THE EXPERIENCE OF THE REPUBLIC SRPSKA 
IN THE HARMONIZATION OF LAW WITH EU LAW

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Abstract. The experience of the Republic Srpska in the harmonization of law with the law of the European Union should be viewed within the overall position of Bosnia and Herzegovina on this regional organization, which will become particularly pronounced upon signing the Stabilization and Association Agreement. This experience is neither small nor big enough to play an important role for other countries whose status with regard to the European Union is the same as that of Bosnia and Herzegovina. The stabilization and association process represents a major challenge for both the Republic Srpska and Bosnia and Herzegovina, while the fulfillment of commitments which, among other issues, pertain to the harmonization of regulations, has been defined in a separate action plan, adopted by the Council of Ministers of Bosnia and Herzegovina. In accordance with the Agreement, the implementation of this document will be supervised by a body separately appointed for that purpose.

Key Words: The Republic Srpska, Bosnia and Herzegovina, the European Union, Stabilization and Association Agreement, harmonization.

INTRODUCTION

The Republic Srpska is one of two Entities in Bosnia and Herzegovina which have equal rights, and its competences should be viewed against both the Constitution of Bosnia and Herzegovina as Annex 4 of the General Framework Agreement for Peace in Bosnia and Herzegovina of 14 December 1995 and the Constitution of the Republic Srpska.

Bosnia and Herzegovina is a complex state union, belonging to the type of so-called sui generis states (states of specific kind). In Bosnia and Herzegovina today there are 13 Constitutions and the Statute of Brcko District, which is not a de iure constitution, but is a de facto constitution. Precisely in this context should one observe the legislative in Bosnia and Herzegovina and the Republic Srpska. Namely, if the legislative in Bosnia and Herzegovina is embodied in the Parliamentary Assembly of Bosnia and Herzegovina, the
legislative in the Republic Srpska is exercised by the Parliament of the Republic Srpska, while in the Federation of Bosnia and Herzegovina it is in the hands of the Parliament of the Federation of Bosnia and Herzegovina and 10 cantonal Assemblies, while in Brcko District there is the Assembly of Brcko District, depending on how the division of competences has been made between the joint institutions in Bosnia and Herzegovina on the one hand, and the Entities, i.e. the Republic Srpska and the Federation of Bosnia and Herzegovina on the other.

Thus, for instance, according to Article 3, Clause 1 of the Constitution of B&H, the competences of the institutions of Bosnia and Herzegovina include: a) foreign policy; b) foreign trade policy; c) customs; d) monetary policy; e) financing the institutions and international commitments of B&H; f) policy and regulations for immigration, refugees, and asylum; g) enactment of criminal laws in the international domains and between entities, including relations with Interpol; h) establishment and operation of common and international communications; i) regulation of inter-entity transportations; j) air traffic control.

All other state functions and competences, which are not explicitly allocated to the institutions of Bosnia and Herzegovina, belong to the Entities.

Bosnia and Herzegovina is not a member of the European Union, it has been a member of the Council of Europe since April 2002, and it signed the Stabilization and Association Agreement on 16 June 2008. With the purpose of meeting certain prerequisites for the construction of a unitary economic area and fulfilling a range of international commitments, immediately upon the entering into force of the Dayton Peace Accord, the harmonization of legislations began, both in the Republic Srpska and in Bosnia and Herzegovina.

The harmonization of existing legislation has been carried out in two ways:

a) with the purpose of creating preconditions to enable full freedom of movement of persons, goods, services, and capital on the entire territory of B&H, in accordance with B&H Constitution, on the one hand, and

b) with simultaneous harmonization of this legislation with EU law in order to provide some prerequisites for appearing in its market, on the other.

With these reasons in mind, numerous framework acts were either passed on the level of B&H, or made maximally compatible between the Entities. Acts have been harmonized in both substantive and procedural law.

Therefore, the harmonization of Laws between the Republic Srpska and Bosnia and Herzegovina on the one hand and the European Union on the other formally began in almost all domains even before signing the Stabilization and Association Agreement of 16 June 2008.

