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EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
(VENICE COMMISSION)

BOSNIA AND HERZEGOVINA

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

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PART ONE

Article 1
(Subject matter)

The Law on Preventing the Conflict of Interest in the Institutions at the level of Bosnia and Herzegovina (hereinafter: the Law) governs 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 asset declarations, responsibility to implement the Law, establishment of the Conflict of Interest Commission for BiH level institutions (hereinafter: the Commission), procedure before the Commission, sanctions for violating the Law, and other issues of relevance for implementing this Law.

Article 2
(Purpose of the Law)

The purpose of the Law is 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 pertain to both genders indiscriminately.

Article 4
(Definitions)

For the purpose of this Law:

- a) "Holder of a public office" in the institutions at the level of Bosnia and Herzegovina" (hereinafter: "public office holder" means 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, BiH Presidency and BiH Council of Ministers. The term public office holder also includes 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 an office or an advisor to an elected or appointed person or 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, BiH Presidency and BiH Council of Ministers;
- b) "Authorized person" means 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) "Connected person" means 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 up to second degree or any other person who has a close friendship, political, economic or business ties with a public office holder;
- e) "Capital investment" means the investment of money, assets and rights in the ownership structure of a company;
- f) "Financial interest" means 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" means a pecuniary and non-pecuniary benefit for a public office holder or a connected person;
- h) "Gift" means money, item, right and service given without adequate compensation and any other benefit given to a public office holder or a connected person in relation to the exercise of their public office;
- i) "Private company" means any company registered in accordance with law other than a public enterprise;
- j) "Public office" means a job of an elected or appointed person, a manager in a BiH-level institution, a manager in legal entity founded by a BiH-level institution, a manager in 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 an office or an advisor referred to in item a) of this Article.
- k) "A government body" means 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 Brcko 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 or Municipal Mayor in the Federation of Bosnia and Herzegovina, a City or Municipal Assembly, a City or Municipal Mayor in the Republika Srpska;
- l) "A personal favour" means 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" means 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" means an enterprise established under the laws that regulate the establishment of public enterprises in Bosnia and Herzegovina
- o) "Conflict of interest" means any situation in which a public office holder has a private interest, that as such affects, may affect or creates an impression that it affects the lawfulness, transparency, impartiality and objectivity in the exercise of a public office.

PART TWO

CHAPTER I - OBLIGATIONS AND RESPONSIBILITIES

Article 5 (Obligations and responsibilities of public office holders)

- (1) In the exercise of a public office, public office holder must act lawfully, responsibly, impartially, conscientiously, honestly, honourably and efficiently, adhering to the principles of accountability, honesty, conscientiousness, transparency and credibility.
- (2) Public office holder are 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 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 connected 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 connected to them.
- (7) Public office holders, as public figures, act in the interest of citizens.
- (8) In exercising their public office, public office holders must 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 receive salary and remuneration they are entitled to, in accordance with the laws on salaries and remuneration of employees in the institutions of Bosnia and Herzegovina and other regulations.

Article 6

(Incompatibility, other positions or jobs)

- (1) Public office holders hold only one public office, unless otherwise stipulated by the Law and other regulations
- (2) Paragraph (1) of this Article refers 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 includes the full-time working hours, 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 sport 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 is 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 is not considered as holding 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 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 cannot be members of 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 is applicable to private companies which conclude contracts or do business 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 do not include a member of the assembly of a company who owns less than 1% of the capital.

Article 8
(Public office holder's obligation to resign)

- (1) Public office holders must resign from each incompatible or prohibited office or position, no later than eight days after assuming a public office.
- (2) If the Commission finds that a public office holder holds another office or conducts activities contrary to Articles 6 and 7 of this Law, it orders 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 Commission's decision referred to in paragraph (2) of this Article, within 15 days the Commission initiates the proceedings to establish whether the provisions of this Law have been violated.

