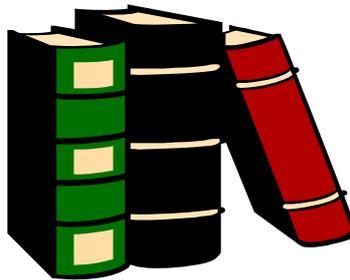




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Department for Legal Affairs



STATUTE OF THE BRCKO DISTRICT OF BOSNIA AND HERZEGOVINA

**“Official Gazette of the Brcko District of Bosnia and
Herzegovina”, 3/07**

NOTE: On the day of entering into force of the Statute of the Brcko District of Bosnia and Herzegovina, published in the “Official Gazette of the Brcko District of Bosnia and Herzegovina”, 3/07 the Statute of the Brcko District of Bosnia and Herzegovina, published in the “Official Gazette of the Brcko District of Bosnia and Herzegovina”, 1/00, 23/00 (Correction), 7/04, 24/05, 19/06 (Consolidated Version) shall cease to be valid.

NOTE: The Law on Changes and Amendments to the Statute of the Brcko District of Bosnia and Herzegovina published in the “Official Gazette of the Brcko District of Bosnia and Herzegovina”, 17/08 and 39/09, are not included in this translation.

NOTE: The Consolidated Version of the Statute of the Brcko District of Bosnia and Herzegovina was published in the “Official Gazette of the Brcko District of Bosnia and Herzegovina”, 2/10.

Supervisory Order amending the Statute of Brcko District

February 2, 2007

In accordance with the powers vested in me by paragraphs 8, 10, 11, 13, 36 and 37 of the Final Award of March 5, 1999 of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area;

Recalling that the Statute of Brcko District was enacted by Supervisory Order dated March 8, 2000, and reflected a plan for the organization of District institutions that has since then been developed by successive Supervisors and Mayors;

Further recalling that since then, the Statute has been amended by Supervisory Orders dated August 23, 2000, March 26, 2004, July 15, 2005 and September 12, 2005, and by Assembly decision dated July 7, 2005;

Noting that the Statute currently in force is now out of date in a number of ways, in that it does not reflect several recent changes to the District administration, including amongst others the following:

- (a) Customs and border administration at the Brcko-Gunja frontier, previously a responsibility of the District, are now undertaken by other State bodies;
- (b) certain functions relating to the District judiciary are no longer exercised by the Brcko District Judicial Commission, and are instead undertaken by the High Judicial and Prosecutorial Council of Bosnia and Herzegovina;
- (c) there has been significant restructuring and reform of public administration, to which all of the following have contributed:
 - (i) the District Government has recently adopted recommendations for public administration reform made by the consulting firm “Oskar Zagreb”;
 - (ii) reforms were mandated by Supervisory Orders dated July 7, 2006 (restructuring the District Revenue Agency) and August 16, 2006 (restructuring the Department of Urbanism, Real Estate Affairs and Economic Development); and
 - (iii) three laws, on Civil Service in Administrative Bodies, the Public Attorney’s Office, and Public Property, were enacted by Supervisory Orders dated September 15, 2006;

and as a result of these reforms a number of new District public institutions have been or are being created;

(d) the restriction on retroactive laws, contained in Article 40 of the Statute as it is currently formulated, is too broad, and is hindering some important legislative initiatives;

Further noting that it is important to make changes to the way the District Government functions, so that in future it will make its decisions collectively and with a broader consensus than has hitherto been the case;

Of the opinion that the Statute must therefore be updated, but noting that under Article 34(2) of the Statute, a three-fourths majority of Councilors must approve any change to it; and noting that, due to the complex and extensive nature of the changes necessary, it is unlikely that this majority can be achieved within the remaining time during which Brcko District will be subject to Supervision;

Further of the opinion that some of the changes necessary to the Statute of Brcko District cannot be made by the Assembly, and must be made by the Supervisor, because Article 1(5) of the Statute as it is currently formulated prohibits changes to Article 1 of the Statute;

Having offered to enact changes to the Statute by way of Supervisory Order, in a letter to the Mayor and the President of the Assembly dated December 11, 2006, and having received positive responses to that offer;

Having therefore decided to make the necessary amendments to the Statute by way of Supervisory Order, and believing this course to be appropriate and necessary to create the conditions required for the orderly termination of Supervision, and efficient functioning of the District's institutions after Supervision has terminated;

Having consulted with the Mayor and the Deputy Mayor, and Assembly members representing all three constituent peoples, and members of the Brcko District Judicial Commission, and having carefully considered all comments and proposals received as a result, and having received broad support for the making of this Order and for the enactment of the changes to the Statute contained in the Annex to this Order;

Reserving the right to make further changes to the Statute should that prove necessary or conducive to the efficient functioning of District institutions;

I therefore order that:

1. The Statute of Brcko District is hereby amended, so that the Statute of Brcko District now reads as it appears in the Annex to this Supervisory Order. These amendments to the Statute take effect on the date of this Supervisory Order.
2. Every institution and every public official of Brcko District shall observe the provisions of the amended Statute with effect from the date of this Supervisory Order.

3. The Mayor shall, no later than February 9, 2007, appoint working groups to prepare laws amending (a) the Law on Executive Authority of Brcko District, (b) the Law on Members of Government of Brcko District, (c) the Law on Public Administration of Brcko District, (d) the Law on Public Property of Brcko District, and (e) other laws as I may in my discretion subsequently direct.
4. The District Judicial Commission shall immediately start preparing laws amending (a) the Law on Courts of Brcko District, (b) the Law on Prosecutor's Office of Brcko District, (c) the Law on Judicial Commission of Brcko District, and (d) other laws as I may in my discretion subsequently direct.
5. The Mayor shall, no later than February 9, 2007, appoint a working group to prepare a law regulating the operation of the District Finance Directorate.
6. The Mayor shall, no later than February 9, 2007, appoint working groups to prepare such amendments to by-laws as may be necessary to harmonize them with the amendments to laws set out in paragraph 3 above.
7. The aforementioned laws and amendments to laws and by-laws referred to in paragraphs 3, 4, 5 and 6 above shall be consistent with the revised Statute and shall also make further changes to the operation of the District Government as I may subsequently require. In particular, the laws regulating the operation of the District Government shall incorporate the following rules on the way the Mayor and the Government make decisions:
 - (a) The annual budget of Brcko District and any amendments thereto shall, before being forwarded by the Mayor to the Assembly, be voted on by the members of the District Government (as defined in Article 45 (1) of the District Statute as amended by this Order) at a scheduled session of the Government, and approved by not less than a simple majority of the members of the Government, including the affirmative votes of all of the following people: the Mayor, the Deputy Mayor, and the heads of the Administrative Support, Education, Health, and Public Works departments.
 - (b) Draft laws in the fields of education, religion, language and culture shall, before being forwarded by the Mayor to the Assembly, be voted on by the members of the District Government (as defined in Article 45 (1) of the District Statute as amended by this Order) at a scheduled session of the Government, and approved by not less than a simple majority of the members of the Government, including the affirmative votes of all of the following people: the Mayor, the Deputy Mayor, and the heads of the Administrative Support, Education, Economic Development, Spatial Planning and Property Affairs, and DEPRET departments.
 - (c) The Mayor shall be responsible, unless this responsibility is delegated by the Mayor to the Deputy Mayor, for issuing decisions to dispose of public

property. Such decisions shall be issued only upon the recommendations of the Director of the Office for Public Property. Any such decision shall be signed within fifteen (15) days of it being presented to the Mayor. The Mayor may refuse to sign such a decision only if, within that time scale, he or she issues a written decision that the transaction ought not to be completed for one or more specified reasons stated in legislation. If this has not happened by the expiry of the fifteen (15) day time limit, the decision in question shall thereafter be immediately signed by the Director of the Office for Public Property, and shall thereupon enter into force.

