed at promoting parties and candidates. Similar isolated examples could be seen in previous years, but due to the shortcomings of the Election Law, these phenomena went unpunished. However, in this election campaign, it was noticed that many local community leaders launched publically paid campaigns to promote the results of their work and thus promote themselves and their program, and these campaigns were often indistinguishable in content from classic party campaigns.

This is a pattern of behavior that, if not legally prohibited, could become a major problem in the future because many current officials, representing the "successes of previous work" could run the election campaign with public funds with impunity.

TI BiH reported these cases to the Central Election Commission, which took a clear position that this type of campaign in which local institutions promote officials who are also candidates, is considered an **early election campaign** (because all started just before the start of the official campaign).

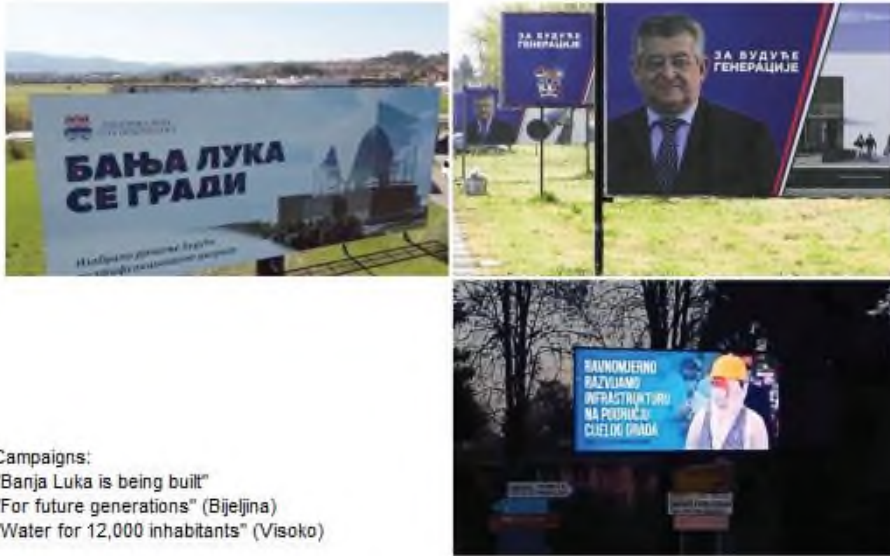
In the early campaign, CEC fined all parties 1000 BAM per case, but it is important to say that in these cases, where the campaign was paid with the public funds, CEC imposed more severe fines in the amount of 1,500 BAM, emphasizing that it was a much more serious violation of the law because the campaign was paid from public funds. Also, the CEC Audit Service should comment on these cases because public institutions are prohibited from financing political parties.

Three campaigns need to be singled out, because it is a pattern of behavior that may become a practice in the future, because under the cover of the campaign of institutions, promotion of candidates is financed with public funds. These are the campaigns "Banja Luka is being built", "Water for 12,000 inhabitants" in Visoko and the campaign "For future generations" of the City of Bijeljina. In all three cases, it was paid advertising, where the only purpose was to promote the achievements of the current government and promotion of candidates. The mayor of Banja Luka, Igor Radojicic, appeared in the videos of the "Banja Luka is being built" campaign, and the mayors of Visoko and Bijeljina, Amra Babic and Mico Micic, on billboards paid with public funds.

¹⁴ <https://www.radionovigrad.com/index.php/gradske-vijesti/drustvo/9669-potpisani-ugovori-sa-16-pripravnika>

¹⁵ <https://rtvsrebrenica.org/index.php/vijesti/item/2198-opstina-srebrenica-potpisala-ugovore-sa-sedamnaest->

¹⁶ <https://transparentno.ba/2020/09/09/izbori-2020-ujedinjena-srpska-se-hvali-stranackim-zaposljavanjem/>



Campaigns:
 "Banja Luka is being built"
 "For future generations" (Bijeljina)
 "Water for 12,000 inhabitants" (Visoko)

After the report of TI BiH, CEC punished the coalition Together for Semberija and Srpska¹⁷, because the City Administration of Bijeljina posted billboards with the image of the then mayor Mico Micic before the official start of the election campaign, and CEC auditors should comment on the banned funding. Proceedings in other cases have not yet been completed. At the request of TI BiH, the City Administration of Banja Luka has not yet submitted information on how much the campaign "Banja Luka is being built" has been paid, while the City Administration of Bijeljina announced that the campaign was paid 6,000 BAM from the budget.

