

BOSNA I HERCEGOVINA  
MINISTARSTVO FINANCIJA/  
FINANSIJA I TREZORA



БОСНА И ХЕРЦЕГОВИНА  
МИНИСТАРСТВО ФИНАНСИЈА  
И ТРЕЗОРА

BOSNIA AND HERZEGOVINA  
MINISTRY OF FINANCE  
AND TREASURY

# BUDGET FOR CITIZENS

of the institutions of Bosnia and Herzegovina and  
international obligations of Bosnia and Herzegovina

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2023



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CITIZENS**

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**Publisher:**

Ministry of Finance and Treasury of Bosnia and Herzegovina

**For the publisher:**

Ministry of Finance and Treasury of Bosnia and Herzegovina

**Design and computer preparation:**

OPTIGRAF d.o.o. Sarajevo

**Print:**

OPTIGRAF d.o.o. Sarajevo

**For the printing press:**

Nenad Petrović

## CONTENT

Introductory speech of the Minister.....	5
Budget for Citizens.....	6
Jurisdictions of institutions of Bosnia and Herzegovina.....	8
Legal framework.....	8
Budget calendar and budget process.....	9
Macroeconomic projections and forecasts.....	10
Revenues.....	12
Expenses.....	14
Expenses by COFOG classification .....	15
Institutions of Bosnia and Herzegovina and their budget for 2023.....	16
Biggest budget beneficiaries.....	20
Budget dictionary.....	32
Questions, comments and suggestions.....	33

### BUDGET FOR CITIZENS

of the institutions of Bosnia and Herzegovina and  
international obligations of Bosnia and Herzegovina

2023



**Dear citizens,**

The Ministry of Finance and Treasury of Bosnia and Herzegovina continues its activities on improving budget transparency, which includes the preparation and publication of the Budget for Citizens. In this regard, the publication "Budget for Citizens of BiH institutions and international obligations of BiH for 2023" was prepared as an illustrated guide to clearly and simply show how money is collected and spent from the Budget of BiH institutions and international obligations of BiH.

Our wish is that, by continuing this activity, we will become even more open and responsible towards citizens in terms of planning, managing and using the financial resources of BiH institutions.

The purpose of this document is to provide the public with a better insight and understanding of how institutions at the state level plan, allocate and spend public funds from the budget. Bearing in mind that the money in the budget comes from taxpayers, it is our obligation to use it in the best interest of all citizens of Bosnia and Herzegovina and to present clear and comprehensible data on the sources of the collected funds and how they are spent.

This document is intended for everyone who wants to be informed about the plans of individual institutions of BiH, as well as for all those who want to monitor how money is spent to achieve set goals.

The Budget for Citizens for the year 2023 includes an abbreviated review of the budgets of six more institutions of Bosnia and Herzegovina (the publications for 2020 and 2022 included the budgets of six different institutions) with the aim of further familiarizing the public with the competences of the institutions of BiH.

I sincerely hope that this document will provide answers to key questions regarding the budget of BiH institutions and international obligations of BiH, but also encourage as many actors as possible to express their opinions and suggestions, which will be the basis for the preparation of the Budget for Citizens in the upcoming period.

We are open to citizens more significantly participating in the budget process to prepare future publications of the "Budget for Citizens", despite the constitutional limitations in the budget structure of BiH institutions. We want to create a more accessible and comprehensible budget, as this is also one of the starting points for improving the management of public finances.

We look forward to the cooperation in the upcoming period.

Best regards,

**Minister**

**Zoran Tegeltija, PhD**



# BUDGET FOR CITIZENS

of the institutions of Bosnia and Herzegovina and  
international obligations of Bosnia and Herzegovina

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2023

**T**he money that government institutions at all levels dispose of in their **budgets** is the money of the citizens. Government revenues come from citizens through taxes and payment of various fees and charges. In addition, revenues come from **concessions** for the use of resources that are part of the common heritage and therefore belong to all citizens. Even when revenue comes from credits, the citizens will ultimately have to repay them. Government institutions are responsible for funds within the budget and decide on behalf of the citizens about the allocation of collected funds for various purposes.