Pending adoption of the laws and amendments to laws and by-laws effecting these rules, the rules set out in sub-paragraphs (a), (b) and (c) of this paragraph 7 of this Supervisory Order shall take effect immediately and shall be observed by all relevant District institutions with effect from the date of this Supervisory Order. During this interim period, in the event of any ambiguity or uncertainty about how these rules are to be interpreted, any interpretation given by me in writing shall prevail.

8. The Government Legal Service, the working groups referred to in paragraphs 3, 5 and 6 above, the District Judicial Commission, and all other public officials whose assistance is sought, shall fully cooperate with all members of the Legal Section of the Brcko Final Award Office upon request in finalizing these laws. The Mayor and the District Judicial Commission shall provide my office with these laws, by-laws and amendments thereto, referred to in paragraphs 3, 4, 5, 6 and 7 above, for my approval no later than May 1, 2007, whereupon I shall enact those laws as laws of Brcko District by further Supervisory Order.
9. This Supervisory Order has immediate effect and shall be published without delay in the Official Gazette of the Brcko District of Bosnia and Herzegovina. All public officials in the District shall take all necessary measures to ensure that it is executed in full and on time.
10. This Supervisory Order is published in both English and the official languages of Bosnia and Herzegovina. In the event of inconsistency, the English language version is authoritative for all purposes.
11. The Statute hereby enacted and attached to this Supervisory Order as its Annex is published in English and the official languages of Bosnia and Herzegovina. In the event of inconsistency:
 - (a) the English language version is authoritative for all purposes while Supervision continues in the District;
 - (b) the version in the official languages of Bosnia and Herzegovina is authoritative for all purposes after Supervision has terminated.

Raffi Gregorian
Supervisor of Brcko
Deputy High Representative

**Annex to the Supervisory Order dated February 2, 2007
Amending the Statute of Brcko District**

**Statute as revised and in force
With effect from February 2, 2007**

With a view to contributing to the permanent and just peace in Bosnia and Herzegovina, respecting the national, religious and cultural identity of all people and the right of citizens to participate in the conduct of public affairs, on the basis of the General Framework Agreement for Peace, the Final Award of the Arbitration Tribunal for the Dispute over the Inter-Entity Boundary Line in Brcko Area, and the Constitution of Bosnia and Herzegovina, the following Statute of the Brcko District of Bosnia and Herzegovina is enacted:

STATUTE OF THE BRCKO DISTRICT OF BOSNIA AND HERZEGOVINA

CHAPTER I

GENERAL PROVISIONS

Article 1 Fundamental Principles

(1) The Brcko District of Bosnia and Herzegovina (hereinafter the "District") is a single administrative unit of local self-government existing under the sovereignty of Bosnia and Herzegovina.

(2) The District derives its powers of local self-government by virtue of each Entity having delegated all of its powers of governance as previously exercised by the two Entities and the three municipal governments within the pre-war Opstina, as defined in Article 1(5) of this Statute, to the District Government.

(3) The Entities shall exercise within the District only those functions and powers assigned to the Entities by this Statute as it was written on March 8, 2000. District authorities shall not assign or delegate to either Entity any governmental power or function not specifically assigned or delegated in this Statute as it was written on March 8, 2000.

(4) The Constitution of Bosnia and Herzegovina, as well as relevant laws and decisions of the institutions of Bosnia and Herzegovina, are directly applicable throughout the territory of the District. The laws and decisions of all District authorities must be in conformity with the relevant laws and decisions of the institutions of Bosnia and Herzegovina.

(5) The territory of the District encompasses the complete territory of the Brcko Municipality with the boundaries as of 1 January 1991.

(6) All institutions of the District shall be bound to uphold:

- (a) all the awards of the Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko area; and
- (b) all Orders of the Brcko Supervisors.

These legal instruments shall override all other inconsistent legal acts whatsoever insofar as they would otherwise have legal effect in the District, including inconsistent provisions of this Statute.

(7) Article 1 of this Statute shall not be subject to amendment, save to reflect changes to the Constitution of Bosnia and Herzegovina made after February 2, 2007.

Article 2 Name and Seat

(1) The name of the District is: “The Brcko District of Bosnia and Herzegovina”.

(2) The seat of the District is the town of Brcko.

Article 3 Flag and Coat-of Arms

There shall be no flag and Coat-of-Arms for the District other than the flag and Coat-of-Arms of Bosnia and Herzegovina.

Article 4 Seal and Oath

(1) The District shall have a round seal with the text “Bosnia and Herzegovina, The Brcko District of Bosnia and Herzegovina” in both the Cyrillic and Latin alphabets.

(2) There shall be an oath of allegiance for public officials in the District. The oath reads, “I solemnly swear/affirm that I will conscientiously perform the duties entrusted to me; that I will uphold the Constitution and laws of Bosnia and Herzegovina, the awards of the Brcko Arbitral Tribunal, the Statute and the laws of Brcko District, and that I will protect the interests of Brcko District and the equality and freedom of all people within Brcko District.” All members of the District Government (as defined in Article 45(1) of this Statute), and all Councilors in the District Assembly shall, prior to assuming office, swear the oath of allegiance before the District Assembly. District legislation may provide that other categories of public official are obliged to swear the oath of allegiance, whether before the District Assembly or otherwise, prior to assuming office.

Article 5
Legal Personality

- (1) The District is a legal person and has such legal capacity as may be necessary to exercise its functions, including the capacity to make commitments and take on commitments; and to sue and be sued in court.
- (2) The District is represented by the Mayor in accordance with this Statute.

Article 6
Alphabets and Languages

- (1) The Bosnian, Croatian and Serbian languages and the Latin and Cyrillic alphabets shall be used on equal terms for all official purposes.
- (2) Individual decisions of the District Government on rights and obligations of citizens shall be provided in any of the languages and alphabets referred to in paragraph (1) of this Article 6 as required by the interested party.

Article 7
Military Forces

The only military forces permitted on the territory of the District shall be the armed forces of Bosnia and Herzegovina, and international or other armed forces present pursuant to either a status-of-forces agreement with Bosnia and Herzegovina or an authorizing action of the North Atlantic Treaty Organization, the European Union or the United Nations Security Council. No other military forces of any kind, including but not limited to Entity or paramilitary forces, shall be permitted in the District.

Article 8
Exercise of Public Authority in the District

- (1) The competences of the public authorities in the District are:
 - a) District economy;
 - b) District finances;
 - c) public property;
 - d) public services/infrastructure;
 - e) culture;
 - f) education;
 - g) health care;
 - h) environment;
 - i) social welfare;
 - j) judiciary and legal services;
 - k) police services;
 - l) housing;
 - m) urban development and zoning;
 - n) other competences necessary for the functioning of the District as a single administrative unit of local self-government in accordance with Article 1 of this Statute.

(2) The District shall exercise these competences and powers through the public institutions described in this Statute. The only public institutions of the District shall be those provided for in this Statute. However, this provision shall not prohibit the establishment of *ad hoc* committees, or sub-units within any District institution, where those committees or sub-units are provided for in District legislation.

(3) No public power or public authority shall be exercised in the District other than pursuant to a law. No District public authority may restrict the behavior of any individual other than pursuant to a law. Any act of any public authority within the District shall be void to the extent that it is inconsistent with the law applicable in the District.

(4) All public power and authority in the District shall be exercised:

- (a) solely for the purpose for which that power or authority is intended;
- (b) fairly, in good faith and in the public interest; and
- (c) proportionately to the ends pursued.