In a similar example, CEC decision fined the Movement of Democratic Action - PDA with 1,500.00 BAM for billboards and posters displayed and financed by the Municipality of Banovci, which included a picture of the post card for the day of the Municipality and a picture of Mayor Midhat Husic running for the office again.

Also, the mayor of Brcko, Sinisa Milic, appeared on a billboard without party symbols, on which the citizens were promised construction of a new industrial zone. CEC punished his party, because the advertisement

¹⁷ <https://transparentno.ba/2020/10/30/cik-kaznio-micevu-koaliciju-zbog-kampanja-grada-bijeljina-za-buduce-generacije/>

was displayed before the start of the election campaign, but the city authorities claimed that these billboards were not paid from the public funds.

In addition to this practice, which is becoming more frequent and where some candidates are openly promoted with public funds, it is especially difficult to document what TI BiH has been talking about for years, and that is funding of election campaigns from the public funds. Public companies, which mostly have a monopoly on the market, spend large sums of money on fictitious advertising, which actually pays for the promotion of political parties.

During the monitoring, TI BiH managed to document one case that was obvious, because the election poster of the director of PC DEP-OT Novo Grujic, who was the DNS candidate for councilor in Banja Luka, appeared at the place where this public company pays for advertising throughout the year.

As soon as TI BiH asked this public company to submit a contract for the lease of advertising space, the pre-election poster was removed, and the company's ad was posted again. The submitted contracts showed that this advertising space was leased to PC DEP-OT at that time.



According to numerous media allegations, this phenomenon is widespread because public companies and institutions often pay the bills of political parties¹⁸. Through advertising monitoring, TI BiH documented that the amounts presented by the parties in their reports did not even closely match the amounts spent on only two forms of advertising. However, due to the shortcomings of the Law on Political Party Financing, this phenomenon cannot be prevented and sanctioned at the moment.

8.6 INTENSIFICATION OF PUBLIC WORKS IN THE PRE-ELECTION PERIOD

Of all the observed phenomena that can be characterized as misuse of public resources in the campaign, 45% or 1422 examples relate to public works that were timed and performed in the pre-election period. Most examples were recorded in Zenica, Banja Luka, Doboj, Mrkonjic Grad and the municipalities that make up the City of Sarajevo.

¹⁸ <https://www.klix.ba/vijesti/bih/mostarka-tvrdi-da-je-dobila-otkaz-nakon-sto-je-odbila-platiti-racune-za-sda/210410085>

In a number of cases, these were the works completed and ceremoniously opened in the period monitored by TI BiH observers. Through monitoring, 249 such cases were recorded, where major events of ceremonial opening of infrastructure facilities were organized by institutions.

In addition, in one part of the monitored works, it was about infrastructural works that started in the observed period, and which were most often accompanied by visits, tours and other types of self-promotion of candidates who are currently performing functions.

When it comes to larger infrastructure facilities, the events organized on their opening were mostly accompanied by promotion of both local and cantonal, entity and state officials. Only the leader of SNSD, Milorad Dodik, opened infrastructure facilities nine times in the observed period, six of which were in the last month when the election campaign took place:

- September 18th opened 950 meters of road in Sargovac in Banja Luka
- September 20th opened a renovated bridge in Novi Grad
- October 3rd unveiled a monument in Dobož at the first commemoration of the anniversary of the Operation Halyard
- October 15th opened Square of Serbia in East Sarajevo
- October 21st, laid the foundation stone for construction of a museum in Pale
- October 22nd opened a road in the village of Glisici in Gornji Mujdzici, Sipovo Municipality
- November 8th opened 4.8 kilometers of road from Gacko to Pluzine
- November 9th opened a facility for transfusion at the Hospital "Serbia"
- November 10th the renovated hotel on Jahorina was officially opened

In the third and largest number of cases, it was about smaller infrastructure projects, such as asphaltting smaller streets, filling in roads, installing public lighting, landscaping, etc. Most of these projects were

recorded by TI BiH observers following accounts of political parties on social networks, which publicly praised and credited themselves for performing these works, which were financed with taxpayers' money.

