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LAW ON PREVENTING THE CONFLICT OF INTEREST IN THE INSTITUTIONS AT THE LEVEL OF BOSNIA AND HERZEGOVINA

“Official Gazette of Bosnia and Herzegovina”, 18/24

NOTE: Once this Law has come into effect, the Law on Conflict of Interest in Governmental Institutions of BiH (“Official Gazette of BiH” Nos. 13/02, 16/02,14/03,12/04,63/08,18/12, 87/13 and 41/16) shall be repealed.

Pursuant to Article IV 4. a) of the Constitution of Bosnia and Herzegovina, at the 11th emergency session of the House of Representatives held on 8 March 2024, and at the 3rd emergency session of the House of Peoples held on 8 March 2024, the Parliamentary Assembly of Bosnia and Herzegovina adopted the following:

LAW
ON PREVENTING THE CONFLICT OF INTEREST IN THE
INSTITUTIONS AT THE LEVEL OF BOSNIA AND HERZEGOVINA

PART ONE

Article 1
(Scope of the Law)

The Law on Preventing the Conflict of Interest in the Institutions at the level of Bosnia and Herzegovina (hereinafter: the Law) shall govern the special obligations of public office holders at the BiH level in the exercise of public office, the obligation to submit and the content of their financial and property asset declarations, responsibility to implement the Law, establishment of the Conflict of Interest Commission for BiH-level institutions (hereinafter: the Commission), proceedings before the Commission, sanctions for violations of the law, including other issues of relevance for implementation of this Law.

Article 2
(Purpose of the Law)

The objective of the Law shall be to prevent the conflict of interest while exercising a public office, prevent private influence on decision-making in the exercise of a public office, strengthen integrity, objectivity, independence, impartiality and transparency in exercising a public office, prevent and counter corruption and strengthen public trust in the institutions at the level of Bosnia and Herzegovina.

Article 3
(Gender Sensitivity)

For the sake of clarity, the terms used in this Law shall pertain to both genders indiscriminately.

Article 4
(Definitions of Terms)

For the purpose of this Law:

- a) “*Holders of public office in the institutions at the level of Bosnia and Herzegovina*” (hereinafter: *public office holders*) shall mean an elected or appointed person, a manager in a BiH-level institution, a manager in a legal entity founded by a BiH-level institution, a manager in a legal entity exercising public powers, i.e. activities of public interest pursuant to the laws of Bosnia and Herzegovina, and any manager or person whose selection or appointment must be approved by the BiH Parliamentary Assembly, the BiH Presidency and the BiH Council of Ministers. The term *public office holder* shall also include a manager in a BiH-level institution, having the status of a civil servant/*Senior Executive Manager with a Special Assignment*, as well as a *Head of Cabinet* or an *Advisor* to an elected or appointed official or to a manager in a BiH-level institution, or to a manager in a legal entity founded by a BiH-level institution, to a manager in a legal entity exercising public powers, i.e. activities of public interest

pursuant to the laws of Bosnia and Herzegovina, and to managers or persons whose selection or appointment must be approved by the BiH Parliamentary Assembly, the BiH Presidency and the BiH Council of Ministers;

- b) "An authorized person" shall mean a person authorized to represent a company under the Memorandum of Association or another act of the company, including an entrepreneur or a physical person who independently performs an activity at the market for profit;
- c) "Close relative" means a wedded spouse or common-law spouse, child, mother, father, adoptive parent and adopted child of a public office holder;
- d) "Affiliated person" shall mean a close relative, a relative in direct line of descent, a relative in the lateral line of descent up to third degree, a relative-in-law to first degree or any other person who has close friendship, political, economic or business ties with a public office holder;
- e) "Capital investment" shall mean the investment of money, assets and rights in the ownership structure of a company;
- f) "Financial interest" shall mean any interest allowing a public office holder to receive money in the amount exceeding BAM 1,000 per year and any ownership interest corresponding to the value of at least BAM 10,000 in a company;
- g) "Personal interest" shall mean a pecuniary or non-pecuniary benefit for a public office holder or an affiliated person;
- h) "Gift" shall mean money, item, right or service given without adequate compensation or any other benefit given to a public office holder or an affiliated person in relation to the exercise of their public office;
- i) "Private company" shall mean any company established in accordance with law other than a public enterprise;
- j) "Public office" shall mean a job of an elected or appointed person, a manager in a BiH-level institution, a manager in a legal entity founded by a BiH-level institution, a manager in a legal entity exercising public powers, i.e. activities of public interest pursuant to the laws of Bosnia and Herzegovina, a manager or a person whose selection or appointment must be approved by the BiH Parliamentary Assembly, the BiH Presidency and BiH Council of Ministers, a manager in a BiH-level institution, having the status of a civil servant/secretary with a special assignment, as well as a Head of Cabinet or an Advisor referred to in sub-paragraph a) of this article.
- k) "A government body" shall mean a body of legislative or executive authority of Bosnia and Herzegovina, a body of legislative or executive authority of the Federation of Bosnia and Herzegovina, a body of legislative or executive authority of the Republika Srpska, a body of legislative or executive authority of the Brčko District of Bosnia and Herzegovina, a body of legislative or executive authority of the Cantons in the Federation of Bosnia and Herzegovina, City or Municipal Council, a City Mayor or Head of Municipality in the Federation of Bosnia and Herzegovina, a City or Municipal Assembly, a City Mayor or Head of Municipality in the Republika Srpska;
- l) "A personal favour" shall mean any action by which one party undertakes to do a certain task and the other party undertakes to provide for such task a pecuniary or non-pecuniary benefit or compensation, which does not arise from an employment contract;
- m) "An institution at the level of Bosnia and Herzegovina/a BiH-level institution" shall mean any institution at the level of Bosnia and Herzegovina established under the Constitution, a law of Bosnia and Herzegovina or other regulations;
- n) "Public enterprise" shall mean an enterprise established under the laws that regulate the establishment of public enterprises in Bosnia and Herzegovina;