(5) All public property in the territory of the District on March 5, 1999 belonged to the District upon that date, and all legal rights in public property vested in the District with effect from that date. The District shall privatize all public property not necessary for the performance of public functions. "Privatization" means divestiture by the District of all legal rights in the property save to the extent necessary for the performance of public functions. District legislation shall make provision for the privatization of public property by the District. The Office for Public Property, referred to in Article 49 of this Statute, shall be responsible for these privatizations.

(6) For the purposes of paragraph (5) above of this Article 8, "public property" means (a) all immovable property in the territory of the District for which, on March 5, 1999, the right of ownership, usage, administering or disposal belonged to any public authority within Bosnia and Herzegovina, including any public organization or any legal entity of a public character; and (b) all immovable property over which the District has come to acquire any such right since March 5, 1999.

Article 9

Cooperation with the Entities and Municipalities

(1) The District may enter into cooperative agreements with the Entities to facilitate the accomplishment of its functions and powers in accordance with this Statute and the law, provided such agreements benefit all District residents equally.

(2) The District may join and enter into agreements with national and international associations of cities and municipalities and with cities and municipalities in order to meet common needs in accordance with this Statute and the law.

(3) An Entity or a municipality may establish or operate bodies or offices in the territory of the District only with the agreement of the District Government (as defined in Article 45(1) below), acting by a vote of its members the conditions of which are prescribed by District legislation.

Article 10
Foreign Diplomatic and Consular Offices

(1) On the territory of the District, foreign diplomatic and consular offices may be established only in accordance with prevailing laws and regulations of Bosnia and Herzegovina and relevant international conventions.

(2) Property of the District may be used to house foreign missions, agencies or offices only with the consent of the District Government (as defined in Article 45(1) below), acting by a vote of its members the conditions of which are prescribed by District legislation.

CHAPTER II

RESIDENCE, CITIZENSHIP AND CIVIL RIGHTS

Article 11
Residence

A District Resident is a citizen of Bosnia and Herzegovina, or a person lawfully resident in Bosnia and Herzegovina, who has his or her permanent residence on the territory of the District.

Article 12
Entity Citizenship

District residents may be citizens of an Entity, and of Bosnia and Herzegovina, in accordance with the laws of Bosnia and Herzegovina and of the Entities.

Article 13
Fundamental Rights and Obligations

(1) Everyone is entitled to the enjoyment of all rights and freedoms guaranteed under the Constitution and laws of Bosnia and Herzegovina, this Statute and the laws of the District, without discrimination of any kind, including discrimination on the basis of gender, race, sexual orientation, color, language, religion, national or social origin, political or other opinion, membership of a national minority, property, birth or other status. In particular, everyone has the right to access all public institutions and facilities in the District; to move and determine freely his or her place of residence, business or work in the entire territory of the District; and purchase and sell movables and real estates in accordance with the law.

(2) All citizens of Bosnia and Herzegovina may participate equally in the conduct of public affairs in the District in accordance with the law. Nobody shall be discriminated against in any matter relating to public employment in the District on the ground that they do not reside in the District.

(3) All residents of the District, all natural and legal persons who have their place of business or earn income derived from activity in the District, and all persons who acquire goods or services in the District, are obligated to participate in the financing of the functions and powers of the District through taxes, fees and contributions in accordance with the law.

(4) All persons shall be entitled within the territory of the District to all the rights and freedoms accorded to them by the European Convention on Human Rights and Fundamental Freedoms. Within the District, those rights and freedoms shall prevail over all conflicting law. All institutions of the District shall observe those rights and freedoms. The District Courts shall enforce those rights and freedoms in accordance with procedures provided for in District legislation. When entertaining cases in which allegations of violation of those rights and freedoms are at issue, the District courts shall take account of the case law of the European Court of Human Rights.

(5) Everyone has the right to peaceable and undisturbed enjoyment of his or her private property. No person shall have his or her property taken, expropriated or diminished in any way without his or her consent, save as provided by law and to the extent necessary to achieve the public good.

(6) Everyone has the right to engage in entrepreneurial activity in the market economy. No person shall be restricted or prevented from exercising that right, save as provided by law and to the extent necessary to achieve the public good.

(7) There shall be no taxation, or any other charge of any kind for delivery of public services, without a law authorizing the tax or charge in question. Taxes and other charges for public services shall be collected impartially.

(8) Everyone has the right to liberty and security of person. No District law shall be enacted that is inconsistent with the provisions of Article 5 of the European Convention on Human Rights.

(9) Everyone has the right to respect for his private and family life, his home and correspondence.

Article 14

Freedom of Association

(1) Everyone has the right to freedom of peaceful assembly and association, including the right to form political, social and other organizations.

(2) District Judges, Prosecutors, Public Attorneys, Auditors of the Audit Office, members of the Judicial Commission, and police officers may form professional associations but shall not be members of political parties or endorse political candidates or political party platforms.

(3) Public officials of the District, other than Councilors and members of the District Government (as defined in Article 45(1) of this Statute):

- (a) must not be members, or participate in the work of, steering or other boards of political organizations; and
- (b) must not allow political opinion to influence their work.

(4) Aside from the restrictions contained in paragraphs 2 and 3 above of this Article 14, restrictions on membership of political parties, and prohibitions on political activities, may be imposed upon

certain categories of employees of District institutions, in either this Statute or District legislation, on the ground that such membership or activity might interfere with the proper exercise of the affected officials' public duties.

Article 15 Education

(1) Everyone in the District shall have an equal right to education without discrimination. Elementary education shall be obligatory and free of charge. Secondary education shall be free of charge, and may be obligatory if District legislation so provides.

(2) Private schools and academic institutions may be established in accordance with the law.

Article 16 Legal Representation

(1) Everyone charged with a criminal offense is entitled to the right to defend oneself in person or to be assigned legal assistance without payment if one does not have sufficient means to pay for legal representation.

(2) In civil matters as provided by law, free or subsidized legal assistance shall be available to District residents who have insufficient means to meet all or part of the legal costs.

Article 17 Public Information

(1) All District institutions shall respect freedom of information. District officials shall ensure public access to the District's activities, public documents, decisions and official meetings by providing information in a timely, accurate and thorough manner.

(2) Except as provided by law, the public shall have the right to examine all documents produced by public institutions of the District, its officials, employees or contractors, without cost or requirement that the request be justified.

Article 18 Citizens' Requests

All District institutions shall respond in a timely manner to any natural or legal person's request for information or assistance, and shall take appropriate action in response to any such request in a timely manner and as stipulated by law.

CHAPTER III

ORGANIZATION AND FUNCTIONS

OF THE BRCKO DISTRICT

SECTION A: GENERAL PROVISIONS

Article 19
Division of Powers

The District is based on the division of powers. The legislative power is exercised by the District Assembly. The executive power is exercised by the District Government. The judicial power is exercised by the District Courts.

Article 20
District Employees

(1) Public employment with the District shall be based on professional merit, and shall reflect the composition of the population.

(2) Every public employee of the District, with the exception of the Mayor, the Vice Mayor, the Government Chief Coordinator, Heads of Departments, Councilors, and the Mayor's advisers, shall be selected on the basis of a public competition with a vacancy notice, published both within the District and throughout the territory of Bosnia and Herzegovina, following which an independent selection panel shall make a binding decision amongst applicants, based upon the professional qualifications, professional experience and professional qualities of the candidates.

(3) No person shall be employed by any public institution of the District other than in accordance with a District law authorizing and regulating that employment.