Bearing in mind that the budget is also a reflection of **public policies**, it becomes clear why in countries with a developed democratic culture there is significant public interest in numerous matters concerning the budget. Citizens want to know and decide how their money will be spent. The basic prerequisite for citizens to participate in the budget decision-making process is how well they are informed. Accordingly, it is the task of the authorities to ensure the publicity of the work and to provide information on all important issues in the process of creating, adopting and executing the budget.

The **Budget for Citizens** is a document that summarizes and clarifies basic information concerning the budget. It is a report, presented in an accessible format, which uses simple and clear language that citizens can understand. If they are able to understand, citizens can then exercise their civil rights in a democracy – they can ask questions that ensure that the government explains what it is doing on their behalf.



### **Budget**

an act predicting all revenues and expenses in one year.

### **Concession**

permit of the authorities given to legal or natural persons to perform a certain activity under predetermined conditions.

### **Public policy**

plan or course of action of government institutions.

### **Budget for Citizens**

simplified and illustrated presentation of specific parts of the official Budget.

## Jurisdictions of institutions of Bosnia and Herzegovina

According to Article III of the **Constitution** of Bosnia and Herzegovina, the following tasks are under the jurisdiction of the institutions of Bosnia and Herzegovina:

- a) Foreign policy,
- b) Foreign trade policy,
- c) customs policy,
- d) monetary policy,
- e) Financing of institutions and international obligations of Bosnia and Herzegovina,
- f) Policy and regulation of immigration, refugee and asylum issues,
- g) Implementation of international and inter-entity criminal law regulations, including relations with Interpol,
- h) Establishment and functioning of joint and international means of communication,
- i) Regulation of inter-entity transport,
- j) Air traffic control.

The Constitution stipulates in the same article that all governmental functions and powers not expressly assigned by the Constitution to the institutions of Bosnia and Herzegovina belong to the entities. At the same time, Bosnia and Herzegovina can assume jurisdiction in those matters in which the entities reach an agreement, matters that are provided for in Annexes 5-8 of the General Framework Agreement, or which are necessary to preserve the sovereignty, territorial integrity, political independence and international subjectivity of Bosnia and Herzegovina, in accordance with the division of jurisdictions among the institutions of Bosnia and Herzegovina. Additional institutions may be established to perform these jurisdictions, as necessary.

**Currently, there are 75 budget beneficiaries in Bosnia and Herzegovina**, i.e., different institutions (ministries, agencies, regulatory bodies, judicial institutions, etc.) that are direct beneficiaries of the Budget of the institutions of Bosnia and Herzegovina and the international obligations of Bosnia and Herzegovina.

## Legal framework

The Law on Financing the Institutions of Bosnia and Herzegovina regulates the preparation, adoption, execution, accounting, reporting and supervision of the Budget of Bosnia and Herzegovina. According to this law, the Budget is an act of the Parliamentary Assembly of Bosnia and Herzegovina which determines the plan for the financial activities of budget beneficiaries, including the projection of the amount of revenues and the determined amount of expenses for the period of one fiscal year. This budget also establishes the upper limit of the entire debt of Bosnia and Herzegovina, including the existing debt and the projection of new debt for a given fiscal year. Budget beneficiaries are also defined, namely all institutions of Bosnia and Herzegovina and all other bodies financed from the budget, as well as regulatory bodies.

The Ministry of Finance and Treasury of Bosnia and Herzegovina is responsible for the preparation of the budget, its execution and the financing of budgetary institutions, the coordination of activities in order to secure budget funds and investments of public funds. It also performs other activities concerning the financing of budget beneficiaries in accordance with the Constitution and the law.

### Constitution

the basic legal act of a country which establishes the political and legal order.

### Budget beneficiary

institutions and all other bodies that are financed from the budget.