- o) "Conflict of interest" shall mean any situation in which a public office holder has a private interest that as such affects, may affect or makes an impression that it affects the legality, transparency, impartiality and objectivity in the exercise of a public office.

PART TWO

CHAPTER ONE – OBLIGATIONS AND RESPONSIBILITIES

Article 5

(Obligations and Responsibilities of Public Office Holders)

- (1) In the exercise of a public office, a public office holder shall act lawfully, responsibly, impartially, conscientiously, honestly, honourably and efficiently, adhering to the principles of accountability, honesty, conscientiousness, transparency and credibility.
- (2) Public office holders shall be personally liable for their conduct while exercising the public office they are appointed or elected to, and accountable to the authority that appointed or elected them.
- (3) Public office holders shall act conscientiously and responsibly, comply with the laws and other regulations that set out the rights, duties and responsibilities relevant to the exercise of a public office.
- (4) When exercising a public office, public office holders must maintain their own credibility and the dignity of the public office they are entrusted to perform.
- (5) Public office holders must not place their private interest or the interest of affiliated persons above the public interest in the exercise of a public office.
- (6) Public office holders must not use the public office for their personal gain or the gain of persons affiliated with them.
- (7) In their capacity as public officials, public office holders shall act in the interest of citizens.
- (8) In exercising their public office, public office holders shall use the assets, a means for work and financial assets entrusted to them in an efficient manner and only for their intended purpose.
- (9) While holding a public office, public office holders shall receive salary and remuneration they are entitled to in accordance with the laws on salaries and remuneration of those employed in the institutions of Bosnia and Herzegovina and other regulations.

Article 6

(Incompatibility, Other Positions or Jobs)

- (1) Public office holders shall hold only one public office, unless otherwise stipulated by the Law and other regulations.
- (2) The provisions of paragraph (1) of this article shall refer to the prohibition of holding other public offices at any level of authority in Bosnia and Herzegovina, as defined in the laws regulating the matter at those levels of authority.

(3) While holding their public office that include the full-time working hours engagement, public office holders may not have another employment.

(4) Notwithstanding paragraph (3) of this article, public office holders may engage in scientific, educational, cultural, artistic and sports work and receive income from copyrights, patent rights, intellectual and industrial property rights, provided that the engagement in those activities does not lead to a conflict of interest.

(5) Serving on the management board, supervisory board, assembly, board of directors or management, or acting in the capacity of an authorised person in a public enterprise shall be incompatible with holding a public office.

(6) Membership in a standing or interim working body or a commission established by an institution at the level of Bosnia and Herzegovina shall not be considered as holding of two or more public offices.

Article 7 **(Incompatibilities Regarding a Private Company)**

(1) During their public office, public office holders may not be members of the assembly, supervisory board, board of directors or management, act in the capacity of an authorised person, or have any financial interest, including provision of personal services, in any private company which received any incentives or benefits from any government body, including loans, in the amount exceeding BAM 10,000 annually.

(2) Public office holders shall not be members of the assembly, supervisory board, board of directors or management, act in the capacity of an authorised person, or have a financial interest, including provision of personal services, in any private company which concludes contracts or otherwise does business with institutions and bodies financed from the budget of any level of authority in Bosnia and Herzegovina. This provision shall be applicable to private companies which conclude contracts or do businesses with institutions and bodies financed from the budget in the amount exceeding BAM 10,000 annually.

(3) Public office holders referred to in paragraphs (1) and (2) of this article shall not include a member of the assembly of a company, who owns less than 1 % of the capital.

Article 8 **(A Public Office Holder's Obligation to Resign)**

(1) Public office holders shall resign from each incompatible or prohibited office or position, no later than eight days after assuming a public office.

(2) In the event that the Commission finds that a public office holder holds another office or conducts activities contrary to Articles 6 and 7 of this Law, it shall order the public office holder to terminate such other office or activity within 15 days following the date of receiving the Commission's decision.