CHAPTER II - 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 immediately notifies the Commission of such situation in writing.
- (2) A public office holder is 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 connected persons.
- (3) The prohibition referred to in paragraph (2) herein does not apply 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 sends 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) If the Commission finds 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 must delegate the specific task to another legally authorised person and, in case there is no legally authorised person, it is to 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, cannot receive 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 arises also from an engagement of close relatives in a situation defined under Articles 6, 7 and 11 of this Law.

Article 13
(Restrictions after termination of public office)

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

- a) Appear before the BiH-level institution in which they exercised their public office as a representative, agent for a legal entity or an entrepreneur for an organization which entered into or is establishing contractual or business relations with such institution;
- 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 in the institutions at the level of Bosnia and Herzegovina is 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 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 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, a connected person or any other person;
- g) Using confidential or other privileged information about the operations of state bodies for personal benefit or the benefit of a connected 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 a connected person.

Article 15
(Accepting gifts)

- (1) Gift is defined in accordance with Article 4, item h) of the Law. The value of the gift is 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 also means multiple gifts given by the same person in the course of one year. If 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) A public office holder cannot keep a gift worth more than BAM 300 and must 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/she exercises the public office.
- (5) The BiH-level institution must inform the Commission about the submitted gift within 15 days from receiving the gift.
- (6) Public office holder may not receive money, cheque or other securities regardless of the amount.
- (7) If case of any doubt as to the value of the gift, public office holders must consult the Commission within three days after the day of receiving the gift.
- (8) Accepting a gift, pursuant to this Law, also includes accepting a gift by a third person on behalf of public office holders.
- (9) The Commission adopts 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 from the day when this Law becomes applicable, the Commission sets up a Central Register of Gifts received by public office holders in the institutions at the level of Bosnia and Herzegovina during the exercise of their public offices.
- (11) The Central Register of Gifts received by public office holders in the institutions at the level of Bosnia and Herzegovina is made available on the Commission's official website.

CHAPTER III - ASSET DECLARATIONS

Article 16
(Public office holders' duty to declare financial status and assets)

- (1) Within 30 days from assuming a public office, public office holders must submit to the Commission a report on their financial status and assets (hereinafter: asset declarations) for themselves and their close relatives, showing the balance as at the day of appointment or election.
- (2) Asset declaration includes the personal data of public office holders and their close relatives, including Unique Personal Identification Number (*orig.*: JMB), information concerning the position held by public office holders, and the following information:
 - a) Ownership of immovable property in the country and abroad;
 - b) Ownership of movable property subject to registration with competent authorities in the country and abroad;
 - c) Ownership of other movable property, the individual value of which exceeds BAM 5,000 (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 repayment 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 must disclose accurate and complete information in the asset declaration, in accordance with the market value of the assets referred to in paragraph (2) of this Article, as on the day of submitting the asset declaration.
- (4) While holding their public office, public office holders must submit the following documents to the Commission:
- a) Asset declaration once a year and not later than 31 March of the current year for the previous year;
 - b) Updated asset declaration when requested 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 terminating a public office, the public office holder notifies the Commission thereof and submits an asset declaration within one year following the termination of public office.
- (6) The Commission adopts a Rulebook to regulate the manner of submission and the form for filing asset declaration referred to in paragraphs (2) and (4) of this Article.
- (7) Within 90 days following the day when this Law becomes applicable, the Commission sets up and maintains a Public Register of assets owned by public office holders in the institutions at the level of Bosnia and Herzegovina, to record therein the asset declarations by the public office holders.
- (8) Data from the Public Register of assets owned by public office holders in the institutions at the level of Bosnia and Herzegovina, are published on the Commission's official website. In order to prevent abuse, personal data of public office holders, their close relatives and connected persons are protected in line with applicable regulations governing the personal data protection.
- (9) If public office holders do not have access to information on 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 must submit to the Commission a statement regarding such circumstances, certified by a relevant administrative body.

Article 17

(Verification of data from asset declarations)

- (1) The Commission verifies the accuracy and completeness of the data contained in the asset declarations filed by public office holders.
- (2) The Commission prescribes the procedure for collecting and verifying the data through a Rulebook on Collection and Verification of Data from Public Office Holders' Asset Declarations.
- (3) The institutions, bodies and legal entities cooperate with the Commission during the course of providing the data on assets and income of public office holders, the institutions whose work is regulated by the bank laws, and confirm whether the account balance on a specific date corresponds to the actual account balance on that date, and whether the persons covered 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 asset declaration is not open to public until the final and binding decision is made.