## Budget calendar and budget process

The **budget calendar** is prescribed by the Law on Financing the Institutions of Bosnia and Herzegovina and it defines the activities that are important concerning the preparation and adoption of the Budget. This is how the time dynamics and responsibility of individual institutions are defined concerning the preparation of the official Budget.

The **budget process** is based on the prescribed activities of all participants in the process of preparing and adopting the Budget of the institutions of Bosnia and Herzegovina and the international obligations of Bosnia and Herzegovina, as well as its execution, reporting and control.

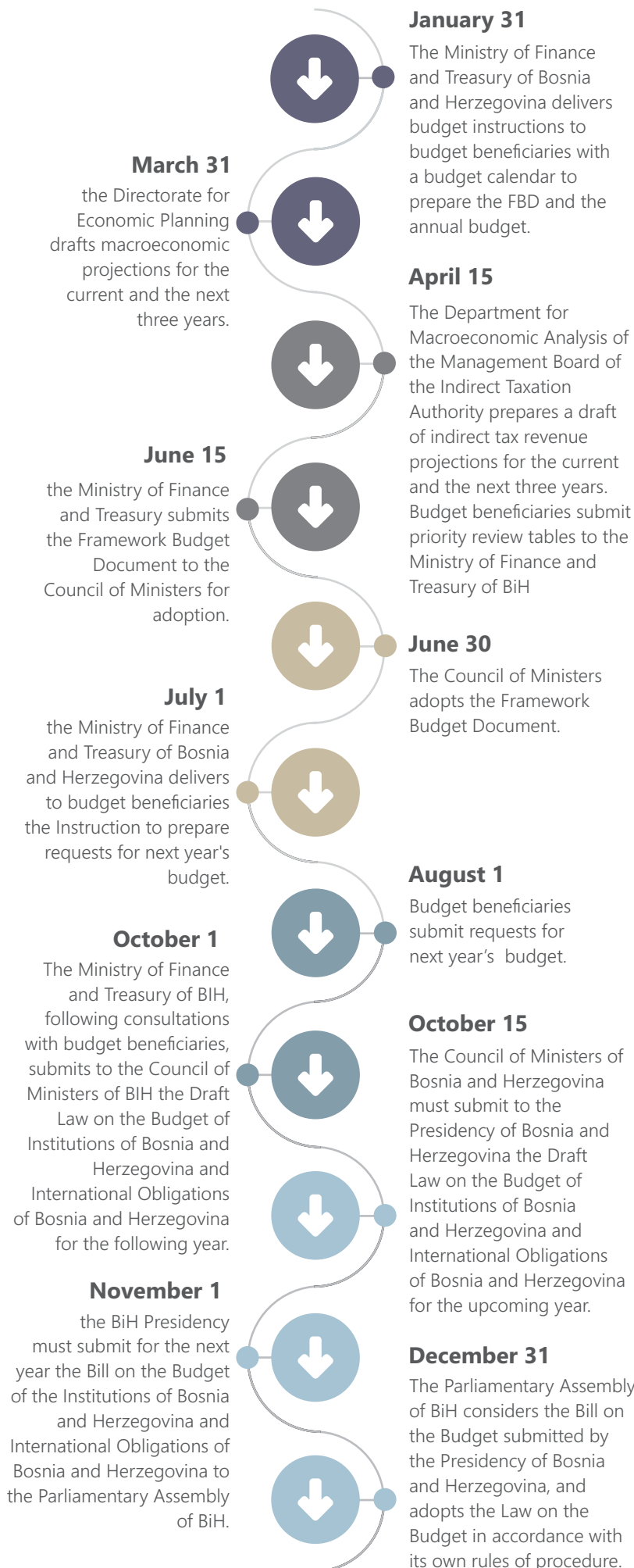
The budget process commences in January, when the Ministry of Finance and Treasury delivers a budget instruction with a budget calendar to all budget beneficiaries by the 31st of the month for the preparation of the **Framework Budget Document (FBD)**.

### Budget process

includes the preparation and adoption of the budget, its execution, reporting and control.