(3) If a public office holder fails to comply with the decision of the Commission referred to in paragraph (2) of this article within 15 days, the Commission shall initiate the proceedings to establish whether the provisions of this Law have been violated.

CHAPTER TWO – PROHIBITION

Article 9

(Actions Prohibited to Public Office Holders in Case of a Potential Conflict of Interest)

(1) Upon learning about a potential conflict of interest, a public office holder shall immediately notify the Commission of such situation in writing.

(2) A public office holder shall be prohibited to take any official action, take part in discussions, voting or deciding on a matter related to his or her personal or financial interest or of the affiliated persons.

(3) The prohibition referred to in paragraph (2) herein shall not be applicable to the discussions and voting on laws or other general legal enactments.

Article 10

(Duty of a Public Office Holder in Case of a Potential Conflict of Interest)

(1) The Commission shall send a reasoned opinion to the public office holder in response to the notification in writing referred to in Article 9, paragraph (1) of this Law, within eight days following the date of receiving the notification.

(2) Should the Commission find in its opinion, issued after the written notification by the public office holder, that there exists a conflict of interest referred to in this Law, the public office holder shall delegate the specific task to another legally authorised person and, in case there is no legally authorised person, it shall be decided by the public office holder's immediate supervisor.

Article 11

(Performing Duties in Non-Governmental Non-Profit Organisations)

(1) While in office, a public office holder may not perform the duties of an authorised person in an association or foundation established pursuant to the laws on associations and foundations, financed from the budget at any level of authority in Bosnia and Herzegovina, in the amount exceeding BAM 20,000 annually, or in the amount exceeding BAM 70,000 annually for sports associations or foundations.

(2) Notwithstanding paragraph (1) of this article, public office holders may hold an executive position in an association or a foundation, not financed from the budget at any level of authority in Bosnia and Herzegovina.

(3) A public office holder who is a member, president, director or a member of managing and supervisory body in an association or a foundation established pursuant to the laws on associations and foundations, shall not be allowed to receive any compensation for the work in

the bodies of such organisations, other than the compensation for travel and justified material expenses.

Article 12
(Engagement of Close Relatives)

A conflict of interest for a public office holder shall arise also from an engagement of close relatives in the situations defined under Articles 6, 7 and 11 of this Law.

Article 13
(Restrictions after the Termination of Public Office)

Within one year following the termination of the public office, public office holders may not:

- a) appear on behalf of the BiH-level institution in which they exercised their public office as a representative, agent of a legal entity or an entrepreneur for an organization which entered into or is establishing contractual or business relations with such institutions;
- b) perform managing or audit tasks in those legal entities in which the duties of the public office holder were connected with a supervisory or audit work;
- c) have contractual or other form of business cooperation with a BiH-level institution in which they held the public office;
- d) become employed, start a business cooperation with a legal entity, entrepreneur or organization that benefits from the decisions of the BiH-level institution in which the public office holders held their office;
- e) represent a legal or natural person before the BiH-level institution in which the public office holder, while holding the public office, participated in the decision-making;
- f) use confidential or other privileged information and notifications, the public office holders came to know while exercising their public office to gain benefits for himself or others or to cause harm to others, unless such information or notifications are available to public.

Article 14
(Prohibited Activities)

A public office holder shall be prohibited from:

- a) receiving or demanding a gift or any other benefit or promise of a gift or other benefit for the exercise of public office;
- b) receiving additional compensation for duties as part of holding the public office;
- c) demanding, accepting or receiving a gift or service to vote on any matter or to influence a decision of a body or a person;

d) promising and facilitating employment or any other entitlement in exchange for a gift or a promise of a gift;

e) denying inspection of their financial situation during the verification of the data contained in the financial and property asset declaration referred to in Article 16 of this Law;

f) influencing the award of business or public procurement contracts or engagement of a legal or natural person by a BiH-level institution where he/she performs the public office, or of any other legal person, by using the public office influence with the aim of obtaining pecuniary or non-pecuniary benefit for himself/herself, an affiliated person or any other person;

g) using confidential or other privileged information about the operations of state authorities for personal benefit or the benefit of an affiliated person;

h) using the position of a public office holder to influence legislative, executive or judicial authorities to obtain personal or financial benefit, a privilege, a right or conclude a legal transaction for himself/herself or an affiliated person.

Article 15 (Accepting Gifts)

(1) Gift is defined in accordance with Article 4, sub-paragraph h) of the Law. The value of the gift shall be equivalent to its market value.

(2) Public office holders may keep and need not report a gift the value of which does not exceed BAM 300.

(3) A gift, in terms of paragraph (2) of this article, shall also mean multiple gifts given by the same person in the course of one year. In the event that a public office holder receives multiple gifts from the same person in the course of one year, their total value must not exceed BAM 300.

(4) Public office holder shall not be allowed to keep a gift worth more than BAM 300 and shall report it and hand it over within three days of receiving it to a BiH-level institution which elected or appointed him/her and on behalf of which he exercises the entrusted public office.

(5) The BiH-level institution shall inform the Commission about the submitted gift within 15 days after receiving the gift.

