

# Decision Enacting the Law on Supplement to the Law on Budgets in the Federation of Bosnia and Herzegovina

n. 04/09

***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;

***Aware*** that almost ten (10) months have passed since the Local

Elections were held and almost nine (9) months since the Mostar City Council was constituted;

**Deploing** that, as a result of the conduct of the elected city councilors and the parties they represent, the Mayor of the City of Mostar has not yet been elected;

**Noting** that the political stakeholders in the Mostar City Council, by their irresponsible conduct, have put their individual and party interests before the interests of the city and its citizens and have, in so doing, abused the trust of those who elected them;

**Recalling** the letter of the Acting High Representative of 11 March 2009 addressed to representatives of the Mostar City Board presidents of political parties, which drew their attention to the fact that the situation in the City of Mostar was untenable and which warned that the High Representative could take certain measures to remedy such a situation;

**Recalling further** that the High Representative wrote to the presidents of political parties represented in Mostar on 8 May 2009 urging the parties to reach the necessary agreement to elect a Mayor as soon as possible;

**Bearing in mind** that the Steering Board of the Peace Implementation Council, in its communiqué of 26 March 2009 issued in Sarajevo, considered it “unacceptable that the Mostar City Council has failed to appoint a new City Mayor almost six months after the elections”, urged the political parties in Mostar “to meet this basic obligation to the citizens of Mostar without any further delay”, and “strongly encouraged the High Representative to facilitate the resolution of difficulties arising from this situation”;

**Considering** that the Steering Board of the Peace Implementation Council, in its communiqué of 30 June 2009 issued in Sarajevo reiterated its calls for the High Representative “to take further steps to facilitate the

election of a new Mayor”;

**Mindful** that the City Council, due to its continued failure to appoint the City Mayor was compelled to proceed with the Decision on Temporary Financing until 31 March 2009 and that, even some three months after the expiration of the Decision on Temporary Financing, the City Council still has not appointed the City Mayor and consequently has not adopted a budget for 2009, thus compromising the functioning of all City institutions;

**Noting** that the City Council’s failure to appoint the City Mayor and to adopt the City Budget has led to a rapidly deteriorating situation in which the Mostar City employees are not receiving salaries and public services are at risk of coming to a standstill;

**Noting** that the situation in the City of Mostar has rapidly deteriorated in the past months requiring rapid response to avoid further deterioration of the humanitarian situation and social crisis.

**Further noting** that this failure by the City Council represents a long – term damage to the City and its citizens;

**Regretting** to be forced to act on behalf of the local authorities in order to enable the functioning of the institutions of the City of Mostar;

**Convinced** that this decision does not release the elected councilors from their obligations to elect a Mayor and subsequently adopt the City budget and that the political stakeholders in the Mostar City Council must finally act in accordance with their responsibilities towards the citizens;

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

## **DECISION**

### **Enacting the Law on Supplement to the Law on Budgets in the Federation of Bosnia and Herzegovina**

**(Official Gazette of the Federation of Bosnia and Herzegovina  
No. 19/06)**

The Law, which follows and which forms an integral part of this Decision, shall temporarily cease the application of Article 21, paragraphs (1), (2), (7) and (8) of the Law on Budgets in the Federation of Bosnia and Herzegovina until 30 September 2009 or until the Mostar City Council adopts the Mostar City Budget for 2009.

The Law shall enter into force as provided for in Article 2 thereof.

This Decision shall enter into force forthwith and shall be published without delay in the Official Gazette of the Federation of Bosnia and Herzegovina and the Official Gazette of the City of Mostar.

Sarajevo, 29 July 2009	Dr. Valentin Inzko
	High Representative

## **LAW**

### **ON SUPPLEMENT TO THE LAW ON BUDGETS IN THE FEDERATION OF BOSNIA AND HERZEGOVINA**

#### **Article 1**

After Article 81, a new Article 81a shall be added and shall read as follows:

“Exceptionally, only for the purpose of the temporary financing of the City of Mostar and only for the period from 1 April 2009 to 30 September 2009, paragraphs (1), (2), (7) and (8) of Article 21 of the Law on the Budgets in the Federation of Bosnia and Herzegovina, shall not apply to the City of Mostar”.

## **Article 2**

This Law shall enter into force forthwith and shall be published without delay in the Official Gazette of the Federation of Bosnia and Herzegovina.