

# Supervisory Order Providing for Emergency Funding For Social Benefits and Court Decisions

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

***In further accordance with*** paragraphs 13 and 67 of the Final Award, which provide that the jurisdiction of the Arbitral Tribunal will remain in existence until such time as “the Supervisor, with the approval of the High Representative, has notified the Tribunal (...) that such (Brcko District) institutions are functioning effectively, and apparently permanently;”

***Recalling*** provisions provided for in Paragraph 8 (b) of the Annex to Final Award of August 18, 1999 on the preparation of an annual District budget and the ultimate authority of the Supervisor over the District Budget;

***Noting*** that as the constitutive session of the newly elected Assembly is still ongoing, the Assembly can not fully function until a new Speaker, Deputy Speaker and Mayor have been appointed, which first requires political agreement;

***Acknowledging*** the proposed amendments to the 2008 Budget prepared by the Brcko District Finance Directorate and officially forwarded to my Office on December 30, 2008;

***Acknowledging further*** that the amendments are aimed at ensuring the provision of funds required to meet certain legal obligations amounting a total of BAM 2,789,593.00, which are

to be obtained from unspent funds from the 2008 operating Budget and reallocating them to other budget codes as indicated by specific departments and institutions of the District;

**Aware of** the significant failure of the Brcko District Government to deal with the reallocation of such funds through a re-balance of the 2008 budget before the end of its mandate in 2008;

**Alarmed** that the District Government and the Assembly of Brcko District failed to take these requirements into account and by so doing has put at risk financial benefits to which certain Brcko residents are legally entitled;

**Recalling** that amendments to the annual budget can be realized solely in the course of a fiscal year, which in this case ends on 31 December 2008;

**Determined not** to let the residents of Brcko District bear consequences of the Brcko District Government's negligence and as such, be deprived of social benefits or judicial compensations deriving from legitimate Court decisions, to which they are entitled to or be delayed in receiving them;

**Having consulted** with the Brcko District Finance Directorate on the need to have the amendments to the 2008 Budget adopted before the end of the fiscal year, ensuring that full implementation of the legal obligations arising in 2008 are able to be paid, and;

**Acting** upon the explicit request of the Director of the Finance Directorate of Brcko District, Mr. Mato Lucic;

**Having therefore decided** to undertake by way of a Supervisory Order the necessary measures to ensure that legal entitlements of certain Brcko District residents, together with the honoring of court decisions and other matters affecting the financial stability of Brcko District institutions, are met;

I therefore hereby order that:

1. The 2008 Brcko District budget be amended in the following way:

a. The 2008 Budget is amended as provided in this Order for a total amount of BAM 2,789,593.00

b. The total amount of BAM 2,789,593.00 is drawn from economic code 611100, out of which from:

i. Organizational code 132 – primary health care, amounting to BAM 400,000.00

ii. Organizational code 133 – secondary health care, amounting to BAM 900,000.00

iii. Organizational code 171 – pre-school and primary education, amounting to BAM 1,489,593.00

c. The funds referred to in section “a” of this Order shall be allocated to the following organizational and economic codes:

i. Organizational code 134 – Division for Social Welfare, economic code 614200 – grants to individuals, amounting to BAM 1,468,593.00, as additional funds for the payment of perquisites based on the Law on Social Welfare, amounting to BAM 576,896.00 and the payment of perquisites based on the Law on Childcare, amounting to BAM 892,697.00;

ii. Organizational code 134 – Division for Social Welfare, economic code 613900 – contracted services, amounting to BAM 400,000.00, as additional funds for refunding economic subjects for maternity leave;

iii. Organizational code 251 – earmarked reserves for payments based on court rulings and decisions, as well as payments based on court and out-of-court settlements, amounting to BAM 920,000.00

2. Reallocation of funds referred to in Paragraph 1 of this Order shall be allocated to Brcko District Government Departments and Institutions of Brcko District and shall be used in accordance with the Law on Budget of Brcko District.

3. Upon issuance of this Order, the Brcko District Finance Directorate shall take all necessary measures related to immediate implementation of the Decision. All public officials, civil servants and employees in the Brcko District shall take all necessary measures to ensure that this Order be executed in full.

4. Current representatives of the District Government and Financial Directorate are to bear full liability to ensure immediate and complete implementation of this Order.

5. District Government and Financial Directorate will take full responsibility regarding any unintentional omissions that implementation of this Order may cause and in such cases, shall provide adequate solutions for them.

6. Reports on implementation of this Order shall be forwarded to my Office.

7. This Order has immediate effect without further procedural steps.

8. For the avoidance of doubt, the provisions of this Order override all inconsistent legislation and legal acts to the extent necessary to give this Order full effect.

9. This Supervisory Order shall be published without delay in the Official Gazette of the Brcko District of Bosnia

and Herzegovina.

10. This Supervisory Order is published in both English and the official languages of Bosnia and Herzegovina. In the event of any inconsistency, the English language version is authoritative for all purposes.

Dr. Raffi Gregorian

Supervisor of Brcko District

Principal Deputy High Representative