(6) Public office holder may not receive money, cheque or other securities regardless of the amount.

(7) In case of any doubt as to the value of the gift, public office holders shall consult the Commission within three days after the day of receiving the gift.

(8) Accepting a gift, pursuant to this Law, shall also include accepting a gift by third parties on behalf of public office holders.

(9) The Commission shall adopt a Rulebook to define the procedure, manner of recording, handover and safekeeping of gifts received at the level of the institutions of Bosnia and Herzegovina.

(10) Within 90 days of the day when this Law enters into force, the Commission shall establish a central register of gifts received by public office holders in the institutions at the level of Bosnia and Herzegovina, in the exercise of their public offices.

(11) The central register of gifts received by public office holders in the institutions of Bosnia and Herzegovina shall be available on the official website of the Commission.

CHAPTER THREE – FINANCIAL AND PROPERTY ASSET DECLARATIONS

Article 16

(Public Office Holders' Duty to Submit the Declarations)

(1) Within 30 days after assuming a public office, public office holders shall submit to the Commission a declaration of financial status and property assets (hereinafter: the financial and property asset declarations), for themselves and their close relatives, showing the balance as at the day of appointment or election.

(2) Financial and property asset declaration shall include personal data of the public office holder and their close relatives, including the Citizen's Personal Identification Number (JMBG), information concerning the position held by the public office holder, and information about the following:

- a) the ownership right with regard to immovable property in the country and abroad;
- b) the ownership right with regard to movable property subject to registration with competent authorities in the country and abroad;
- c) the ownership right with regard to other movable property, the individual value of which exceeds BAM 7000 (valuables, collections, artworks, items, etc.);
- d) deposits in banks and other financial institutions in the country and abroad;
- e) stocks and shares in a legal entity and other securities;
- f) rights deriving from copyrights, patents and similar intellectual property rights;
- g) debts (principal amount, interest rates and payment deadline);
- h) source and amount of net income from the performance of the public office;
- i) receivables (principle amount, interest rates);
- j) source and amount of other net income;
- k) other activities and affairs he/she carries out in accordance with law;

- l) membership in the bodies of non-governmental, non-profit organisations;
- m) other information or evidence that a public office holder considers important for the implementation of this Law.

(3) Public office holders shall provide accurate and complete information in the financial and property asset declaration, in accordance with the market value of the property assets referred to in paragraph (2) of this article, as on the day of submitting the financial and property asset declaration.

(4) While holding the public office, the public office holder shall submit the following documents to the Commission:

- a) financial and property asset declaration once a year and not later than 31 March of the current year for the previous year;
- b) updated financial and property asset declaration, in response to a request filed by the Commission, in case of initiating the proceedings to establish whether this Law has been violated, within 30 days from the day of receiving the Commission's request.

(5) Within 30 days from the day of termination of a public office, the public office holder shall notify the Commission thereof and submit a financial and property asset declaration within one year following the termination of public office.

(6) The Commission shall adopt a Rulebook to regulate the manner of submission and the form for filing the financial and property asset declarations referred to in paragraphs (2) and (4) of this article.

(7) Within 90 days following the day when this Law enters into force, the Commission shall establish and maintain a Single register of property assets owned by public office holders in the BiH-level institutions to record therein the financial and property asset declarations made by the public office holders.

(8) Data from the Single Register of Public Office Holders' Property Assets that are made publicly available shall be published on the Commission's official website. In order to prevent any abuse, the personal data of the public office holders, their close relatives and affiliated persons shall be protected in line with the applicable regulations governing the personal data protection.

(9) In the event that the public office holders do not have access to information concerning the assets and income of their close relatives referred to in paragraph (1) of this article, or such information is considered a business secret by a certain employer, the public office holder shall submit to the Commission a statement regarding such circumstances, certified by a relevant administrative body.

Article 17

(Verification of Data from the Financial and Property Asset Declarations)

(1) The Commission shall verify the accuracy and completeness of the data contained in the financial and property asset declarations filed by public office holders.

(2) The Commission shall adopt a Rulebook on Collection and Verification of Data from Public Office Holders' Financial and Property Asset Declarations in order to prescribe the procedure for collection and verification of data.

(3) The institutions, bodies and legal entities shall cooperate with the Commission during the course of providing the requested data on the assets and income of public office holders to the institutions whose work is regulated by the bank laws, and shall confirm whether the bank account balance indicated for the specific date corresponds to the actual bank account balance recorded on that date, and whether the persons affected by the statement hold an unreported account or other financial product with the respective institution.

(4) The procedure to verify the data contained in the financial and property asset declaration shall not be open to public until the final and binding decision is made.

CHAPTER FOUR – COMMISSION TO DECIDE THE CONFLICTS OF INTEREST IN THE BIH-LEVEL INSTITUTIONS

Article 18 (Establishing the Commission)

(1) The Commission to Decide the Conflicts of Interest in the Institutions at the level of Bosnia and Herzegovina shall be established for the purpose of implementing this Law, with its head office situated in East Sarajevo (loc. Istočno Sarajevo).