EXAMPLES

- On Facebook page of SNSD Modrica, it was announced that the member of Parliament and candidate for the mayor of Modrica, Mara Milosevic, and the leader of SNSD list Jovan Misić visited the preparatory works for asphaltting street Vuka Karadzica in a local community of Modrica. The money was provided by the joint financing of the Municipality of Modrica and residents of the street
- SPS Zvornik announced that their candidate initiated concreting of a part of the road in local community Donji Lokanj in Zvornik. During the works, the workers wore T-shirts with SPS signs
- DNS Kozarska Dubica announced that, thanks to DNS and MP Darko Banjac, asphaltting of Milos Obilic street in Hadzibaia, 1000 meters long and 4 meters wide, was done

- On Facebook page of Sanel Zulic, a candidate for the city council in front of A-SDA, who is also the director of PI "Komunalno-stambeni fond" Cazin, a picture of the completion of asphaltting of the road Gornja Crnaja - local community Trzacka Rastela was published
- On Facebook page of A-SDA Skokovi, pictures of reconstruction of the road Visibaba - Pisanica were published, in the total length of 1,480 m, the value of the project is 240,000 BAM
- On the official Facebook page of SDA Cazin Youth Association on July 30th 2020 the president published a post expressing gratitude to SDA, and especially the efforts of Husein Rosic, who provided funds for many projects in the Municipality of Cazin. Among other things, reconstruction of the street 517 Oslobođilacke brigade, in the amount of 98,193, 55 BAM, while for the same street a few days earlier SDP in their post emphasized that in fact they provided the funds
- Municipal Board SNSD Kozarska Dubica announced that 10 trucks were ordered to fill in the rural roads in the local community Draksenic
- SDA Mostar has published information on road construction to Fortica and promised other infrastructure works for the residents of that community
- SNSD Dobož announced that MP of the House of Representatives BiH, Sanja Vulic, by cutting the ribbon, ceremoniously opened the road in hamlet of Bozickovici and thus marked the completion of asphaltting works in local community Grabovica. New infrastructure projects have been promised and announced, which will be realized with the support of the President of the SNSD City Council of Dobož, Obren Petrovic

In the three months of the monitoring of activities related to election campaign, 1,424 similar examples were recorded where parties and candidates ran the election campaign through public works. It can be said that this way of "buying" support of voters has become the dominant phenomenon and the most common pattern of behavior of parties in a campaign.

8.7 ADVERTISING PARTIES AND CANDIDATES IN PLACES WHERE FORBIDDEN

BiH Election Law prohibits political parties from placing advertisements, posters or printing their names or slogans related to the election campaign inside or on buildings housing authorities at all levels, public companies, public institutions and local communities, on places of worship, public roads and public areas, except in places provided for billboards and advertising. During the monitoring, TI BiH observers recorded 168 cases where parties advertised in places where it was prohibited.

In most cases, it was about putting up election posters on public roads and public areas, as well as in places that are not intended for posters. However, some cases need special emphasis.

TI BiH reported to the Ombudsman for Human Rights of BiH the case from Busovaca, where a billboard of the Croatian Democratic Union (HDZ) was placed in a primary school yard, which is why CEC was informed in addition to the Ombudsman. This billboard stood in the school yard until the end of the campaign, despite the fact that the information was published in numerous media at the very beginning of the campaign.

We should also point out the example where a poster was placed on the building of the Public Institution "Retirement Home Tuzla", which promoted the candidate for the City Council in front of the Independent List of Bosnia and Herzegovina, Mirsad Suvalic.

During the monitoring of the campaign for the elections in Mostar, a case was recorded where the promotional material of the Party of Democratic Action was distributed to the gathered believers in front of a mosque. The same case was recorded in Novi Travnik, where the candidates of HDZ BiH-HDZ 1990 coalition distributed promotional material to the believers after the Holy Mass in front of the church, and invited residents of Novi Travnik to go to the polls and vote.