While harmonizing substantive law, i.e. legislation, it was particularly kept in mind that there were numerous international conventions accepted and implemented in the European Union, and also that there was a large number of directives and guidelines for particular domains. On the other hand, procedural legislation was mostly harmonized with Article 6 of the European Convention on Human Rights and Fundamental Freedoms, i.e. the intention to ensure a more efficient judiciary, which would accelerate judicial protection by following the provisions from Article 6 of the European Convention.
SOME PRINCIPLES OF EU LEGAL REGULATION

The activities of the European Union and its regulations are based on a number of principles. In essence, these principles reflect the fundamentals of *acquis communautaire*. These principles are:

1. **The Principle of Limited Competences** – The foundation of the European Union established a supranational organization which has the authority to make binding decisions for member states and their bodies.

2. **The Principle of Limited Jurisdiction and Implied Powers** – Since the foundational treaty cannot predict all situations in advance, the treaty gives general authority to the Council to deliver acts and authorizations, if this is necessary for the activities of the Community.

3. **Subsidiarity.** – The principle of subsidiarity means that the Community may act in the domains outside of its direct jurisdiction if the goals to be attained cannot be achieved well enough by a particular state, but can be achieved by the Community.

4. **Equality of Bodies** – in practice, this means that the bodies of the Community are not superordinate or subordinate to one another.

5. **Protection of Fundamental Rights** – Fundamental rights are ensured to protect the citizen from the state, i.e. to protect individual freedoms from the power of the state. Although the European Union is not a state, on the basis of transferred powers, it has the right to proclaim legal acts constituting the rights and commitments of citizens.

MEMBERSHIP IN THE EUROPEAN UNION

The European Community/European Union is open for membership for all European countries which meet certain requirements. Requirements for the accession of new countries are precisely defined in the Treaty on European Union, known as "Copenhagen Criteria". Along with the Article 49 of the Treaty on European Union, each state respecting the principles on which the European Union is based may request membership in the Union. The request is submitted to the Council which, upon consultations with the Commission or upon providing the consent of the European Parliament must reach a unanimous decision. The European Parliament reaches its own decision by the absolute majority of all its members. Conditions for accession were elaborated in detail at the meeting of the European Council in Copenhagen on 21-22 June 1993. Therefore the title mentioned above, the "Copenhagen criteria".

The Copenhagen criteria define that, apart from the geographic criterion, the fact it is a European state, the third country must meet three groups of criteria:

- political: the stability of institutions enabling democracy, rule of law, respect of human and minority rights;
- economic: efficient market economy and the capacity of national enterprises to sustain the pressure of EU's common market; and
- the capacity of the country to bring its laws into line with the legal body of the European Union and also accept the goals of the political, economic, and monetary union.

The facts stated above could be summarized as follows: between the starting point – the fact a country is physically situated on the European continent, and the final point – accession to the European Union, the country must take the path which can, in the shortest terms, be described as the process of adaptation of state institutions, the change of institutional and legal functioning, and economic "loosening up", i.e. gradual cancellation of economic barriers, duties, taxes, etc. All this should be followed by a complete acceptance of the legal regulations from European communitarian law.

THE RELATIONS BETWEEN BOSNIA AND HERZEGOVINA AND THE EUROPEAN UNION

Although Bosnia and Herzegovina is not a member of the European Union, it has been a member of the Council of Europe since April 2002 and a signatory of the Stabilization and Association Agreement since 16 June 2008. In order to meet its international obligations and create overall preconditions for the construction of a unified economic area which would be compatible with the unified market in the European Union, B&H is trying to create certain conditions for unhampered traffic of goods and services, not only in the national market but also in the market of the EU – thus trying to move away from the lowest positions in the tables of underdeveloped countries. Naturally, the goal for Bosnia and Herzegovina is to become a full-fledged member of the European Union, which implies that its legislation should also be reformed in line with the highest international standards. Upon signing the Stabilization and Association Agreement, Bosnia and Herzegovina took over the commitment to harmonize its legislation with the law of the European Union, both de facto and de iure.
Due to the clear determination of the country to become an EU member state, the fulfillment of certain commitments in the domain of harmonization, contained in the Stabilization and Association Agreement, has become a condition without which there is nothing.

