

Protocol
on Fostering Coordination and Cooperation
between
the Council of Ministers of Bosnia and Herzegovina
and
the Brcko District of Bosnia and Herzegovina

In furtherance of the Agreement on Coordination and Cooperation between the Council of Ministers of Bosnia and Herzegovina and the Brcko District of Bosnia and Herzegovina, dated October 24, 2002;

Recognizing that in accordance with Article VIII of the Constitution of BiH, only the Entities have responsibility to finance the budget of the institutions of Bosnia and Herzegovina;

Aiming at fostering the special relation between the State of BiH and the Brcko District and enhancing the capacity of the State of Bosnia and Herzegovina to carry out its functions;

Mindful of the need for the Brcko District to retain enough revenues to adequately perform its functions as a local self-government;

the Council of Ministers and the Brcko District (hereinafter: the Parties) agree on the following:

- (1) For the fiscal year 2003, the Brcko District of Bosnia and Herzegovina shall contribute regularly to the budget of the institutions of Bosnia and Herzegovina. The District's contribution shall be calculated using the following formula:
average annual contribution per capita by the entities multiplied by the number of residents in BD and multiplied by the factor 1,844. This factor is to reflect the particularity of relations between the District and the State.

Following the formula referred to in the previous Paragraph, the District contribution for the fiscal year 2003 shall be 3,9 million KM. This amount shall not be subject to possible revision of the state budget for 2003.

- (2) The Council of Ministers of Bosnia and Herzegovina shall assist the Government of the Brcko District of Bosnia and Herzegovina to collect the debts owed to the District by the Entities.

- (3) The Council of Ministers shall convene on January 15, 2003, in Sarajevo, the first session of the Coordination Body for the Implementation of the Agreement on Coordination and Cooperation between the Council of Ministers of Bosnia and Herzegovina and the Brcko District of Bosnia and Herzegovina, dated October 24, 2002. The Parties will jointly establish the agenda for this meeting no later than December 15, 2002. The coordination body shall consist of the representatives of the Council of Ministers, representatives of the Brcko District and a representative of the Supervisor of Brcko.

- (4) The Parties agreed that a Coordination Body for the Implementation of the Agreement on Creating a Single Economic Space in the Field of Petroleum Products, dated November 7, 2002, should be established as soon as possible. This coordination body should consist of the representatives from the Council of Ministers of Bosnia and Herzegovina, Ministries of Finance of the Entities, Brcko District of Bosnia and Herzegovina and the Office of the High Representative to Bosnia and Herzegovina.

- (5) Brcko District informed the Council of Ministers on its position related to pre-1992 foreign debts, referring to the Supervisor's letter on this topic dated August 1, 2002.

Brcko, November 22, 2002

For the Council of Ministers of BiH

For the Brcko District of BiH