(2) The Commission shall be a permanent and independent body established by the Parliamentary Assembly of Bosnia and Herzegovina, to carry out tasks that fall under its scope and competence set out under this Law.

(3) The Agency for Prevention of Corruption and Coordination of the Fight against Corruption (hereinafter: the Agency) shall ensure the execution of professional, administrative, material and financial operations for the Commission, as well as other necessary organisational and technical conditions to enable the Commission's work.

(4) The Commission shall be made of seven members appointed by the BiH Parliamentary Assembly. The Commission members shall be appointed based on their competence, reputation and expertise. In the appointment procedure, the Parliamentary Assembly of Bosnia and Herzegovina shall ensure that the composition of the Commission reflects the equal representation of Bosniaks, Croats and Serbs, as constituent peoples and one member from among the group of Others, in keeping with the BiH Constitution.

(5) Public office holders may not be appointed as Commission members.

(6) The Commission members shall be appointed in the manner and procedure set out in the Law on Ministerial, Council of Ministers and Other Appointments of BiH ("Official Gazette of BiH", 7/03).

Article 19 (Election Procedure for the Commission Members and Their Term of Office)

- (1) The Commission members shall be selected based on a public vacancy announcement.
- (2) The vacancy announcement procedure and short-listing of candidates shall be carried out by the Joint Committee for Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina.
- (3) The short list of successful candidates shall be decided by a two-third majority vote of members of the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly present and voting.
- (4) In the event that it is not possible to achieve the majority prescribed under paragraph (3) of this article, the decision concerning the short list of successful candidates shall be made by a majority vote of the members of the Joint Commission for Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina present and voting, with an effort to have at least one vote from among the opposition members.
- (5) The Commission members shall be appointed for a non-renewable term of office of five years.
- (6) The term of office for the Commission members shall commence on the day when their appointment decision enters into force.
- (7) Term of office for the Commission members shorter than two years and six months shall not be considered a term of office in terms of paragraph (5) of this article.

Article 20
(Duties of Commission Members)

- (1) Once appointed, a member of the Commission shall be required to submit and disclose his/her financial and property asset declaration on the official website of the Commission, pursuant to Article 16 of this Law.
- (2) The Commission members shall carry out the activities falling under their scope of responsibility and shall have the competences set forth by this Law
- (3) Any form of influence on the work of the Commission that might threaten the autonomy and independence of their decision-making process shall be strictly prohibited.

Article 21
(Funding and Seal of the Commission)

- (1) Funds for the Commission's operation shall be provided from the Budget of the Institutions of BiH and International Obligations of BiH, from the "AGENCIES" budget itemisation line.
- (2) The Commission shall have its seal in line with the regulations on the seal of the BiH Institutions.

Article 22
(Method of Work and Decision-Making)

- (1) The Commission shall adopt its decisions at the Commission sessions.
- (2) The Commission shall hold at least one session in a month.
- (3) Five Commission members shall constitute a quorum.
- (4) The Commission shall decide by a majority of votes from the total number of Commission members.
- (5) The decision about an initiative to dismiss from office and about the call for resignation shall be made by the Commission by consensus, and if no consensus has been reached, the Commission shall make the decision by a 2/3 majority of votes of the total number of Commission members.
- (6) The final decision of the Commission must be published on the Commission's website, unless otherwise stipulated by this Law.
- (7) In the event that a Commission member has unjustifiably failed to attend two sessions of the Commission, within 30 days the Parliamentary Assembly of Bosnia and Herzegovina shall institute the proceedings for his/her dismissal and shall appoint a new member within 60 days.
- (8) Within three days of the second unjustified absence, the Commission President shall notify thereof the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly for the purpose of initiating the dismissal proceedings and the appointment of a new Commission member, pursuant to Article 19 of this Law.

Article 23 **(Commission Competence)**

- (1) The Commission shall act in compliance with the Law and other regulations to ensure accountability and credibility of public office holders, with an aim of protecting the integrity of public office.
- (2) The Commission shall conduct the proceedings impartially, responsibly and objectively in order to establish whether the conflict of interest exists in specific actions or situations, and pronounce sanctions, in accordance with this Law.
- (3) The Commission shall adopt Rules of Procedure to regulate in greater detail the method of operations, convening its sessions and other matters of relevance for the work of the Commission.
- (4) The Commission shall establish, update and verify the Register of Public Office Holders (herein referred to as: the Register) and their property assets.
- (5) The Commission shall adopt a Rulebook on Keeping the Register in order to prescribe the rules on keeping the Register, the forms, and regulate other matters necessary for the functioning of the Register.

(6) The Commission shall issue a Rulebook on how to conduct the procedure for deciding on conflict of interest in the BiH-level institutions, and how to deliver their decisions.

(7) The Commission shall take a decision as to whether an action by or a situation involving a public office holder constitutes a violation of this Law and pronounce sanctions, in accordance with this Law, i.e. it shall take a decision as to whether an action or situation does not constitute a conflict of interest.