(4) For the purposes of this Article, "public employee" means every employee whose salary is paid from the District budget, and includes, but is not limited to, advisers, consultants, and employees of the Assembly expert services and the administrative services of the Judiciary.

Article 21
Financial Disclosure

(1) Councilors of the District Assembly (hereinafter the "Councilors"), the Mayor, the Vice Mayor, the Heads of the District Government Departments, the Mayor's advisers, the Chief and Deputy Chief of Police, the Head of the District Finance Directorate, the Heads of the Treasury and the Tax Administration within the Finance Directorate, the Auditor General and Deputies Auditor General of the Audit Office, Judges of either District Court, Prosecutors and

Public Attorneys of the District, the Coordinator and Assistant Coordinators of the Office of the Coordinator of Brcko District in the Council of Ministers of Bosnia and Herzegovina, and members of the Judicial Commission shall each submit to the District Assembly an Annual Financial Disclosure Statement on their total income, sources, assets, and liabilities as well as the ones of their close family members to the first degree and the manner in which they acquired possession of them.

(2) Financial disclosure statements are to be considered a public record in accordance with Article 17 of this Statute and shall be made available to the public by the District Assembly.

(3) District law shall make further provision for the form and content of financial disclosure statements.

SECTION B: THE BRCKO DISTRICT ASSEMBLY

1. Competencies and Composition:

Article 22

Competencies of the District Assembly

(1) The District Assembly (hereinafter: the “Assembly”) is the legislative body of authority in the District and determines general policy for the District. The electoral term for the Assembly is four (4) years.

(2) The Assembly shall:

- (a) adopt the District Statute and the Rules of Procedure of the Assembly, and amendments thereto;
- (b) adopt the District Budget, and amendments thereto;
- (c) adopt District Laws, and amendments to laws;
- (d) adopt Decisions and Resolutions, in accordance with this Statute and the Rules of Procedure of the Assembly;
- (e) decide, upon the Mayor’s proposal, on public loans and indebtedness of the District, subject to compliance with the rules and policies of the Central Bank of Bosnia and Herzegovina;
- (f) elect and dismiss the President and Vice-President of the Assembly and the Mayor of the District, and give its consent for the appointment of officials, as provided for in this Statute, the Assembly Rules of Procedure and District law;
- (g) monitor the District Government and the entire administration of the District, in particular regarding the management of the District revenues and expenditures. For this purpose the Assembly can, acting by a decision taken pursuant to Article 33(1) of this Statute, form a special Committee from its members to examine the work of any public institution of the

District. A proposal to include such a decision on the Assembly agenda shall be accepted upon the request of at least five (5) Councilors;

- (h) evaluate formally the performance of the Mayor, the Head of the District Finance Directorate, the Head of the Treasury, the Head of the Tax Administration, the Chief of Police, the Head of the Public Property Office, the Auditor General of the Audit Office, and officials appointed with the consent of the Assembly, at least once a year during a regularly scheduled session;
- (i) review the annual financial reports made by the District institutions for financial control, including the Audit Office referred to in Article 44 of this Statute; and
- (j) perform other functions in accordance with this Statute and the law.

Article 23 Composition of the Assembly

- (1) The Assembly is composed of twenty-nine (29) Councilors.
- (2) Councilors are elected in general, free, fair, and direct elections by secret ballot in accordance with the laws of Bosnia and Herzegovina and the District.
- (3) The Assembly shall have professional staff employed in the Assembly expert services, to assist the Councilors with the execution of their duties. Those staff shall be appointed by the President of the Assembly, provided that the strictures contained in Article 20 of this Statute are complied with in full. District legislation shall provide for the terms and conditions of employment of these staff.

Article 24 Convening the Assembly

- (1) The Assembly shall meet within two (2) weeks from the date of certification of the election results and upon being sworn in under oath or affirmation shall continuously be in session.
- (2) The Assembly shall convene at least twice a month at a regularly scheduled time and location. The Assembly may also be convened by the President of the Assembly on his initiative or at the written request of at least five (5) Councilors as often as necessary in order to perform its functions.

2. District Councilors

Article 25 Standards to Serve

Councilors must conduct their public life in an exemplary, appropriate and ethical manner, performing their duties in accordance with their conscience and for the exclusive welfare of the District and Bosnia and Herzegovina.

Article 26
Conflicts of Interest

(1) Councilors shall not hold any other public office in the District or in any other political unit in the territory of Bosnia and Herzegovina, and shall not be Directors or members of the Board of Directors of an enterprise owned in part or in whole by the District or financed to any degree by the District budget.

(2) Persons elected as Councilors, who as a result violate the rule stated in paragraph (1) of this Article 26, shall, within eight (8) days from the date of certification of election results, declare their choice between the office of councilor and the inconsistent office. Failing such a declaration they shall be immediately considered ineligible for service as a Councilor.

(3) Councilors shall not participate in discussions, deliberations or decisions on matters in which they or their relatives in a direct line, their relatives in an indirect line up to the third degree, spouse, or in-laws up to the second degree, have an economic or other significant interest.

Article 27
Immunity

Councilors shall not be held criminally or civilly liable for any act carried out, opinion expressed or vote cast in performance of their duties.

3. Presidency of the Assembly

Article 28
President and Vice-President

The Assembly shall have a President and a Vice-President. The President and Vice-President shall be elected from among the Councilors at the first session of each new electoral term.

Article 29
Election of President and Vice-President

(1) Any Councilor may nominate a candidate for the position of President. The candidate who receives a three-fifths majority of the total number of Councilors shall become the President.

(2) If no candidate receives the required majority in the first election, a second election shall be held. The candidate who receives a simple majority vote of the total number of councilors shall become the President.

(3) If no candidate receives the required majority in the second election, a third election shall be held between the two candidates who received the higher number of votes. The candidate who receives the highest number of votes in the third election shall become the President.

(4) Under whichever scenario the President of the Assembly is elected in paragraphs (1) to (3) above of this Article 29, the candidate with the second number of votes shall become the Vice-President.

Article 30 Removal from Office

The President and Vice-President may resign, or be removed from office before the expiration of their term in accordance with Article 33(1) of this Statute. A motion to remove the President and/or Vice-President must be submitted by at least five (5) Councilors.

Article 31 Vice-President

The Vice-President of the Assembly assists the President in exercising his or her duties and represents the President in his or her absence.

4. Organization and Function of the Assembly

Article 32 Quorum

(1) The Assembly may adopt a decision if a session is attended by more than half of the total number of Councilors.

(2) Unless this Statute provides otherwise, decisions shall be adopted by a simple majority of those Councilors present and voting and through an open ballot process. Abstentions shall not be taken into account in establishing the majority.

Article 33 Qualified Majority

(1) The Assembly shall make decisions by a three-fifths majority of the total number of Councilors when the decision in question concerns:

- a. the Rules of Procedure of the Assembly;
- b. the District Budget;
- c. the adoption and amendment of District Laws;
- d. the election and dismissal of all persons elected by the Assembly, subject to the provisions of Articles 29 and 57 of this Statute, which override this Article 33 when they apply;
- e. the consent given by the Assembly to the appointment or removal of officials in accordance with the Statute and the law;
- f. the Assembly's veto of the appointment or dismissal by the Mayor of the Vice Mayor, the Government Chief Coordinator and Heads of Departments in accordance with Article 47(1) of this Statute;

- g. the Assembly's veto of the appointment of the Mayor's advisers in accordance with Article 46(3) of this Statute;
- h. decisions to dismiss members of the Steering Boards of public companies in accordance with Article 61(1) of this Statute;
- i. decisions to form a special Committee made pursuant to Article 22(2)(g) of this Statute.