CHAPTER IV - COMMISSION FOR DECIDING CONFLICTS OF INTEREST IN THE INSTITUTIONS AT THE LEVEL OF BOSNIA AND HERZEGOVINA

Article 18

(Establishing the Commission)

- (1) Commission for Deciding Conflicts of Interest in the Institutions at the level of Bosnia and Herzegovina is established for the purpose of implementing this Law, with seat in Istočno Sarajevo (*Eng*: East Sarajevo).

(2) The Commission is 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 in this Law.

(3) Agency for Prevention of Corruption and Coordination of the Fight against Corruption (hereinafter: the Agency) ensures 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 comprises seven members appointed by the BiH Parliamentary Assembly. The Commission members are appointed based on their competence, reputation and expertise. In the appointment procedure, the Parliamentary Assembly of Bosnia and Herzegovina ensures that the composition of the Commission reflects the equal representation of Bosniaks, Croats and Serbs, as constituent peoples and one member of Others, in keeping with the BiH Constitution.

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

(6) Commission members are 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

(Selection procedure for Commission members and their term of office)

(1) Commission members are selected based on a public vacancy announcement.

(2) Vacancy announcement procedure and short-listing of candidates is carried out by the Joint Committee for Administrative Affairs of the Parliamentary Assembly of Bosnia and Herzegovina.

(3) The short list of successful candidates is 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 ensure the majority prescribed under paragraph (3) of this Article, the decision on the short list of successful candidates is 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. An effort will be made to ensure that at least one vote is from among the opposition members.

(5) Commission members are appointed for a non-renewable term of five years.

(6) The term of office for Commission members commences 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 is not considered a term of office in terms of paragraph (5) of this Article.

Article 20

(Duties of Commission members)

(1) Once appointment, a member of the Commission must submit and publish his/her asset declaration on the official website of the Commission, pursuant to Article 16 of this Law.

(2) The Commission members carry out activities falling under their scope of responsibility and 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 is prohibited.

Article 21

(Funding and seal of the Commission)

(1) Funds for the Commission's operation are provided from the Budget of the Institutions of BiH and international obligations of BiH, from the "AGENCIES" budget itemization line.

(2) The Commission has 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 adopts its decisions at the Commission sessions.
- (2) The Commission must hold at least one session a month.
- (3) Five Commission members constitute a quorum.
- (4) The Commission decides by a majority of votes from the total number of Commission members.
- (5) The Commission decides by consensus on an initiative to dismiss and to call for resignation. If no consensus can be reached, the Commission decides 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 stipulated otherwise by this Law.
- (7) If a Commission member unjustifiably fails to attend two sessions of the Commission, within 30 days the Parliamentary Assembly of Bosnia and Herzegovina institutes proceedings for his/her dismissal and appoints a new member within 60 days.
- (8) Within three days of the second unjustified absence, the Commission President notifies thereof the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly for the purpose of initiating dismissal procedure and appointment of a new Commission member, pursuant to Article 19 of this Law.

Article 23
(Commission competence)

- (1) The Commission acts in compliance with the Law and other regulations to ensure accountability and credibility of public office holders, with an aim to protect the integrity of public office.
- (2) The Commission acts impartially, responsibly and objectively in conducting the proceedings to establish whether the conflict of interest exists in specific actions or situations, and pronounces sanctions, in accordance with this Law.
- (3) The Commission adopts Rules of Procedure to regulate in greater detail the method of operations, convening its sessions and other matters of relevance to the work of the Commission.
- (4) The Commission sets up, updates and verifies the Register of Public Office Holders (herein referred to as: the Register) and their assets.
- (5) The Commission adopts a Rulebook to prescribe the rules on keeping the Register, the forms and regulate other matters necessary for Register to function.
- (6) The Commission adopts 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 decides on 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 decides that an action or a situation does not constitute a conflict of interest.
- (8) For the purpose of implementing this Law, the Commission provides notifications or responds to inquiries by parties. The deadline to provide notifications or respond to inquiries made by public office holders or other interested parties is 15 days from the day when such a request is received.
- (9) Commission delivers trainings, presentations and keep the public office holders informed about their rights and responsibilities of relevance for preventing the conflict of interest and submitting asset declarations, and otherwise promote the values of this Law.