(8) For the purpose of implementing this Law, the Commission shall provide notifications or respond to the inquiries as requested by parties. The deadline to provide the notifications or respond to inquiries made by public office holders or other interested parties shall be 15 days of the day when such a request has been received.

(9) The Commission shall deliver trainings, presentations and keep the public office holders informed about their rights and responsibilities of relevance for preventing the conflict of interest and submitting the financial and property asset declarations, and otherwise promote the values of this Law.

CHAPTER FIVE- ELECTION OF THE COMMISSION

Article 24

(Requirements for Election of the Commission Members)

A candidate for a Commission member must meet the following requirements:

- a) be a citizen of Bosnia and Herzegovina. All citizens of the Federation of Bosnia and Herzegovina are also the citizens of Bosnia and Herzegovina;
- b) have a permanent residence in Bosnia and Herzegovina, in accordance with law ;
- c) have a law or other degree, higher education degree/VII level or higher education degree of the first, second or third cycle of the Bologna System of Education with a minimum of 240 ETCS credits;
- d) have a minimum of ten years of experience in the relevant field;
- e) come from the ranks of professionals with high moral standing, known and recognized for their efficiency, expertise and professional impartiality;
- f) have no prior criminal conviction or that no criminal proceedings are pending against them;
- g) is not a member of a political party and has not been a member of a political party for 5 years prior to applying for the position as the Commission member;
- h) five years prior to applying for the position as the Commission member has not served as a Member of Parliament (in any of the two chambers), BiH Council of Ministers,

government member at any level of authority in BiH, municipal assembly or city council member, City Mayor or Head of Municipality.

Article 25
(Election and Powers of the Commission President)

- (1) The President shall be elected from amongst the Commission members on the basis of rotation and in the order specified in the decision on the Commission appointment, for a term of eight months.
- (2) The President shall convene and chair the Commission sessions, sign the documents adopted at its sessions, ensure proper and efficient implementation of the Law, and carry out other tasks set out in the Law and the Commission's Rules of Procedure.
- (3) In case the President is prevented from chairing a Commission session or is absent, he/she shall be deputized by a Commission member authorised by the President in writing.
- (4) The BiH Parliamentary Assembly shall elect the first President of the Commission for the Commission's mandate period.
- (5) President of the Commission shall assign specific operational areas falling within the competence of the Commission to Commission members.

Article 26
(Termination of Office for the Commission Members)

- (1) The membership in the Commission shall cease before the end of the term of office, in case of death or removal from office.
- (2) The Commission members shall be removed in the following cases:
 - a) at their own request;
 - b) in case of a loss of legal capacity;
 - c) in case that the requirements referred to in Article 24 of this Law no longer exist;
 - d) in the event they have violated this Law.
 - e) if they fail to attend two Commission sessions without justification.
- (3) A decision to remove a Commission member shall be adopted by the Parliamentary Assembly of Bosnia and Herzegovina upon a proposal by the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly.
- (4) If a Commission member requests to be relieved of his/her duties, and the Parliamentary Assembly of Bosnia and Herzegovina fails to take a decision on such a request within three months following its submission, the Commission member's duty shall be terminated *ex lege* (by force of law) three months after the requested has been submitted.
- (5) Within 30 days following the termination of office for a Commission member, the Joint Committee on Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina shall initiate a procedure to advertise and shortlist the candidates for a new Commission member, for the remainder of the Commission's term, as referred to in Article 19, paragraph (5) of this Law.

Article 27
(Election of a New Commission Member)

(1) In the event that the Commission President's function has been terminated, the duty shall be assumed by the next Commission member in the line for rotation, as per rotation order referred to in Article 25, paragraph (1) of this Law.

(2) Within 30 days following the termination of office for a Commission member, the Joint Committee on Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina shall initiate the procedure for the election of a new Commission member.

(3) Six months before the end of term of office for Commission members, the Joint Committee on Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina shall initiate the procedure for the election of new Commission members.

(4) Before appointing new Commission members, the Parliamentary Assembly of Bosnia and Herzegovina shall issue a decision to remove the previous Commission members as soon as the conditions for their removal have been met.

(5) Should the Parliamentary Assembly of Bosnia and Herzegovina fail to issue the removal decision referred to in paragraph (4) of this article, the term of office for the previous Commission members shall be terminated *ex lege* (by force of law) on the effective date of the decision appointing new Commission members.

Article 28
(Remuneration for Commission Members)

Members of the Commission shall be entitled to a monthly remuneration for their work in the Commission, pursuant to Article 7, paragraph (1) of the Law on Salaries and Compensations in the BiH Institutions ("Official Gazette of BiH" Nos. 50/08, 35/09, 75/09, 32/12, 42/12, 50/12, 32/13, 87/13, 75/15, 88/15, 16/16, 94/16, 72/17, 25/18, 32/20, 65/22 and 59/22).