8.8 EARLY CAMPAIGN

This year, for the first time, Central Election Commission of BiH introduced the practice of punishing parties that used paid advertising on the Internet before the official start of the election campaign.

During the election campaign, 142 examples of early election campaigns were recorded, and these examples mostly relate to paid advertising on social networks before the start of the election campaign. So far, CEC has imposed 43 sanctions on political parties in the total amount of 44 000 BAM, based on the reports of TI BiH and completed procedures.

In addition to advertising on social networks before the official start of campaign, these elections were also characterized by the widespread appearance of billboards before the official start of the campaign. After the report of TI BiH, DNS was also punished because this party posted billboards early celebrating 20 years of existence.

On the same grounds, parties SDA, HDZ and SDS were punished for displaying billboards before the official start of the election campaign, and in all three cases the parties celebrated thirty years of their existence.

Central Election Commission of BiH also fined SNSD and Social Democrats of BiH 1,000 BAM each. In the case of SNSD, it was about the billboards of the Young Social Democrats (MSD), which were displayed in several locations in Banja Luka with the message "We will not give up the holy churches", while the city organization of the Social Democrats of BiH Srebrenik started the campaign with billboards long before the official start. Due to the same case, a complaint was filed against the Democratic Front.

In addition to early paid advertising by political parties, CEC also sanctioned cases where public institutions promoted candidates through public campaigns. In those cases higher fines (of 1,500 BAM) were imposed.

8.9 THREATS TO VOTERS AND ALL FORMS OF PRESSURE ON VOTERS

During the observed period, eight cases of threats to voters or some form of pressure on voters were recorded. Member of the Presidency of BiH Milorad Dodik has regularly threatened voters in previous years, and TI BiH has regularly reported such cases to the competent institutions. At the beginning of this year, the Prosecutor's Office of BiH took a position that could be important for continuing this form of pressure on voters, because in one of the cases from the 2018 election campaign they assessed that Dodik's clear threats **were not a crime because they did not cause fear but enthusiasm** .

That is why Dodik continued this practice during the campaign for the local elections. TI BiH observers reported that during his public speech in Gradiska, Dodik told citizens "that they had been in a chicken coop for four years", alluding to the neglect of that local community during the SDS rule. On that occasion, he threatened the voters "not to do it again because he will not help them anymore". After the elections and the defeat of his party's candidate in Banja Luka, Dodik threatened voters again, saying he would suspend all investments in Banja Luka and heating subsidies, and that he would "take every polling station" and that the republican government would no longer solve problems.

It is important to point out that SDA candidate for the mayor of Ilidza, Fikret Prevljak, sent letters to former fighters of BiH Army and even to the families of those who died in the meantime, and asked them to vote for him.

TI BiH also received two reports by mail stating that employees in two factories in Kotor Varos were threatened. In one case, one of the bosses in the factory, who was also a candidate for councilor, put a lot of pressure on the employees using his function, while in the second case, the owner of a different factory, who is also a party official, did it. TI BiH received a report that the owner of the company invited workers individually to the office and put pressure on them to give their vote to his party.

Also, TI BiH is in possession of a message sent to party sympathizers by a candidate from Zenica in which he threatens his sympathizers saying that he will not forgive their betrayal if they do not help collecting votes.

It is important to point out that TI BiH reported to CEC the controversial video of United Srpska in which national hatred towards members of the Albanian, Croat and Bosniak people is openly spread. After the decision of CEC to ban this party from participating in elections, the decision of the Court of BiH followed saying that the legal ban on spreading national hatred refers "only to the election campaign period", and the video was published earlier. The court did not enter the content of the disputed video, which was not removed from certain social networks of this party even after the start of the campaign. Due to that, TI BiH again reported the disputed video to CEC, but the report was rejected with explanation that the Court of BiH has already decided in this case.

9. CONCLUSIONS AND RECOMMENDATIONS

During each election year, political parties discover new, innovative ways of circumventing regulations, while laws and bylaws do not follow this practice, i.e. they do not improve or innovate in order to adequately prevent it. On the other hand, the lack of timely and adequate supervision leads to the

unavailability of information, especially when it comes to the costs of political parties, but also avoiding to report all sources of income.

