Croatia’s EU membership spells trouble for Bosnia’s farmers

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Farmers in Bosnia and Herzegovina protested government agriculture policies. Photo: DW

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Eliza Ronalds-Hannon (Sarajevo), DW, 30.05.2013

Croatia is set to join the EU in July, but when it does, neighboring Bosnia and Herzegovina will lose its main market for its farming exports. And without it, the country’s already fragile economy may falter.

In the hills of Visoko, some 30 kilometers (19 miles) outside of Sarajevo, Nihad Dokso works on one of the three farms he owns in Bosnia. He raises 100,000 chicks every 40 days using state-of-the-art technology that’s relatively new to the region.

The chicks are housed in a long and spacious barn, and are fed by a mechanized system that also warms and ventilates the space. Dokso sells the grown chickens to a nearby slaughterhouse, which manages their export to neighboring Croatia.

He’s invested about 600,000 euros ($777,800) in his business and employs five people. So far, the farm has provided Dokso with a good standard of living, but he’s worried about what will happen when Croatia becomes the newest member of the European Union in July.
“If we’re not able to export food to Croatia, then we’ll shut down the farm because we don’t have anyone else to sell to,” he told DW. “We don’t yet have reliable information about what the government is doing about this issue. But if no solution is found by July, it will be a difficult time for chicken farmers.”

Meeting standards isn’t enough

Bosnia is not permitted to sell food to EU nations because the country’s ethnically divided government cannot agree on how to meet EU hygiene codes. While farms already meet many EU regulations, such as those concerning sanitation standards, until Bosnia and Herzegovina’s multiple governments can agree on how to prove they’re up to code, meeting those standards is just not good enough.

Dokso’s concerns are shared by the dozens of farmers and distributors throughout Bosnia. The country’s foreign trade council has said the sector will shrink by some 200 million euros as a result of losing the Croatian market.

“It is absurd that we are discussing right now this topic because this topic should have been discussed two years ago,” Vesna Malenica of the Sarajevo-based think tank Populari told DW.

She said the main reason politicians have failed to solve this issue is because the government has been fractured ever since the brutal war of the 1990s. The peace agreement that ended that war created what is now a politically paralyzed administration.

Political disagreement

Bosnia is split by two entities, Malenica said, the Republika Srpska, which is predominantly Serb, and the other entity is called the Federation of Bosnia and Herzegovina, which is shared among Bosniak and Croat people in Bosnia and Herzegovina. Most governmental departments in the country are similarly fractured.

The government split means that the country has two ministries of agriculture, each of which is responsible for its own region. Difficulties for farmers like Dokso stem from the ministries not being able to reach an agreement on how inspections should be conducted across the country.

“It seems like when it comes to the state institutions, everyone wants to be in charge of something, but no one wants to be responsible for anything,” Malenica said.

Croatia’s EU membership is no surprise

Like Malenica, Andy McGuffie, a spokesperson with the EU’s delegation in Bosnia, said more progress should have been made by now in dealing with Bosnia and Herzegovina’s agricultural exports.
“Bosnia and Herzegovina is constitutionally a complex country; that is well known, because it has a structure of entities and the state level,” he told DW. “But aside from that there is no reason why faster progress has not been made.”

He said an export gap would be inevitable when Croatia joins the EU’s other 27 members on July 1, and added that it’s still up to Bosnia’s politicians to at least mitigate that damage.

“It has not been a secret that Croatia was looking to join the European Union,” McGuffie said. “It is down to the authorities of Bosnia and Herzegovina to decide how long that gap of time is. It is within their power, I think, to get on with the legislative changes, establish systems and make an agreement as to how the system is going to work.”

Farmers left in the lurch

But time for people in Bosnia and Herzegovina is running out, and the country’s economy, with unemployment currently at 40 percent, is hardly in a position to absorb such a substantial loss agricultural exports.

At his farm in the hills of Visoko, farmer Nihad Dokso now must worry about joining the ranks of the unemployed.

Our government doesn’t currently offer any support for the private sector,” he said. “As far as the authorities are concerned there’s a lot of negligence when it comes to agriculture in general in Bosnia Herzegovina, and regarding the export of our products. We are left to rely on ourselves.”