CHAPTER SIX –PROFESSIONAL, ADMINISTRATIVE AND TECHNICAL DUTIES

Article 29
(Commission's Department)

(1) A Department of the Commission to Decide the Conflicts of Interest (hereinafter referred to as: the Department of the Commission) in the Agency shall be assigned a duty to carry out the professional tasks falling within the competence of the Commission.

(2) The Rulebook on Internal Organization of the Agency shall regulate the internal organisation and the method of work of the Department of the Commission, job classification and job descriptions, the number of civil servants and employees, including the general and special requirements for job positions allocation.

(3) Regulations applicable to civil servants and employees shall be equally applicable to those employed in the Department of the Commission.

Article 30
(Administrative and Technical Duties of the Commission)

The Department of the Commission shall carry out the administrative and technical duties for the needs of the Commission.

CHAPTER SEVEN – PROCEDURE

Article 31
(Proceedings before the Commission)

(1) The Commission may initiate proceedings to establish whether this Law has been violated and impose sanctions:

- a) *ex officio*;
- b) at the request of a public office holder;
- c) at the request of a public office holder's immediate supervisor;
- d) based on the reported conflict of interest.

(2) The Commission may initiate *ex officio* proceedings based on a credible report and a well-founded suspicion about a potential violation of this Law.

(3) The person submitting the report referred to in paragraph (2) of this article shall be guaranteed anonymity, unless the person explicitly requests that such information be made available to the public office holder affected by the report.

(4) The Commission shall carry out the mandatory proceedings under its competence at the personal request of a public office holder.

(5) In the event that a public office holder suspects a potential conflict of interest, he/she may request in writing that the Commission issue an advisory opinion within eight days, which shall not be published. The advisory opinion shall also include the recommended measures to remove any potential conflict of interest that may exist. In the event that the existence of a conflict of interest has been established, the public office holder shall be given a deadline by the Commission to take measures and remove causes of the conflict of interest, where possible. Should the public office holder fail to remove them, or should they be impossible to be removed, the Commission shall initiate the proceedings in line with paragraph 1, sub-paragraph a) of this article.

(6) The Commission shall be required to conduct the proceedings referred to in paragraph (1) of this article within six months, whilst the deadline for initiating the proceedings for violations of this Law shall be four years.

(7) The Commission shall notify the public office holder of initiating the proceedings referred to in paragraph (1) of this article, within eight days.

(8) The Commission may summon the public office holder, an affiliated person and the person who filed the report leading to the initiation of the procedure of collecting information and request submission of necessary data in order to decide if a conflict of interest exists.

(9) The Commission shall request the public office holder against whom the proceedings referred to in paragraph (1) of this article have been initiated, to submit a statement in writing within 15 days after the day when such a request has been received.

(10) If the public office holder fails to submit a statement in writing, the Commission shall carry on with the proceedings pursuant to this Law.

(11) In the proceedings the Commission shall establish the facts and evidence regarding the existence or non-existence of the conflict of interest related to a public office holder by applying the provisions of this Law, the Law on Administrative Procedure (Official Gazette of BiH, 29/02, 12/04, 88/07, 93/09, 41/13 and 53/16) and the Commission's bylaws.

(12) The proceedings pending before the Commission shall be open for public, except the voting procedures, unless otherwise stipulated by the Law.

(13) The Commission shall be required to issue its decision no later than 30 days after finalising the establishment of facts and collection of evidence.

(14) In the event that there is well-founded suspicion that a public office holder has committed a criminal offence, the Commission shall inform the relevant prosecutors' office within eight days after the day of learning about such offence.

Article 32

(Conflict of Interest related to the Commission Members)

(1) As public office holders, the Commission members must adhere to this Law with the aim of preventing any conflict of interest in the exercise of their public office duties.

(2) Any conflict of interest related to the members of the Commission to Decide the Conflicts of Interest shall be decided by the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly, with the expert assistance provided by the Department of the Commission.

Article 33

(Application of the Law on Administrative Procedure)

The Law on Administrative Procedure shall be applicable to all matters which regulate the conduct of the procedure, which are otherwise not regulated by this Law.

Article 34

(Finality)

(1) Decisions of the Commission shall be final and no appeal shall be allowed to be filed against them; however, an administrative dispute may be initiated before the Court of Bosnia and Herzegovina.

(2) A lawsuit shall stay the enforcement of the Commission's decision.

(3) The proceedings before the Court of Bosnia and Herzegovina shall be considered urgent and the Court must decide on the lawsuit within 90 days.

CHAPTER EIGHT – SANCTIONS

Article 35 (Sanctions for Violating the Law)

(1) The Commission may impose the following sanctions against a public office holder for violating this Law:

- a) a reprimand;
- b) a fine in an amount between BAM 1,000 and 20,000;
- c) an initiative seeking his/her removal from office;
- d) a call for resignation.

(2) A reprimand is a written warning issued by the Commission to the public office holder on account of a violation of this Law in case when an action, responsibility or consequence have not affected the interest of the citizens or the performance of the public duty and if the violation is not of such a nature that would justify the imposition of sanctions referred to in paragraph 1), sub-paragraphs b), c) and d) of this article against the public office holder.