Through the election campaign cost monitoring conducted by TI BiH, it is clearly documented that political parties report significantly smaller amounts than those actually spent on election promotion. As a consequence of this phenomenon, in which costs are largely undeclared and the expenditure side of the report is reduced, the parties are given space not to show the actual revenues they have at their disposal with which they cover the campaign costs.

Donations of legal entities, which according to the findings of TI BiH are largely illegal, are less and less reported. Due to the outdated forms in which campaign costs are reported, it is not possible to clearly see on which type of campaign funds are spent on so that this spending can be subject to more precise monitoring. Also, as CEC of BiH does not have a mandate to audit the costs of political parties, the parties are left with the opportunity to cover up real expenditures and consequently sources of funding.

Therefore, TI BiH has made proposals to improve the legal framework in order to ensure transparency in financing of political parties, but also to eliminate all possible abuses in election campaigns. The proposals relate to:

- Introduction of clearer CEC responsibilities for auditing party costs
- Introduction of obligation to use single bank accounts, i.e. one account for regular financing and the other for election campaign financing
- Introduction of obligation to operate exclusively through bank accounts, which also applies to payments of donations and all other transactions
- Introduction of obligation to prepare annual financial plans and programs and their publication, together with financial reports, within the set deadlines, as well as prescribing sanctions for non-publication

- Introduction of provisions on prohibition of the use of public resources for the purpose of party promotion
- Liabilities to publish complete financial statements, including expenditures
- More detailed analysis of violations in the segment of prescribed sanctions and tightening of their range
- Suspension of budget funds payment as one of the sanctions for violating the provisions on prohibited activities

Abuse of public resources in the election process is widespread and this was shown by the monitoring conducted by TI BiH during the previous election campaign. However, due to insufficiency of legal provisions that would lay the foundations for preventing the misuse of public resources during election campaigns, control over the use of public funds is also insufficient. Different competencies of some institutions do not allow for effective supervision, while weak mandates of supervising institutions (audit services, public procurement agencies, etc.) lead to their recommendations and findings being ineffective.

Bearing in mind that the previous provisions of the Election Law did not define in detail the ban on the use of public functions and public institutions for election promotion, it is necessary to introduce mechanisms

to prevent misuse of public funds, public functions and public institutions during the election campaign, as follows:

- Prohibition of paid advertising of the state, entity and local government bodies, public companies, institutions and funds that may in any way favor political entities during the election campaigns
- Prohibition of the use of premises of public institutions for preparation and implementation of campaign activities
- More detailed definition of provisions relating to the prohibition of vote buying and pressure on voters, in a way that prohibits any form of giving gifts in the form of money or goods, or the very intention of some benefit, whether it is monetary, or in the form of employment, appointment, promotion, etc., in exchange for voting for a particular candidate or party
- More detailed definition and prohibition of pressure on employees in institutions, threats and conditioning, in order to collect votes based on the influence or position that a candidate has in a public institution
- Restrictions on employment in public administration, public enterprises and funds, to prevent vote buying through employment
- Introduction of clear rules banning the use of official cars, helicopters and other services for election campaign activities (attending election rallies, etc.) and detailed demarcation of public from party functions, i.e. appearance of officials as public officials or candidates in elections, through appearance restrictions in public office for the purpose of pre-election promotion or the introduction of a break in the exercise of high public office activities during the official election campaign, because they are certainly subordinated to pre-election activities
- Limiting budget spending, so that in the pre-election period it should not be significantly higher than the average, and at the same time ensuring greater transparency in public funds spending in the given period.

The process of forming an Interdepartmental Working Group for the preparation of proposals for amendments to the electoral legislation has begun, which would be an opportunity to address these shortcomings in the legal framework.



© Transparency International Bosna i
Hercegovina

BANJA LUKA
Gajeva 2
78000 Banja Luka

SARAJEVO
Mula Mustafe Bašeskije 9/1
71000 Sarajevo

www.ti-bih.org