In that sense, the harmonization of the regulations of third states with the legal regulations of the European Union can be viewed politically, as a part of the pre-accession strategy of the third state, and legally, as a part of the fulfillment of their accepted commitments which consists in the amendment of the current acts or adoption of new acts, accorded with the communitarian regulations or, more broadly, the regulations implemented in the member states. In the context of the attainment of broader political goals, the harmonization may be conducted as part of the pre-accession strategy or as a segment in creating good legal climate for foreign investment or, more generally, for free communication with the world, in the hope that this would improve the chances for full-fledged membership on the one hand, or accelerate the accession process on the other. In the context of the final goal to be attained, or to which a country strives, harmonization is not an end in itself, but a means for achieving other narrow, legal and technical, or broad, political goals. The aim of the harmonization is not achieved in the mere adoption of formally harmonized national regulations, but in securing indispensable social and economic conditions for their application, as set forth in the Stabilization and Association Agreement or, more globally, compatible with the communitarian legacy. In other words, harmonization must not boil down to the formal translation or copying of communitarian regulations (formal harmonization), but must include the adoption of such regulations whose consistent and full application by independent and authoritative courts will induce effects corresponding to communitarian goals (functional or substantial harmonization). After consultative working groups were established in 1998 and after Bosnia and Herzegovina initiated its stabilization and association process in May 1999, the complete road of Bosnia and Herzegovina toward the European Union, including all its commitments along the way, was defined in 2000, in the document known as the Road Map.

This document defines eighteen key conditions which needed to be met in order to move on to the second phase, the completion of the Feasibility Study.

In late 2002, the European Commission stated that the guidelines from the EU association Road Map had been mostly fulfilled, but the draft report on the readiness of Bosnia and Herzegovina to start negotiating with the EU on the Stabilization and Association Accord was adopted only in late 2003. The so-called conditional Feasibility Study was adopted, since Bosnia and Herzegovina was given sixteen conditions it would need to fulfill in order to be allowed to start the negotiations.

Based on the Feasibility Study, the Directorate for European Integrations of Bosnia and Herzegovina defined the Program for the Implementation of Medium-Term Priorities of European Partnership for Bosnia and Herzegovina. European partnership is a new instrument of EU assistance made after the model of the so-called "accession partnership", which had been used for central and east European countries. This instrument defines short-, medium- and long-term priorities which should be attained before the start of the negotiations. After the European Commission issued the official statement that these conditions had been met, too, the Council of Ministers of Bosnia and Herzegovina made

public the date for the commencement of negotiations with the European Union on the Stabilization and Association Agreement, 25 November 2005. These negotiations ended successfully in June 2008, when the Stabilization and Association Agreement was signed. With this act, Bosnia and Herzegovina entered the direct pre-accession stage. After the conditions from the Stabilization and Association Agreement were met, one could expect the transition to phase two, i.e. EU association and full membership phase.

**BOSNIA AND HERZEGOVINA AND THE STABILIZATION AND ASSOCIATION AGREEMENT**

Contrary to the Association Agreement that the European Community has concluded with other states, introducing a specific long-term relationship between the Community and the third state, whose bodies and internal structure should remain intact, the Stabilization and Association Agreement that the Community has concluded with the countries of the Western Balkans, signed in 2008 by Bosnia and Herzegovina, aims to harmonize the relations within this state, through reform and strengthening of its institutions, rule of law, democratization, and economic transformation from a planned economy into market economy.

A primary source of communitarian law, treated as an "extraordinary" source, but still fully accepted by the Court of Justice as an "integral part of communitarian law", these agreements have the primary function of preparing the associated state and its meeting certain conditions in preparation of prospective accession. According to Article 1 of the Stabilization and Association Agreement with Bosnia and Herzegovina, the basic goals of this association are as follows:

- to support the efforts of Bosnia and Herzegovina in building democracy and the rule of law;
- to contribute to political, economic and institutional stability in Bosnia and Herzegovina, and to stabilization in the region;
- to provide a suitable framework for political dialogue, and thus enable the development of close political relations between the parties:
- to support the efforts of Bosnia and Herzegovina in harmonizing the economic legislation with the legislation of the Community;
- to support the efforts of Bosnia and Herzegovina to complete the transition into a functional market economy, promote harmonious economic relations, and gradually develop a free trade zone between Bosnia and Herzegovina and the Community;
- to strengthen regional cooperation in all domains defined in this Agreement.

