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## **Legal Department**



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

**“Official Gazette of the Federation of Bosnia and Herzegovina”,  
6/26**

**[NOTE: Law on the Budgets in the Federation of Bosnia and Herzegovina was published in the „Official Gazette of the Federation of Bosnia and Herzegovina“, 102/13.](#)**

Pursuant to Article IV.B.7.a)(IV) of the Constitution of the Federation of Bosnia and Herzegovina, I have hereby enacted the following

**DECREE**  
**TO PROMULGATE THE LAW ON AMENDMENTS TO THE LAW ON BUDGETS IN**  
**THE FEDERATION OF BOSNIA AND HERZEGOVINA**

The Law on Amendments to the Law on Budgets in the Federation of Bosnia and Herzegovina, adopted by the Parliament of the Federation of Bosnia and Herzegovina at the session of the House of Representatives on 19 and 20 January 2026, and at the session of the House of Peoples on 23 January 2026, has hereby been promulgated.

No. 01-02-1-34-01/26  
23 January 2026  
Sarajevo

President  
**Lidija Bradara**, *manu propria*

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

**Article 1**

In the Law on Budgets in the Federation of Bosnia and Herzegovina (“Official Gazette of the Federation of BiH”, Nos. 102/13, 9/14, 13/14, 8/15, 91/15, 102/15, 104/16, 5/18, 11/19, 99/19, 25a/22 & 7/25), in Article 2, under paragraph (1), sub-paragraphs 55 and 58 shall be amended to read as follows:

“55. *Extrabudgetary beneficiaries*, for the purpose of this Law, shall mean business companies, organizations, institutions, or other legal entities in which the Federation, cantons, cities, or municipalities exercise decisive influence over management, and which are classified according to the rules of the EU statistical methodology within the general government sector, but are not regarded as budget beneficiaries.

“58. *Borrowing* shall mean the creation of a financial liability under a loan/credit agreement, financial lease, or issuance of securities.”

**Article 2**

In Article 41, paragraph (1), sub-paragraph 5, the word: “funds”, shall be replaced with the word: “beneficiaries”.

### **Article 3**

In Article 52, paragraph (2), the word: “fund” shall be replaced with the word: “beneficiary”.

### **Article 4**

Article 60, paragraph (1) shall be amended to read as follows:

"(1) Current reserve funds planned in the budget shall be used for unforeseen purposes for which no funds have been planned in the budget, or for purposes for which the initially planned funds prove to be insufficient during the course of the year, because they could not be foreseen during the budget planning phase, and in other cases as decided by the Government."

### **Article 5**

Article 67, paragraph (1) shall be amended to read as follows:

“(1) The Federation, canton, city and municipality may borrow and issue guarantees for the purposes, in the manner, under the conditions, and to the extent prescribed by the Law on Debt, Borrowing and Guarantees in the Federation of Bosnia and Herzegovina.”

A new paragraph (2) shall be added after paragraph (1), to read as follows:

“(2) Extrabudgetary beneficiaries may borrow under the terms and conditions prescribed by the Law on Debt, Borrowing and Guarantees in the Federation of Bosnia and Herzegovina, in accordance with the regulations governing their operations.”

The current paragraph (4) shall become paragraph (5) and shall be amended to read as follows:

“(5) The provisions of paragraphs (3) and (4) of this Article shall apply *mutatis mutandis* to cantons, cities, municipalities and extrabudgetary beneficiaries.”

The current paragraphs (2), (3) and (4) shall become paragraphs (3), (4) and (5).

### **Article 6**

Article 68 shall be amended to read as follows:

#### **“Article 68**

(1) The Law on the Execution of the Budget of the Federation shall determine:

- the amount of new borrowing by the Federation, as well as the liabilities arising from the current repayments of the Federation debt;
- the total amount of borrowing for all extrabudgetary beneficiaries of the Federation, as well as the total amount of principal repayments of their debt.

(2) The annual amount of borrowing by all extrabudgetary beneficiaries of the Federation shall not exceed the total amount of borrowing determined by the Law on the Execution of the Budget of the Federation.”

#### **Article 7**

In Article 69, paragraph (2) shall be amended to read as follows:

“(2) Short-term debt incurred to finance the budget deficit arising from the cash flow must be repaid within the fiscal year in which the borrowing occurred, and at no time during that fiscal year shall it exceed 15% of the regular budget revenues generated in the preceding fiscal year.”

A new paragraph (3) shall be added after paragraph (2), to read as follows:

“(3) Short-term debt incurred to finance the budget deficit arising from the cash flow shall not be considered outstanding and shall not be included for the purposes of determining the restrictions with regard to borrowing and issuing guarantees.”

#### **Article 8**

In Article 76, under paragraph (4), after the word: “expenditures”, the words: “and outlays” shall be added.

#### **Article 9**

This Law shall enter into force on the day following the date of its publication in the “Official Gazette of the Federation of BiH”.

Speaker  
of the House of Representatives  
of the Parliament of the Federation of BiH  
**Dragan Mioković**, *manu propria*

Speaker  
of the House of Peoples  
of the Parliament of the Federation of BiH  
**Tomislav Martinović**, *manu propria*

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