(2) Decisions concerning adoption and amendment to this Statute, as well as decisions taken under Article 77(3) of this Statute, require a three-fourths majority of the total number of Councilors.

Article 34 Committees

(1) The Assembly shall form Committees from among its members in order to prepare draft laws for the Assembly as well as perform other responsibilities according to this Statute. Participation in the Committees shall be proportional to the number of seats of the political parties and independent Councilors. Apart from the Councilors, the Assembly may decide to appoint a number of experts as non-voting members of the Committees to assist in their work.

(2) A Legislative Committee shall be established with the purpose of giving its opinion on draft laws or amendments of existing laws so as to produce an appropriately uniform system of laws throughout the District.

(3) A Budget Committee shall be established for the purpose of giving its opinion on the merits of the proposed budget.

Article 35 Rules of Procedure of the Assembly

The Assembly shall adopt its own Rules of Procedure regulating the Assembly's internal affairs, the work of the Committees, the orderly course of the sessions, the election and voting procedures, the adoption of District laws, decisions and resolutions, and the general course of the Assembly's work.

5. Enactment of Legislation

Article 36 Draft Laws

(1) Any Councilor, and the Mayor on behalf of the District Government, shall have the right to propose laws.

(2) The Mayor may propose laws to the Assembly only after the District Government (as defined in Article 45(1) of this Statute below) has met and approved the law in question in a vote. District legislation shall make further provision for the way those meetings are convened and conducted, including quorum and the necessary majorities necessary to approve different kinds of legislation.

However, in no case may the Mayor propose a law unless a simple majority of the members of the District Government have voted in favor of it.

(3) The District Judicial Commission shall have the right to propose laws in the fields referred to in Article 71(2)(f) of this Statute.

Article 37 Procedure

(1) Draft laws, once submitted to the Assembly pursuant to Article 36 above, shall be referred to the relevant Committees. After the relevant Committees have submitted their reports on a draft law or have failed to reply within ten (10) working days after receiving a draft law, the draft law shall be introduced for discussion.

(2) A minimum of two (2) readings at scheduled sessions of the Assembly shall be required before a draft law or an amendment to a District law is adopted.

Article 38 Publication of Laws

(1) District laws, and decisions and resolutions of the Assembly shall be published in the Brcko District Official Gazette. District legislation may provide that other categories of public act shall also be published in the Brcko District Official Gazette.

(2) District laws enter into force on the eighth day after their publication, unless, for specified reasons, they provide for an earlier date of entry.

Article 39 Retroactivity of Laws

(1) There shall be no retroactive criminal laws. This means that criminal and other punishable acts shall be determined and sentences passed in accordance with the law or regulation effective at the time the act was committed. Exceptionally, criminal laws may be expressed to have retroactive effect, but only if the new law or regulation is more beneficial for the offender.

(2) Other District laws and regulations cannot have retroactive effect. However, exceptionally particular provisions of a law can have retroactive effect, provided that no right of a private natural or legal person (or a person acting in a private capacity) already gained is abolished or diminished; the period of time in the past to which the law applies is reasonable; and the Assembly concludes that there is a compelling public interest in the provision having retroactive effect.

(3) Where a law provides for a time period that must elapse in order that a natural or legal person obtains a right, the law may provide that the time period may be calculated by reference to a date or dates earlier than the date the law comes into force, provided that none of the proscriptions stated in paragraphs (1) or (2) above of this Article 39 are thereby infringed.

Article 40 Constitutionality and Legality

(1) This Statute and District laws must be consistent with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area and the Supervisory Orders issued pursuant thereto, the Constitution of Bosnia and Herzegovina, and the laws of Bosnia and Herzegovina.

(2) The District Courts shall have jurisdiction to decide whether any provision of any District law, by-law or rule book is or is not consistent with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area or Supervisory Orders issued pursuant thereto, the Constitution of Bosnia and Herzegovina, this Statute, or the laws of Bosnia and Herzegovina that apply in the District.

(3) Insofar as the law, by-law or rule book has legal effect in the District, the District Courts shall have jurisdiction to decide whether any provision of any Entity law, by-law or rule book, or law, by-law or rule book of Bosnia and Herzegovina, is or is not consistent with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area or Supervisory Orders issued pursuant thereto, the Constitution of Bosnia and Herzegovina, or this Statute.

(4) The District Courts shall have jurisdiction to decide whether any decision or resolution of the Assembly is or is not consistent with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area or Supervisory Orders issued pursuant thereto, this Statute, the Constitution of Bosnia and Herzegovina, laws of Bosnia and Herzegovina that apply in the District, or District law.

(5) The District Courts shall have jurisdiction to decide whether any legal act of any institution of the District, or any legal act of any institution of Bosnia and Herzegovina or either Entity having an effect in the District, is or is not consistent with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area or Supervisory Orders issued pursuant thereto, the Constitution of Bosnia and Herzegovina, this Statute, the laws of Bosnia and Herzegovina that apply in the District, the law of the Entity in question, or District law. However, for individual legal acts, District legislation may provide that an administrative dispute procedure must be exhausted before the District Courts exercise jurisdiction under this paragraph 5 of this Article 40.

(6) District legislation shall prescribe the procedures the District Courts are to follow in hearing complaints of the kinds set out in paragraph (2) to (5) above of this Article 40.

6. District Budget

Article 41 Annual Budget of the District

(1) The Mayor shall, on behalf of the District Government, submit to the Assembly the proposed annual budget, prepared by the District Finance Directorate pursuant to Article 48(1) of this Statute below, at least ninety (90) days before the end of each fiscal year.

(2) The Assembly shall adopt the District budget at least thirty (30) days before the end of each fiscal year. The Assembly shall debate the proposed budget at each of its regularly scheduled sessions during the two months prior to the approval of the budget.

(3) Following its submission and in advance of the first debate at the Assembly, the proposed budget shall be made available to the public and distributed to local associations of citizens.

(4) The proposed budget shall include:

- (a) expenditures and receipts of the District Government during the last fiscal year;
- (b) estimates of expenditures and receipts of the District Government during the fiscal year in progress, and of expenditures and receipts for the coming fiscal year;
- (c) the amount of all District reserves or unexpended funds for both operational and capital budgets;
- (d) estimates and narrative descriptions of the expenditures and appropriations necessary for the support of the required work programs of all public institutions of the District during the coming fiscal year;
- (e) detailed estimates of the revenues of the District during the coming fiscal year;
- (f) statements of:
 - i) the condition of the District treasury at the end of the last completed fiscal year;
 - ii) the estimated condition of the District treasury at the end of the fiscal year in progress;
 - iii) the estimated condition of the District treasury at the end of the coming fiscal year in case the financial proposals contained in the budget are adopted;
- (g) all essential facts regarding the financial obligations of the District;
- (h) other financial statements and data necessary or desirable in order to make known in all practical detail the financial condition of the District Government;

(5) The budget shall be debated and acted upon in accordance with this Statute and the Rules of Procedure of the Assembly.

(6) Following the adoption of the budget, the Mayor shall submit to the Assembly quarterly reports on its execution, as well as an annual report at the end of each fiscal year.

(7) No District funds may be expended or committed except in accordance with the adopted budget or its amendments thereto.

Article 42

Increase of Budgetary Expenditure

Draft laws involving an increase of budgetary expenditure shall not be introduced for debate unless accompanied by a report of the District Finance Directorate. Neither the District Government nor any part of any agency thereof may exceed spending allowances approved in the District's annual budget without an amendment to the budget.

Article 43

Amendments to the Budget

The Mayor may propose to the Assembly an amendment to the budget in case of a serious or unforeseen shortfall in District revenues. The proposal must be accompanied by a report by the District Finance Directorate determining the amount of shortfall. The amendments shall be debated and acted upon in accordance with Article 41 of this Statute.