(3) The Commission shall impose a fine in the amount of BAM 1,000 for the violation of Article 8, paragraph (1), Article 9, paragraph (2), Article 15, paragraphs (4), (5) and (7) and Article 16, paragraphs (1), (4) and (5) of this Law.

(4) The Commission shall impose a fine in an amount ranging between BAM 2,000 and BAM 10,000 for the violation of Article 8 paragraph (2) and Article 17 paragraph (4) of this Law, as well as in the case when a public office holder or a responsible person fails to comply with the Commission's decision by the given deadline even after the sanction referred to in paragraph (3) of this Law has been pronounced.

(5) The Commission shall impose a fine in an amount ranging between BAM 5,000 and BAM 15,000 on a public office holder for violating Articles 6, 7, 9, 10, 11, 12, 13, 14, 15 and 16 of this Law.

(6) The Commission shall impose a fine in an amount ranging between BAM 10,000 and BAM 20,000 on a public office holder if in the declaration referred to in Article 16 of this Law they declare false information about the property assets and income with an intention of concealing the information about the property assets and income.

(7) In addition to the pronounced fine, depending on the gravity and consequence of the Law violation, the Commission may also launch an initiative for removal from office, referred to in paragraph (1) sub-paragraph c) of this article, against the public office holder who is not an elected person in a situation in which it has been established that he/she has violated Article 6 paragraph (1) and Articles 7, 10 and 14 and 16 of this Law.

(8) The Commission shall submit an initiative for removal from office against the public office holder, to the authority in charge of his/her appointment. The government authority responsible for the appointment of the public office holder shall inform the Commission about the measures taken with respect to the initiative for removal, within 30 days after the day of receiving the initiative.

(9) In addition to the pronounced fine, depending on the gravity and consequences of the Law violation, the Commission may also invite the appointed person to resign from the public office, in a situation when a violation of Article 6 paragraph (1) and Articles 7, 10, 14 and 16 of this Law has been established.

(10) The Commission shall impose a fine ranging in an amount between BAM 1,000 and BAM 10,000 on a responsible person in the institution, body or a legal person in case they have failed to provide the requested data about the property assets and income of the public office holder referred to in Article 17 paragraph (3) of this Law.

(11) In the event that a public office holder has continued with the violation of this Law even after being sanctioned by the Commission, the Commission may impose a fine in an amount of up to BAM 20,000.

(12) The fines prescribed under this Article shall be considered an income to the Budget of the BiH Institutions and shall be paid in line with the instructions issued by the BiH Ministry of Finance and Treasury.

Article 36 (Obligation of BiH Institutions)

All institutions at the level of Bosnia and Herzegovina shall be required to submit to the Commission the decisions on the appointment and removal of public office holders within 15 days after the date of appointment or removal.

Article 37 (Reporting Requirement)

The Commission shall submit a report on its work to the Parliamentary Assembly of Bosnia and Herzegovina once a year, but no later than 1 June of the current year, for the previous year.

PART THREE

Article 38 (Launching the Procedure for Appointment of the Commission Members)

(1) Within 30 days after the day when this Law enters into force, the Parliamentary Assembly of Bosnia and Herzegovina shall initiate the procedure of appointing the Commission members and shall complete it within 90 days from the day following the entry into force of this Law.

(2) All bylaws adopted on the basis of the Law on Conflict of Interest in Governmental Institutions of BiH ("Official Gazette of BiH" Nos. 13/02, 16/02, 14/03, 12/04, 63/08, 18/12,

87/13 and 41/16) shall remain in force until such time as the new bylaws have been adopted, provided that they are not in contradiction with this Law.

(3) The procedures initiated before the day when this Law enters into force shall be completed in accordance with the regulations that were in effect at the time of their initiation, if such course of action is more favourable for the party to the procedure.

Article 39
(Bylaws)

Within 90 days after the day when this Law enters into effect, the Commission shall adopt the bylaws prescribed by this Law with the approval of the Council of Ministers of BiH. Those bylaws shall be posted on the official website of the Commission.

Article 40
(Repealing Provision)

Once this Law has come into effect, the Law on Conflict of Interest in Governmental Institutions of BiH (“Official Gazette of BiH” Nos. 13/02, 16/02,14/03,12/04,63/08,18/12, 87/13 and 41/16) shall be repealed.

Article 41
(Entry into Force)

(1) This Law shall become effective on the eighth day following its publication in the Official Gazette of BiH, and shall become applicable six months after its entry into force.

(2) The delayed application of this Law shall not be valid for Article 38, paragraph (1) of this Law.

No.01,02-02-1-532/24

Date: 8 March 2024

Sarajevo

Speaker
House of Representatives
BiH Parliamentary Assembly
Marinko Čavara, *manu propria*

Speaker
House of Peoples
BiH Parliamentary Assembly
Kemal Ademović, *manu propria*