Since this is an Agreement concluded between the European Communities and their member states and Bosnia and Herzegovina, it is an international treaty and, as stated before, it represents a source of communitarian law, binding to all signatory states who intend to accede to the European Union.

The fundamental values the parties in the contract express their commitment to are given in the Agreement preamble, as follows:

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3 Draft Stabilization and Association Agreement, Article 1, essentially the same as the final Agreement text signed.
establishment and consolidation of a stable European system based on cooperation whose central point is the European Union, and cooperation through Stability Pact mechanisms;

- civil society building and democratization, building institutions and public administration, increased commercial and economic cooperation, and cooperation in the judiciary and interior affairs;

- larger political and economic liberties with respect of human rights and rule of law, rights of national minorities and democratic principles through a multiparty system with free and fair elections;

- the right to return for all refugees and displaced persons and protection of their rights;

- free market economy and readiness of the European Union to contribute to economic reforms in Bosnia and Herzegovina;

- free trade in accordance with rights and commitments deriving from the regulations of the World Trade Organization (WTO);

- regular political dialogue on bilateral and international matters of common interest, including regional aspects, taking in consideration the common foreign and security policy of the European Union;

- development of trade and investment;

- harmonization of legislation with acquis in relevant domains;

- implementation of reforms and renewal with the use of all existing forms of cooperation, including technical, financial, and economic assistance.

In addition to the preamble, this Agreement contains 137 provisions classified in 10 areas, which regulate:

- general principles;

- political dialogue;

- regional cooperation;

- free traffic of goods, market and capital;

- issues pertaining to labor force, enterprises, provision of services;

- harmonization and enactment of laws and rules of market competition;

- justice, freedom, and security;

- cooperation policy;

- financial cooperation, and

- institutional, general and final regulations.

The provisions of this Agreement start from the obligation to respect democratic principles and human rights proclaimed in the Universal Declaration of Human Rights and the European Convention of Human Rights, the Final Act of Helsinki and the Charter of Paris for a New Europe, respect of the principles of the International Criminal Tribunal for the Former Yugoslavia in the Hague (ICTY), the rule of law and principles of market economy accorded with the document of OSCE's Bonn Conference on economic cooperation as the grounds for internal and international policy.
A very important and prominent obligation from the Stabilization and Association Agreement is the obligation to harmonize the legal system of the Republic Srpska and Bosnia and Herzegovina with the legislation of the Community, i.e. to ensure preconditions for gradual harmonization of the laws and future legislation with the legal legacy of the Community – Acquis. This obligation pertains to both primary and secondary sources of communitarian law. Namely, in the forty years of their existence, the bodies of the European Economic Community only have passed more than 20,000 various acts of communitarian law, spanning over 80,000 pages, while the Court of Justice has pronounced over 4,000 judgments,

and member states have adopted a multitude of so-called implementing regulations. Primary sources of communitarian law, made by member states when regulating their mutual relations and the European Communities, based on their own contractual capacity as subjects of international law, in concluding treaties with third states and international organizations, include:

1. founding treaties,
2. general legal principles,
3. international treaties of the European Communities, and
4. treaties among member states.

These sources have supremacy over secondary sources and more legal power. In that sense, they make up communitarian constitutional or institutional law.

