

Guidelines for Roma responsible budgeting

Case: Serbia and Bosnia and Herzegovina

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- The aim is to achieve appropriately incorporating Roma integration into existing mainstream policies to ensure they reach Roma.
- This is a critical moment to introduce Roma responsible budgeting standards as it is possible to lean against ongoing budgetary reforms in the Western Balkans economies aimed at introducing programme and performance budgeting.

Prerequisites for Roma responsible budgeting

- **An understanding of Roma integration** – how Roma issues can be integrated in different policies and being able to address the issues with specific measures/projects.
- **Political commitment** – the executive and legislative powers need to acknowledge the need for immediate and ongoing actions for Roma integration and communicate this throughout the administration and the Parliament.
- **Financial commitment** – Roma integration cannot advance only by setting up national policy and/or strategy. Financial commitments are further necessary to back up this national priority.
- **Establishing disaggregated data systems** – it is of utmost significance to supply disaggregated data at all levels which are required to ensure effective and efficient allocation, spending and monitoring of funds

Bosnia and Herzegovina

- The fiscal system in BiH is highly decentralized, reflecting the administrative set-up defined in the constitution. Namely, BiH level (national - federal level), Brcko District, and two Entities – Federation of Bosnia and Herzegovina (FBiH) and Republic of Srpska each have their own government;
- The structure in FBiH has 10 cantons that serve as a middle level of government between the government of FBiH and local self-governance units, and each canton has its own government.
- 142 municipalities;
- *Lower levels of government are responsible for approximately 90% of public expenditures. This also holds true for Roma integration policies, while the Ministry of Human Rights and Refugees has a mandate for Roma integration and coordinates all the work.*

Serbia

- The Budget System Law regulates planning, preparation, adoption and execution of the budget of the Republic of Serbia, as well as budget accounting and reporting, financial management, control and audit of beneficiaries of public funds/budget users, and all other issues relevant for the functioning of the budget system.
- Every fiscal year, a Law on the Budget of the Republic of Serbia is adopted by the National Assembly
- In terms of Roma responsible budgeting, there is no regulation that mandates the target toward specific group. Roma responsible budgeting is assumed as part of the System Budget Law, but it contains no specific reference to ethnicities

Constraints

- Challenges in relation to integrated budget planning, and monitoring of achieved results.
- Action Plan timeline is not synched with budget planning process (i.e. MTEF budget planning process), making it difficult to ensure timely implementation.
- Programme budgeting is still not fully functional, and budgets are not adopted by programme classification.
- There are insufficient capacities of civil servants within the institutions for producing solid and adequately budgeted funding proposals based on the programme budgeting methodology.

Recommendations

In Bosnia and Herzegovina, in order to enhance these mechanisms for effective implementation of existing programmes, including service delivery, as well as newly identified programmes within Roma Action Plan, two existing laws can be amended:

- ***The Law on Rights of National Minorities in BiH*** (Roma being the biggest national minority) can be amended so that it specifically states that budget resources can be awarded to specific minority group when high degree of social exclusion and inequalities are noted.
- ***The Central Government Aid Law of BiH*** that regulates conditions for assigning, controlling, implementing and the return of misused budget funds within BiH, needs to be amended to clearly define coordinating roles between national government and all other lower government levels – when it comes to budget implementation and monitoring

Recommendations

Serbia:

- Ministry of Finance: increase accountability among all the actors of public expenditures by demanding strong requirement for Roma responsible budgeting and reporting as a part of programme budgeting system (starting with thematic priorities),
 - Improve and amend Medium-term Budget Programme Guidelines that will include Roma sensitive budgeting principle as a part of decision-making process/allocation of funds (use the exiting GRB practice).
- Line ministries: Civil servants at national and provincial level increased further their capacities in Roma sensitive approach
 - Enhance coordination among relevant institutions regarding Roma sensitive budgeting issues part of policy/budgeting process
- *All institutions:* improve the process of budget preparation, by demanding mandatory consultation with civil society, citizens, and Roma rights advocates during budget preparation, both in ministries and National Assembly

Recommendations

- Establishment of the Intergovernmental working group with strong political and policy responsibilities
- Upgrading the competences of the National Roma Contact Point (NRCP). The NRCPs should become more closely linked with the Ministry of Finance (MoF). This is possible by introducing the NRCPs responsibility to follow budget preparation and execution (to the extent possible) hand in hand with the MoF.
- Enhance the processes of vertical and horizontal coordination (M&E)
- Form “specialized “working groups including Roma representatives, experts, and other relevant stakeholders to provide neccassray analysis for line ministries and MoF relevant for Roma integration and their connection to the budget.