

Letter No 10 to BD Assembly

Brcko District of Bosnia and Herzegovina
Assembly of Brcko District of Bosnia and Herzegovina
Attn. Sinisa Milic, Speaker

Sarajevo, January 12, 2023

Dear Mr Milic,

As a consequence of the Supervisory Order of August 4, 2006 Abolishing Entity Legislation within Brcko District and Declaring the Inter-Entity Boundary Line to be of no Further Legal Significance within the District and the Addendum to said Supervisory Order of January 1st 2008 in the field of insurance activities, the District authorities apply regulations that are no longer in force in the respective entities. This results in a situation in which insurance companies with the seat in the District as well as individual insurance policy holders and other individuals that are either creditors or debtors of those companies are in a less favorable position.

Considering the relatively small number of legal entities on which this issue has an actual effect and the fact that the District does not have the functional, organizational or financial capacity to establish its own supervisory body for the insurance of commercial activities, insurance companies with the seat in the District should be able to continue to choose the entity agency with which they will be registered, i.e. remain under the supervision of the chosen entity agency, thus choosing the relevant regulations.

The Assembly of the Brcko District of Bosnia and Herzegovina has the authority to regulate the aforementioned issue with the Law on Insurance Activities in Brcko District of Bosnia and Herzegovina in a way to enable the authorized bodies of the District to apply the regulations in force in the respective entity at the insurance companies choice in a manner specified by the Addendum to said Supervisory Order of January 1, 2008, which will not be considered as an assignment or delegation of the authority of the District bodies in this field. In all other aspects, insurance companies with the seat in the District will remain obliged to apply the laws of the District.

Nothing in this letter will affect possible future decision of the authorities of the Brcko District of Bosnia and Herzegovina to establish their own supervisory body for the field of insurance activities and regulate it in an adequate manner nor it will have any effect on a possible future decision of the authorities of Bosnia and Herzegovina to regulate this issue in a way envisaging supervision of insurance activities by the state insurance body.

Nothing in this letter shall affect any other matter determined by the Supervisory Order of August 4, 2006 Abolishing Entity Legislation within Brcko District and Declaring the Inter-Entity Boundary Line to be of no Further Legal Significance within the District and by the January 1, 2008 Addendum to the August 4, 2006 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.

This letter with the legal effect is to be considered a supplement to the Addendum to said Supervisory Order of January 1, 2008 and shall be published in the Official Gazette of Brcko District of Bosnia and Herzegovina in both the English and the official languages of Bosnia and Herzegovina.

Jonathan Mennuti
Supervisor of Brcko District
Principal Deputy High Representative