CHAPTER V - SELECTION OF THE COMMISSION

Article 24

(Requirements for selecting 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 and the Republika Srpska 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 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 five 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, BiH Council of Ministers, government at any level of authority in BiH, municipal assembly or city council, city or municipal mayor.

Article 25

(Selection and powers of the Commission President)

- (1) The President is selected 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 convenes and chairs the Commission sessions, signs documents adopted at Commission sessions, ensures proper and efficient implementation of the Law, and performs other tasks set out in the Law and Commission's Rules of Procedure.
- (3) In case the President is prevented from chairing a Commission session or is absent he/she is deputized by a Commission member authorised by the President in writing.
- (4) The Parliamentary Assembly of BiH selects the first President of the Commission for the Commission's mandate period.
- (5) President of the Commission assigns specific operational areas that fall under the competence of the Commission to Commission members.

Article 26

(Termination of office for Commission members)

- (1) The membership in the Commission ceases before the end of the term of office, in case of death or removal from office.
- (2) Commission members are removed in the following cases:
 - a) At their own request;
 - b) In case of loss of legal capacity;
 - c) If the requirements for selection referred to in Article 24 of this Law no longer exist;
 - d) If they violate this Law.
 - e) If they fail to attend two Commission sessions without justification.
- (3) A decision to remove a Commission member is 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 request within three months

following its submission, the Commission member's duty is terminated *ex lege* (by force of law) three months after the submission of the request.

(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 initiates a procedure to advertise and shortlist the candidates for a new Commission member, for the remainder of the Commission's term, referred to in Article 19, paragraph (5) of this Law.

Article 27

(Selection of a new Commission member)

(1) In the event that the Commission President's function is terminated, the duty is assumed by the next Commission member in line for the 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 initiates the procedure for the selection of a new Commission member.

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

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

(5) Should the Parliamentary Assembly of Bosnia and Herzegovina fail to issue the decision on dismissal referred to in paragraph (4) of this Article, the term of office for the previous Commission members is 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 are 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, 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 VI - PROFESSIONAL, ADMINISTRATIVE AND TECHNICAL TASKS

Article 29

(Commission's Department)

(1) A Department of the Commission for Deciding on Conflict of Interest (hereinafter referred to as: the Department of the Commission) in the Agency carries out professional tasks falling within the competence of the Commission.

(2) Rulebook on Internal Organization of the Agency regulates 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, and general and special requirements for job allocation.

(3) Regulations applicable to civil servants and employees are 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 carries out administrative and technical duties for the needs of the Commission.

CHAPTER - VII 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 report alleging conflict of interest.

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

(3) The person submitting the report referred to in paragraph (2) of this Article is 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 must carry out proceedings under its competence at the personal request of a public office holder.

(5) If a public office holder suspects a potential conflict of interest, he/she may request in writing that the Commission issues an advisory opinion within eight days which is not published. Advisory opinion also includes the recommendations of measures to remove any conflict of interest that may exist. In case a conflict of interest is found to exist, the public office holder is 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 initiates the proceeding in line with Paragraph 1, Item a) of this Article.

(6) The Commission must 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 is four years.

(7) The Commission must 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, a connected person and the person who filed the report that led to the procedure of collecting information and request submission of necessary data in order to decide if a conflict of interest exists.

(9) The Commission requests 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 following the day when such a request has been received.

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

(11) In the proceedings, the Commission establishes the facts and evidence regarding the existence or non-existence of the conflict of interest related to a public office holder by applying 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 Commission's bylaws.

(12) Proceedings before the Commission are open for public, except the voting procedures, or when otherwise stipulated by the Law.