Founding treaties are:

1. Treaty Constituting the European Coal and Steel Community, signed in Paris in 1951, which entered into force in 1952, concluded for the period of 50 years, and expired in 2002,
2. Treaty Establishing the European Economic Community, signed in Rome in 1957, which entered into force in 1958, concluded for an unlimited time. After the Treaty of Maastricht entered into force, this treaty was renamed as the Treaty Establishing the European Community,
3. Treaty Establishing the European Atomic Energy Community, signed in 1957, entered into force in 1958, concluded for an unlimited time period,
4. The Single European Act of 1986, which entered into force in 1987, and, in terms of constitutional law, represented the first significant change and addition (amendment) to original Founding treaties,
5. The Maastricht Treaty of 1992, which came into effect in 1993, and which was made up of four treaties: Treaty Amending the Treaty Constituting the European Coal and Steel Community, Treaty Amending the Treaty Establishing the European Atomic Energy Community, Treaty Amending the Treaty Establishing the European Economic Community, and The Treaty on European Union,

7. The Treaty of Nice, signed in 2000, came into effect in 2003. It amended the Treaties on three communities and The Treaty on European Union. One should stress that all these founding treaties are accompanied by numerous protocols and declarations as their constituent parts.

Apart from founding treaties, primary sources of communitarian law include treaties fusing the bodies of three Communities (Convention on Certain Institutions Common to the European Communities of 1957 and the Unification Act, signed in 1965, which entered into force in 1967, cancelled by the Treaty of Amsterdam). They also include all treaties on the accession of new members, from 1972 to the present day.

Secondary sources of communitarian law represent the law created by the bodies of the Community carrying out their competences, based on founding treaties. These regulations are passed by the European Parliament with the Council, the Council and the Commission, on the basis of competences conferred upon them vertically by member states, subsequently allocated among them by the principle of horizontal division of power. Thus they must be harmonized with the primary sources and also among themselves, which is monitored by the Court of Justice.\(^5\)

Secondary sources of communitarian law are: communitarian bylaws, communitarian guidelines and resolutions, as binding acts or instruments, and recommendations, opinions and other unnamed acts, as non-binding instruments. By their legal nature, these sources are reminiscent of legislation and delegated legislation, passed in individual states by the legislative and the executive.

Although the Stabilization and Association Agreement was signed as a primary source of communitarian law on 16 June 2008, the harmonization of law in almost all segments had started much earlier, i.e. with the entering into force of Dayton Peace Agreement\(^6\), which *de facto* initiated political, economic, and legal reforms as a precondition for integration into international organizations. Namely, on 18 November 2003, the European Commission made public the Feasibility Study, considering the readiness of Bosnia and Herzegovina to start negotiations on the Stabilization and Association Agreement with the European Union. The conclusion of the Study was that Bosnia and Herzegovina had to make significant progress in 16 areas of reform, as follows:

1. Fulfillment of current conditions and international obligations
2. Efficient administration
3. Efficient public administration
4. European integrations
5. Legal provisions, guaranties of human rights
6. Efficient judiciary
7. Fight against crime/organized crime
8. Asylum and migrations management
9. Reform of the system of duties and taxation
10. Budget act
11. Budget practice

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\(^6\) This agreement entered into force on 14 December 1995.
12. Reliable statistical data
13. Consistent trade policy
14. Integrated energy market
15. Creating a unified economic area
16. Public radio and television system

So far, harmonization has been mostly completed in the domain of protection of human rights and freedoms, and the domestic authorities have committed themselves to full respect of the European Convention of Human Rights and Fundamental Freedoms, which now has priority over domestic legislation.\(^7\)

New Acts on Litigation Procedure have been passed, and they have also been harmonized with Article 6 of the European Convention of Human Rights and Fundamental Freedoms, pertaining to the efficient conduction and completion of litigation procedures.\(^8\)

In parallel with the passing of the Litigation Procedure Act, changes were made in the domain of executive procedure, with the adoption of the Executive Procedure Act\(^9\). An entire range of acts from the domain of Criminal Procedure was harmonized and adapted to the Geneva Conventions related to the protection of victims of armed conflicts and prevention and punishment of genocide, and other acts from this domain. Acts have been passed on the protection of consumers, indirect taxation system, statistics, Agency for the Promotion of Foreign Investment, Agency for Insurance in B&H, public procurement, B&H customs policy, value added tax, Labor and Employment Agency, cooperatives, foundation of an Export-Credit Agency of B&H, product and services transfer tax, excise taxes in B&H, food, pawns. Also, a set of eight laws has been passed, including four in the domain of phytosanitary measures (B&H Phytopharmaceuticals Acts\(^10\)) and four in the domain of free market of goods, representing a legal framework for establishing the entire infrastructure for monitoring the market, which should ultimately lead to trade liberalization. The adoption of acts related to technical requirements for products and harmonization assessment (Act on the Technical Requirements for Products and Assessment of Harmonization\(^11\)), market supervision (B&H Act on Market Supervision\(^12\)), general safety of products and general safety of food (General Product Safety Act\(^13\)), creates a legal framework in B&H for free traffic of goods and guarantees their safety.

