Decision Enacting the Decision on Temporary Financing of the Federation of Bosnia and Herzegovina for the Period January-March 2011

In the exercise of the powers vested in the High Representative by Article V of Annex 10 (Agreement on Civilian Implementation on the Peace Settlement) to the General Framework Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theatre regarding interpretation of the said Agreement on the Civilian Implementation of the Peace Settlement; and considering in particular Article II.1. (d) of the last said Agreement, according to the terms of which the High Representative shall "Facilitate, as the High Representative judges necessary, the resolution of any difficulties arising in connection with civilian implementation";

Recalling paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997, in which the Peace Implementation Council welcomed the High Representative's intention to use his final authority in theatre regarding interpretation of the Agreement on the Civilian implementation of the Peace Settlement in order to facilitate the resolution of any difficulties as aforesaid "by making binding decisions, as he judges necessary" on certain issues including, under sub-paragraph c) thereof, measures to ensure the Peace Agreement throughout Bosnia and Herzegovina and its Entities;

Consideringthat the Law on Budgets in the Federation of Bosnia and Herzegovina (Official Gazette of the Federation of Bosnia and Herzegovina Nos. 19/06, 76/08, 05/09, 32/09, 09/10, 51/10, 36/10 and 45/10) provides that a budget for the next fiscal year is to be adopted by 31st December of the current year and that in the event of a failure to adopt the budget before the start of the fiscal year, the Parliament is obliged to take a decision on the temporary financing, while the budget for the current fiscal year must be adopted no later than 31st March;

Considering further that almost three months after the results of the general elections in Bosnia and Herzegovina have been published, the authorities of the Federation of Bosnia and Herzegovina, including the House of Peoples of the Parliament, have not been constituted;

Deploring, in particular, that several Cantons have failed to elect delegates to the House of Peoples of the Federation in spite of numerous requests to do so;

Considering that under the Constitution of the Federation of Bosnia and Herzegovina, the House of Peoples of the Parliament of the Federation of Bosnia and Herzegovina had to be convened "*no later than twenty days after the Cantonal Legislatures were elected*" and that under the Election Law of Bosnia and Herzegovina, the Cantonal Legislatures were obliged to elect delegates to the House of Peoples of the Federation of Bosnia and Herzegovina "*as soon as a cantonal assembly convenes after the elections for the Cantonal Assemblies, and no later than one month after validation of the results*."

Noting that the ability of the outgoing House of Peoples of the Parliament of the Federation of Bosnia and Herzegovina to meet is disputed and that such a meeting would raise questions as to the legitimacy of the decisions being adopted;

Mindful that the ability of the institutions to adopt decisions that are vital for the running of the entity, including the adoption of a budget, or, in the absence thereof, a decision enabling the temporary financing of the Federation of Bosnia and Herzegovina, has been affected;

Being aware of the need to prevent the failure of the authorities to execute the obligations from the budget especially towards vulnerable categories;

Having considered, borne in mind and noted all the matters aforesaid, the High Representative hereby issues the following:

DECISION

Enacting the Decision on Temporary Financing of the Federation of Bosnia and Herzegovina for the Period January-March 2011

The *Decision on Temporary Financing of the Federation of Bosnia and Herzegovina for the Period January-March 2011* in the text as passed by the House of Representatives of the Parliament of the Federation of Bosnia and Herzegovina on its extraordinary session held on 18 January 2011, and attached as an Annex to this Decision, is hereby enacted as a decision of the Parliament of the Federation of Bosnia and Herzegovina.

All procedural steps to be taken in order for the Decision referred to in paragraph 1 to be published in the "Official Gazette of the Federation of BiH" and enter into force on the day following the publication of this Decision in the "Official Gazette of the Federation of BiH" are hereby considered to be taken.

This Decision shall enter into force on the day following the day of its publication in the "Official Gazette of the Federation of BiH".

Sarajevo, 26 January 2011 *Dr. Valentin Inzko*
High Representative

ANNEX:

DECISION

Enacting the Decision on Temporary Financing of the Federation of Bosnia and Herzegovina for the Period January-March 2011[1]

I

This Decision shall establish the amount of temporary financing of the Federation of Bosnia and Herzegovina pending the enactment of the budget of the Federation of Bosnia and Herzegovina for 2011 for the period January-March 2011.

II

The temporary financing of the Federation of Bosnia and Herzegovina for the period referred to in item I of this Decision shall be established in the amount of **320,696,946 KM(**alphabetically:threehundredtwentymillionsixhundredninetysixthousandninhundredfortysix KM).

The budget of the Federation for the period January-March 2011 shall consist of:

	DESCRIPTION	Budget for the period January-March 2011
I	**Revenues and receipts**	**320,696,946**
II	**Expenditures and expenses**	**320,696,946**

A. Revenues, receipts and funding

Economic code	DESCRIPTION	Budget for the period January-March 2011
710000	Revenues from taxes	283,352,509
720000	Non-tax revenues	37,344,437
TOTAL REVENUES		**320,696,946**

Economic code	DESCRIPTION	Budget for the period January-March 2011
600000	Current reserves	**165,500**
	The Federation Government	117,500
	Reserve of the prime minister and deputy prime minister	48,000
611000	Gross salaries and cost reimbursements of employees	47,323,143
612000	Contributions of the employer and other contributions	4,713,592
613000	Expenses for materials and services	12,363,332
614000	Current transfers	205,805,558
615000	Capital grants	0
616000	Interest expenses and other reimbursements	9,972,098
821000	Acquisition of fixed assets	23,996,928
822000	Borrowing and share participation	
823000	Debt repayments	16,356,795
TOTAL EXPENDITURES		**320,696,946**

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[1] Unofficial translation.