(13) The Commission issues its decision no later than 30 days after finalizing the procedure of collecting facts and establishing evidence.

(14) In case there is grounds for suspicion that a public office holder committed a criminal offence, the Commission informs the relevant prosecutor's office within eight days after the day of finding out.

Article 32
(Conflict of interest of the Commission members)

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

(2) Any conflict of interest of the members of the Commission for Conflict of Interest in the institutions at the level of Bosnia and Herzegovina is decided by the Joint Committee for Administrative Affairs of the BiH Parliamentary Assembly, with the professional assistance provided by the Department of the Commission.

Article 33
(Application of the Law on Administrative Procedure)

The Law on Administrative Procedure applies to all matters which regulate the conduct of the procedure, not regulated by this Law.

Article 34
(Finality)

(1) Decisions of the Commission are final and no appeal lies against them. However, an administrative dispute may be initiated before the Court of Bosnia and Herzegovina.

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

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

CHAPTER - VIII 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 the amount between BAM 1,000 and 20,000;
- c) An initiative seeking removal from office;
- d) A call for resignation.

(2) A reprimand is a written warning issued by the Commission to the public office holder for violating this Law if an action, responsibility or consequence have not affected the interest of the public or the performance of the public duty and if the violation is not of such nature that would justify the imposition of sanctions referred to in paragraph 1), items b), c) and d) of this Article against the public office holder.

(3) The Commission imposes 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 imposes a fine 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 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 imposes a fine ranging between BAM 5,000 and BAM 15,000 against a public office holder for violating Articles 6, 7, 9, 10, 11, 12, 13, 14, 15 and 16 of this Law.

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

(7) In addition to the imposed 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) item 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 submits an initiative for removal from office against the public office holder to the authority in charge of his/her appointment. Governmental authority responsible for the appointment of the public office holder must 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 imposed fine, depending on the gravity and consequence 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 found.

(10) The Commission imposes a fine ranging between BAM 1,000 and BAM 10,000 against a responsible person in the institution, an authority or a legal person in case they fail to provide the requested data on assets and income of the public office holder referred to in Article 17 paragraph (3) of this Law.

(11) If a public office holder continues violating this Law 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 are considered a revenue for the Budget of the BiH Institutions and are paid in line with the instruction issued by the BiH Ministry of Finance and Treasury.

Article 36 (Obligation of BiH Institutions)

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

Article 37 (Commission's work report)

The Commission submits a report on its work to the Parliamentary Assembly of Bosnia and Herzegovina once a year, no later than 01 June of the current year, for the previous year.

PART THREE

Article 38 (Launching the procedure for appointing Commission members)

(1) Within 30 days after the day when this Law enters into force, the Parliamentary Assembly of Bosnia and Herzegovina initiates the procedure to appoint the Commission members and completes it within 90 days from the day when this Law enters into force.

(2) All bylaws adopted on the basis of the Law on Conflict of Interest in Governmental Institutions of BiH (Official Gazette of BiH, 13/02, 16/02, 14/03, 12/04, 63/08, 18/12, 87/13 and 41/16) remain in force until the adoption of new bylaws, provided that they are not in contradiction with this Law.

(3) Procedures initiated before the day when this Law becomes applicable will be completed in accordance with regulations 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 from the day when this Law becomes applicable, the Commission adopts bylaws prescribed by this Law upon the approval of the BiH Council of Ministers. Bylaws are published on the official website of the Commission.

Article 40
(Repeal)

Once this Law becomes applicable, the Law on Conflict of Interest in Governmental Institutions of BiH (Official Gazette of BiH, 13/02, 16/02, 14/03, 12/04, 63/08, 18/12, 87/13 and 41/16) is repealed.

Article 41
(Entry into force and application)

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

(2) The delayed application of this Law does not apply to Article 38, paragraph (1) of this Law.

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08 March 2024
Sarajevo

Speaker of the House of Representatives of the
Parliamentary Assembly of BiH
Marinko Cavara

Speaker of the House of Peoples of
Parliamentary Assembly of BiH
Kemal Ademovic