Before they were passed, B&H had been the only country in Europe which had not enacted regulations and procedures for the assessment of harmonization or any kind of safety of domestic or imported products in its market. The lack of such regulations was the key obstacle for which B&H could not benefit from the trade measures of the European Union, adopted in September 2000, in line with which B&H was allowed to formally export all products to the

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\(^8\) See more detail in the Litigation Procedure Act of RS (Official Bulletin of RS No 58/03 and Litigation Procedure Act before the Court of B&H (Official Bulletin of B&H No. 36/04).

\(^9\) See more detail in Executive Procedure Act of RS (Official Bulletin of RS No. 59/03) and Executive Procedure Act before the Court of B&H (Official Bulletin of B&H No. 18/03).


\(^12\) Official Bulletin of B&H 45/04.

\(^13\) Official Bulletin of B&H 45/04.
EU with no limitations in terms of quantity and customs tariffs, with a few exceptions. For the same reason, the country could not take advantage of the Free Trade Agreement, signed with the countries of the former Yugoslavia, nor conclude any similar treaties. By entering the Stabilization and Association Process, B&H accepted the commitment to establish a unified economic area, in accordance with the principles valid in the internal EU market. The functioning of such a market is regulated by a large number of EU directives and bylaws, stated in the White Book of the European Union, issued by the European Commission with the goal to point to the priorities of acquis communautaire to the third states.

**CONCLUDING REMARKS**

The experience of the Republic Srpska in the harmonization of law with the law of the European Union should be viewed within the overall position of Bosnia and Herzegovina on this regional organization, which will become particularly pronounced upon signing the Stabilization and Association Agreement.

This experience is neither small nor big enough to play an important role for other countries whose status with regard to the European Union is the same as that of Bosnia and Herzegovina. The stabilization and association process represents a major challenge for both the Republic Srpska and Bosnia and Herzegovina, while the fulfillment of commitments which, among other issues, pertain to the harmonization of regulations, has been defined in a separate action plan, adopted by the Council of Ministers of Bosnia and Herzegovina. In accordance with the Agreement, the implementation of this document will be supervised by a body separately appointed for that purpose.

**ISKUSTVA REPUBLIKE SRPSKE U HARMONIZACIJI PRAVA SA PRAVOM EU**

Vitomir Popović

Iskustva Republike Srpske u harmonizaciji prava sa pravom Evropske unije treba posmatrati u okviru ukupnog odnosa Bosne i Hercegovine prema ovoj regionalnoj organizaciji koja će naročito doći do izražaja potpisivanjem Sporazuma o stabilizaciji i pridruživanju.

Ova iskustva nisu ni mala, ali ni nedovoljno velika, da bi mogla imati značajnu ulogu u drugim zemljama koje imaju isti status kakav ima i Bosna i Hercegovina sa Evropskom unijom. Proces stabilizacije i pridruživanja predstavlja veoma veliki izazov kako za Republiku Srpsku, tako i za Bosnu i Hercegovinu, a ispunjavanje obaveza koja se između ostalog odnose i na harmonizaciju propisa, utvrđeno je i posebnim akcionim planom usvojenim od strane Vijeća ministara Bosne i Hercegovine čiju realizaciju će, u skladu sa Sporazumom, pratiti za to posebno imenovano tijelo.

Ključne reči: Republika Srpska, Bosna i Hercegovina, Evropska Unija, Sporazum o stabilizaciji i pridruživanju i harmonizacija.