Article 44

Audit of the Financial Operations of District

(1) There shall be an office for the audit of financial operations of the institutions of the District (the "Audit Office"), headed by the Auditor General and assisted by one or more Deputy Auditors General, as provided for by law.

(2) The Audit Office shall take measures, provided by law, to ensure that all District institutions collect and use revenues lawfully, transparently and in accordance with the highest national and international accounting standards.

(3) Without prejudice to the generality of paragraph (2) of this Article 44, the Audit Office shall perform a financial audit of all District institutions not less than once a year.

(4) No employee of the Audit Office, even the Auditor General, shall be considered a "Head of Department" for the purposes of Articles 20 or 47 of this Statute.

(5) The staff of the Audit Office shall be appointed by the Assembly, or an officer or commission selected by the Assembly, in accordance with District legislation and the Rules of Procedure of the Assembly. The strictures contained in Article 20 of this Statute shall be complied with for all such appointments.

(6) District legislation shall make further provision for the operation, powers, responsibilities and staffing of the Audit Office.

SECTION C: THE BRCKO DISTRICT GOVERNMENT AND PUBLIC ADMINISTRATION

1. Constitution and Composition

Article 45 District Government and Public Administration

(1) The District Government consists of the Mayor, the Vice Mayor, the Government Chief Coordinator, and the Heads of Departments.

(2) The public administration consists of:

- (a) District Government departments;
- (b) the Office of the Mayor;
- (c) the District Finance Directorate;
- (d) the Office for Public Property; and
- (e) the Office of the Coordinator for Brcko District in the Council of Ministers of Bosnia and Herzegovina.

(3) Nothing in this Statute gives any member of the District Government or the public administration any executive authority without further District legislation.

Article 46 Mayor

(1) The Mayor shall be elected by the Assembly and may be reelected. The Mayor shall serve during the term of the Assembly that elected him or her and shall remain in office until a new Mayor is elected.

(2) The Mayor shall organize the District Government as economically and efficiently as the District revenues permit. The Mayor shall issue an organizational plan dividing the District Government into Departments covering all functions and powers of the District in accordance with Article 8(1) of this Statute, other than those functions and powers exercised by public companies, the District Finance Directorate, the Office for Public Property, and the Office of the Coordinator for Brcko District in the Council of Ministers of Bosnia and Herzegovina.

(3) The Mayor may have advisers as part of the Office of the Mayor. They shall be selected or dismissed by the Mayor based on professional criteria. The Assembly may veto the Mayor's selection of his or her advisers by a resolution supported by no fewer than three fifths of the total number of Councilors within fifteen days of the decision of the Mayor appointing them being forwarded to the Assembly. The Mayor's advisers shall not at the same time hold any other position in the District administration.

(4) There shall be no more than six (6) Mayor's advisers. The Mayor's advisers shall have no executive authorities.

Article 47
Vice Mayor, Chief Coordinator, and Heads of Departments

(1) The Vice Mayor, the Government Chief Coordinator, and the Heads of Departments shall be selected or dismissed by the Mayor based on professional criteria and shall reflect the composition of the population. The Assembly may veto the Mayor's selection or dismissal of the Vice Mayor, the Government Chief Coordinator, or a Head of Department by a resolution supported by no fewer than three-fifths of the total number of Councilors within fifteen days of the decision of the Mayor appointing them being forwarded to the Assembly.

(2) The Vice Mayor and the Government Chief Coordinator shall not at the same time be a Head of Department or hold any other position in the District administration. The Vice Mayor and the Government Chief Coordinator shall not at the same time be a Mayor's adviser. The Vice Mayor and the Government Chief Coordinator may be the same person if the Mayor so decides.

(3) The Vice Mayor shall assist the Mayor in exercising his or her duties and represent the Mayor in his or her absence, and shall act in the Mayor's place if the Mayor is incapacitated. The Vice Mayor shall have executive authorities set out in District legislation.

(4) The Government Chief Coordinator shall be responsible for coordinating activities, which require the cooperation of multiple District Government departments, and for coordinating activities between the District Government and public administration and other District institutions. He or she may have executive authorities if so provided for in District legislation.

(5) There shall be no more than twelve (12) Heads of Department.

(6) The Government Chief Coordinator and the Heads of Department shall have no authorities over the activities of the public companies, the Audit Office or the District Finance Directorate.

Article 48
District Finance Directorate

(1) The District Finance Directorate, established by law, shall be responsible for, but not limited to, the collection of all District revenues, investment of District funds, preparation of the proposed annual budget on the instructions of the Mayor, reporting to the Assembly on the availability of revenues for the District's annual budget and forecasting of District revenues and the financial condition of the District.

(2) The District Finance Directorate shall have two organizational units, being the Tax Administration and the Treasury. The Tax Administration shall be responsible for collection of District revenues, the Treasury for budget and expenditures.

(3) The competences of the District Finance Directorate and its organizational units shall be further regulated in District laws.

(4) No employee of the District Finance Directorate, even the Head of the Directorate or the heads of any units within it, shall be considered a "Head of Department" for the purposes of Articles 20 or 47 of this Statute.

Article 49
Office for Public Property

(1) There shall be an Office for Public Property, exclusively responsible for administering public property situated in the District. It shall be headed by a Director. No official in the office for public property shall be an official referred to in Article 46(3) or Article 47(1) of this Statute.

(2) The Office for Public Property shall conduct the procedure for disposal of public property. The Director shall have executive authorities to administer public property provided in District legislation and may have executive authority to dispose of public property if District legislation so provides. The Office for Public Property shall report to and be accountable to the Mayor. The status, functions and authorities of the Office for Public Property shall be further regulated in District laws.

Article 50
Office of the Coordinator for Brcko District
in the Council of Ministers of Bosnia and Herzegovina

(1) The Office of the Coordinator of Brcko District in the Council of Ministers of Bosnia and Herzegovina shall be responsible for representing the interests of the District institutions before institutions of Bosnia and Herzegovina. It shall report to and be accountable to the Mayor.

(2) The Office shall be headed by the Coordinator who shall be assisted by one or more Deputy Coordinators as provided by law. No official in the Office shall be an official referred to in Article 46(3) or Article 47(1) of this Statute. District law shall make provision for its staffing, functions and operation.

Article 51
Performance of the District Government

(1) Every District Office and Department, and every District official and employee, is expected to perform their functions with diligence and dedication on behalf of all people of the District. In the delivery of District services and performance of its tasks, the District Government shall endeavor to perform at the highest levels of achievement, including efficiency, accessibility, accountability, quality of work, use of technologically advanced methods and responsiveness to public concerns within budgetary limitations.

(2) Every District official and employee shall scrupulously observe all valid laws and regulations governing his or her conduct as a public employee.

2. Responsibilities of the District Government

Article 52 Responsibilities of the Mayor

- (1) The Mayor shall preside over the District Government. He or she is responsible for scheduling District Government sessions and chairing them.
- (2) The Mayor is responsible for implementing the laws of Bosnia and Herzegovina and the District.
- (3) The Mayor is responsible to the Assembly for the orderly management and administration of the District.
- (4) Save to the extent that this Statute or District legislation provides otherwise, the Mayor and, if provided for in District legislation, the Vice-Mayor, promulgates the appointments, promotions and dismissals of all employees of the District Government and public administration in accordance with the law, and insures that they are subject to a comprehensive set of personnel regulations including standards for recruitment, rules of conduct and routine performance evaluations.
- (5) The Mayor on behalf of the District Government shall:
 - a) submit draft laws and make recommendations to the Assembly;
 - b) propose the budget of the District and produce the financial reports of the District;
 - c) perform other duties in accordance with this Statute and the Law.
- (6) The Mayor shall have the executive authorities given to him in District legislation.
- (7) District legislation may provide that the Mayor may make certain decisions within his or her responsibility under this Statute or under District legislation only after a vote of approval by the members of the District Government (as defined in Article 45(1) of this Statute); and if so, the legislation shall provide for the necessary quorum and majority for such votes.

Article 53 Responsibilities of the Heads of Departments

- (1) The District Government shall meet at least once a week at a regularly scheduled session. The members of the District Government shall discuss all the responsibilities of the District Government and decisions shall be enacted by voting with a simple majority of present members of the District Government. District legislation may provide that certain decisions shall be enacted only upon a qualified majority further defined in District legislation.
- (2) The Heads of Departments shall have executive authorities provided for in District legislation.

Article 54

Conflicts of Interest

(1) Members of the District Government, the Mayor's advisers, the Chief and Deputy Chief of Police, the Head of the District Finance Directorate, the Head of the Treasury, the Head of the Tax Administration, the Director of the Public Property Office, the Coordinator and Assistant Coordinators in the Office of the Coordinator of Brcko District in the Council of Ministers of Bosnia and Herzegovina, the Auditor General and Deputy Auditors General of the Audit Office, and other officials appointed with the consent of the Assembly shall not hold any other position in the public or private sector for the duration of their election or appointment.

(2) Further restrictions on the activities of public officials that may give rise to a conflict of interests or an appearance of one may be provided for in District laws.

3. Relations between the District Government and the Assembly

Article 55

Participation of the District Government in the work of the Assembly

(1) The District Government shall report to the Assembly on all issues the Assembly may request, and on all issues of public interest arising from the District Government's work.

(2) Members of the District Government may participate in the sessions of the Assembly, but are not eligible to vote. The Mayor has the right to speak at any time on any point of the Agenda. Any Member of the District Government shall without delay provide the Assembly with any information requested pertaining to the governance of the District.

Article 56

Nominations

(1) Only a Councilor may nominate a candidate for the position of Mayor. Candidates must be members of the Assembly.

(2) The nomination and election shall be held during the first session of the Assembly at the beginning of each new electoral term.

Article 57
Election of the Mayor

- (1) The nominees for the position of the Mayor shall present their program to the Assembly.
- (2) After consideration of the program of the nominees, the Mayor shall be elected by a three-fifths majority of the total number of Councilors.
- (3) If no candidate receives the required majority in the first election, a second election shall be held. The candidate who receives a simple majority vote of the total number of Councilors shall become the Mayor.
- (4) If no candidate receives the required majority in the second election, a third election shall be held between the two (2) candidates that received the higher number of votes in the second election. The candidate who receives the highest number of votes in the third election shall become the Mayor.
- (5) Following his or her election, the Mayor's position as a Councilor shall end and he or she shall be replaced in accordance with the laws of Bosnia and Herzegovina and the District.

Article 58
Report and Program of Work

The Mayor shall submit to the Assembly at the end of each calendar year an annual report on the performance of the District Government and the District Government's program of work for the next year.

Article 59
Term of Office, Resignation, and Removal from Office

- (1) The Mayor may resign or be removed from office by the Assembly before the end of his or her term only for cause following a motion of at least five (5) Councilors.
- (2) Until a new Mayor is elected, the District Government shall continue to perform its duties under the Vice-Mayor.

4. Public Companies

Article 60
Establishment and Competences of Public Companies

(1) District law may provide for the delegation of competences of the District Government and public administration to public companies that provide services to District residents, or manage public funds or public assets on their behalf. No public company may exercise an authority given to another institution of the District under this Statute.

(2) Where District law provides for a public company to exercise a competence in accordance with this Statute, neither the District Government nor the public administration may exercise the same competence.

Article 61 **Principles of Independence of Public Companies**

(1) The operation of each public company shall be overseen by a Steering Board, as provided for by law. The Steering Board shall be accountable to the Assembly for the performance of the public company, as provided for by law. The members of the Steering Board shall be appointed in accordance with Article 20 of this Statute and the District laws, by such official or institution as the District laws may provide. Members of the Steering Board shall serve terms provided for in law. They may be dismissed prior to the expiry of those terms only by a decision of the Assembly passed by a three-fifths majority in accordance with Article 33(1) of this Statute.

(2) The day-to-day management of each public company shall be the responsibility of the Director of the public company. The Director shall be appointed for a term by the Steering Board in accordance with Article 20 of this Statute. The Director may be dismissed prior to the expiry of the term only by a decision of the Steering Board in accordance with law.

(3) Appointment and dismissal of other employees of public companies shall be undertaken by the Director of the public company in question, in accordance with Article 20 of this Statute and District law.

(4) Public companies shall be independent of the District Government and the public administration. District laws shall provide that each public company has executive authorities sufficient to achieve its functions and purposes. Neither the Steering Board, the Director nor any employee of a public company shall be subject to any instruction from any member of the District Government or the public administration.

(5) District laws may provide for the partial or complete privatization of public companies, and for the subsequent regulation of companies so privatized. The strictures of Articles 60 and 61 of this Statute do not apply to any company so privatized if the consequent share of the District's ownership is less than fifty percent (50%). No share of a public company may be sold to any other company in Bosnia and Herzegovina or in any country neighboring Bosnia and Herzegovina with fifty percent (50%) or more aggregate public ownership.

CHAPTER IV

DISTRICT POLICE

Article 62 District Police Service

- (1) The District shall have its own Police Service (hereinafter: the “District Police”).
- (2) The District Police shall perform all police functions as stipulated by law.

Article 63 Responsibility

- (1) The District Police shall provide a safe and secure environment for all persons within the District, and shall operate with respect for internationally recognized human rights and fundamental freedoms as provided for in the Constitution of Bosnia and Herzegovina, the European Convention on Human Rights, and this Statute.
- (2) The District Police shall ensure unrestricted freedom of movement of all persons, vehicles and goods throughout the District.
- (3) All employees of the District Police shall be public servants accountable for their conduct.

Article 64 Chief of Police

- (1) The District Police shall have a Chief and one (1) Deputy.
- (2) The Chief of Police shall be appointed by the Mayor with the consent of the Assembly based on professional criteria and the binding recommendation of an independent selection panel established by law. The Chief of Police shall serve for a term and be removed from office only for cause and in accordance with the law.
- (3) The Deputy Chief of Police shall be appointed and removed from office in accordance with the District laws.

Article 65 Hot Pursuit

- (1) Entity police forces shall have no legal authorities in the District, save to the extent provided for by laws of the District or of Bosnia and Herzegovina.

(2) The practice of hot pursuit, and cooperation between District police forces and the Police forces of Bosnia and Herzegovina and the Entities, shall be regulated by District laws or agreements between the District and other police jurisdictions.

CHAPTER V

COURTS, PUBLIC ATTORNEY'S OFFICE AND PROSECUTOR'S OFFICE

SECTION A: DISTRICT COURTS

Article 66 District Courts

(1) The District shall have an independent and impartial Judiciary consisting of the Basic Court and the Appellate Court.

(2) The District Courts shall render justice impartially in accordance with the awards of the Arbitral Tribunal for the Dispute over the Inter-Entity Boundary in the Brcko Area and Supervisory Orders issued pursuant thereto, the Constitution and laws of Bosnia and Herzegovina, this Statute and District laws.

(3) The District Courts shall have general jurisdiction. The establishment, organization and jurisdiction of the District Courts shall be provided by law.

(4) The District Government is obligated to assist the courts in their functions and to execute without delay all decisions and orders issued by the courts.

SECTION B: DISTRICT PROSECUTOR'S OFFICE

Article 67 District Prosecutor's Office

(1) The District Prosecutor's Office shall be independent from the Judiciary and the District Police.

(2) The District Prosecutor's Office shall prosecute offenders in criminal proceedings and perform other functions impartially in accordance with the Constitution and laws of Bosnia and Herzegovina, this Statute and District laws.

(3) The establishment, organization and competence of the District Prosecutor's Office shall be provided by law.

SECTION C: PUBLIC ATTORNEY'S OFFICE

Article 68 Public Attorney's Office

(1) The Public Attorney's Office shall be an institution established by a District law. It shall be independent of the legislative, judicial and executive authorities, and of the Police.

(2) The mandate of the Public Attorney's Office shall be to ensure that District assets are being used in accordance with the law and that acts of the District, and transactions to which the District is a party, are in conformity with the law.

(3) To achieve this objective, the Public Attorney may issue advisory opinions on the conformity of the acts of District institutions, and may bring and defend civil actions before the District Courts and other courts within Bosnia and Herzegovina. It may bring actions on the District's behalf, defend actions on the District's behalf, or bring actions against the District and persons responsible for violation of the District's legal obligations.

(4) The establishment, organization and competence of the Public Attorney's Office shall be provided by law.

(5) The Public Attorney's Office and the District Public Prosecutor's Office shall cooperate closely as appropriate.

SECTION D: LEGAL AID AGENCY

Article 69 Legal Aid Agency

(1) The Legal Aid Agency shall be an independent institution established by a District law.

(2) The Agency shall be responsible for providing legal advice and representation in criminal and civil matters to District residents of low income, in accordance with Article 16 of this Statute.

(3) The establishment, organization and competences of the Legal Aid Agency shall be further provided for in District laws.

SECTION E: APPOINTMENT AND INDEPENDENCE

Article 70

High Judicial and Prosecutorial Council of Bosnia and Herzegovina

The High Judicial and Prosecutorial Council of Bosnia and Herzegovina shall be, *inter alia*, responsible for appointment and dismissal of District Judges and District Prosecutors, subject to the provisions of this Statute and applicable laws of Bosnia and Herzegovina.

Article 71

Judicial Commission

- (1) An independent Judicial Commission shall be established by law.
- (2) The Commission shall be responsible for:
 - (a) ensuring the independence of the District Judiciary, the Legal Aid Agency, the Public Attorney's Office and the District Prosecutor's Office;
 - (b) providing Judges, Attorneys of the Legal Aid Agency, the Public Attorney and his or her Deputies, and Prosecutors with the training required to carry out their tasks;
 - (c) preparing and implementing the Codes of Ethics of the employees of the District Judiciary (not including Judges and Prosecutors), the Public Attorney's Office, the Legal Aid Agency, and the District Prosecutor's Office, including the taking of disciplinary proceedings for violation of these Codes;
 - (d) appointing and dismissing the Public Attorney and his or her deputies;
 - (e) appointing and dismissing administrative staff of the District Courts, the District Prosecutor's Office and the Public Attorney's Office, and the staff of the Legal Aid Agency;
 - (f) drafting and submitting to the Assembly legislation that relates to organization and operation of the District Courts, the Judiciary, the District Prosecutor's Office and the Public Attorney's Office, and regulation of the practice of lawyers and notaries in the District;
 - (g) appointing and regulating the practice of notaries in the District;
 - (h) preparing and proposing to the Assembly that part of the District budget that provides for the operating expenses of the District Judiciary and the other institutions of the District referred to in this Chapter V of this Statute; and
 - (i) such other matters as the laws and regulations of the District may provide.
- (3) No member of the Judicial Commission shall be a member of a political party or shall engage in any kind of political activity whatsoever. No public employee or official of the District, other than employees of institutions for which this Chapter V of this Statute makes provision, shall be members of the Judicial Commission. Nor shall any person give the Judicial Commission, or any member of it, any kind of instruction in the execution of its or their duties.
- (4) District Laws shall provide further for the organization, membership and mode of operation of the Judicial Commission.

Article 72
Judges, Prosecutors, Legal Aid Agency Attorneys and Public Attorneys

(1) Judges, Prosecutors, Attorneys of the Legal Aid Agency and Public Attorneys shall be jurists of high professional and moral standing and shall have such other qualifications as may be provided by law.

(2) No Judge, Prosecutor or Public Attorney shall be a member of a political party, or engage in any kind of political activity whatsoever.

(3) Judges, Prosecutors and Public Attorneys shall be subject to the restrictions contained in Articles 54(1) and 54(2) of this Statute.

Article 73
Tenure

(1) Any appointment of a District Judge shall be for life, subject to resignation, mandatory retirement age of seventy (70), or removal from office for proven misconduct.

(2) The Prosecutor, the Director of the Legal Aid Agency and the Public Attorney shall be appointed for terms provided in law, and shall serve those terms in full, subject to resignation, mandatory retirement age in each case of seventy (70), or removal for proven misconduct.

(3) The Presidents of the Basic and Appellate Courts shall, prior to their appointments, be Judges in their respective courts. They shall be appointed for terms, and shall serve those terms in full subject to resignation, mandatory retirement age of seventy (70), or removal for proven misconduct. Their appointments as Presidents shall be distinct from their appointments as Judges, so that once their appointments as Presidents expire they nonetheless remain Judges.

(4) Judges, Prosecutors and Public Attorneys shall not hold any other public office or conduct any business.

Article 74
Immunity

Judges, Public Attorneys and Prosecutors shall not be held criminally or civilly liable for any acts carried out or opinions expressed in the performance of their official duties.

Article 75
Financing

The District is obliged to provide the necessary financial and other support to ensure the appropriate functioning of the Judiciary, the Prosecutor's Office, the Public Attorney's Office, the Legal Aid Agency, and their administration.

CHAPTER VI

TRANSITIONAL PROVISIONS

Article 76 **Continuation of Laws**

Entity laws and regulations have the legal effect within the territory of the District prescribed by the Supervisory Order Abolishing Entity Legislation Within Brcko District And Declaring the Inter-Entity Boundary Line to be of No Further Legal Significance within the District, dated August 4, 2006.

Article 77 **Legal Succession**

(1) All municipal administrations existing within the territory of the District on March 8, 2000 ceased to exist on that date.

(2) The Brcko District of Bosnia and Herzegovina is the legal successor to the Republika Srpska Brcko Municipality as well as to the administrative arrangements of Brka and Ravne-Brcko.

(3) All contracts and agreements entered into by the municipal governments referred to in paragraph (2) of this Article 77 shall be disclosed to the Mayor by the parties involved within thirty (30) days of the Mayor's assuming office. Any such contract or agreement not disclosed shall be deemed repudiated. The Mayor shall immediately present the referred contracts and agreements to the Assembly. Upon the recommendation of the Mayor or at the initiative of five (5) councilors, the Assembly, acting by a decision taken pursuant to Article 33(2) of this Statute, may repudiate any of these contracts or agreements.

FINAL CHAPTER

Article 78 **Entry into force**

This Statute shall enter into force upon its publication in the Brcko District Official Gazette.

Article 79 **Enforcement**

(1) Any interested party may complain to the District Courts of violation of this Statute. The District Courts shall have jurisdiction in all such cases, and shall take all measures they consider appropriate to enforce this Statute.

(2) The Public Attorney shall bring court actions that he or she considers appropriate against District institutions and District public officials that violate this Statute.

(3) District legislation shall make further provision for enforcement of this Statute, including civil and criminal penalties for its violation.