### Framework Budget Document (FBD)

projection of three-year revenues and expenses, i.e. medium-term budget projection.



## Macroeconomic projections and forecasts

The following table shows the assessment and projections of macroeconomic indicators of BiH for the period 2020-2025, which was prepared in September 2022 by the Directorate for Economic Planning of the Council of Ministers of Bosnia and Herzegovina.

INDICATORS	OFFICIAL DATA		PROJECTIONS			
	2020	2021	2022	2023	2024	2025
Nominal GDP in million BAM	35.447	39.921	43.994	46.758	49.270	52.003
Nominal growth in %	-3,0	12,6	10,2	6,3	5,4	5,5
GDP deflator (previous year = 100)	100,2	104,7	107,3	104,5	102,6	102,4
Real GDP in million BAM (previous year = 100)	35.372	38.136	41.009	44.732	48.032	50.769
Real growth in %	-3,2	7,6	2,7	1,7	2,7	3,0
Inflation measured by the consumer price index in %	-1	2	13,1	6,7	3,1	2,2
Consumption in million BAM	32.197	34.342	38.192	39.964	41.087	42.461
Real growth in %	-2,3	4,3	1,0	0,3	0,5	1,1
Government spending in million BAM	7.128	7.536	8.327	8.677	8.946	9.214
Real growth in %	1,4	3,1	1,8	0,4	0,6	0,5
Private consumption in million BAM	25.069	26.806	29.865	31.287	32.141	33.247
Real growth in %	-3,2	4,6	0,8	0,3	0,4	1,2
Investments (gross) in fixed assets in million BAM	7.679	8.367	9.180	9.609	10.139	10.916
Real growth in %	-4,2	4,8	2,5	2,8	3,6	5,7
Government investments in million BAM	1.674	1.193	1.431	1.512	1.678	1.846
Real growth in %	82,7	-31,5	14,9	3,5	7,8	6,8
Private investments in million BAM	6.005	7.174	7.748	8.097	8.462	9.071
Real growth in %	-15,4	14,9	0,5	2,7	2,9	5,5
Imports in million BAM	16.645	21.084	26.234	27.830	29.490	31.609
Nominal growth in %	-14,6	26,7	24,4	6,1	6,0	7,2
Real growth in %	-13,4	20,5	12,0	4,7	4,6	5,7
Exports in million BAM	11.870	16.485	20.429	22.346	24.331	26.621
Nominal growth in %	-17,2	38,9	23,9	9,4	8,9	9,4
Real growth in %	-15,8	24,6	15,2	6,6	6,8	7,3
National gross savings in % of GDP	19,0	23,5	22,4	23,2	24,9	26,3
Current account balance in million BAM	-1.286	-802	-1.765	-1.422	-1.067	-836
Growth in %	29,6	-37,2	117,4	-19,4	-24,9	-21,6
Current account balance in % of GDP	-3,6	-2,0	-4,0	-3,0	-2,2	-1,6

The year 2020, both in the world and in Bosnia and Herzegovina, was marked by a health and economic crisis that caused a 3.2% drop in GDP (Agency for Statistics of Bosnia and Herzegovina, Press release, "Gross domestic product, expenditure approach for 2020", February 28, 2022). However, already in early 2021, the epidemiological and economic conditions in the external environment gradually stabilized (EU27 countries), which had a positive effect on economic activity in the country. Namely, the recovery of primarily export and later domestic demand resulted in a relatively strong recovery of economic activity in the country. According to official data, Bosnia and Herzegovina recorded real GDP growth of 7.6% in 2021 compared to the previous year (Agency for Statistics of Bosnia and Herzegovina, Press release, "Gross domestic product, expenditure approach for 2021", October, 2022). However, it is worth pointing out that this relatively high rate of economic growth is largely a consequence of the low base (base effect) from the previous year, given that Bosnia and Herzegovina recorded a drop in GDP of over 3% in the previous year. On the other hand, if the economic growth in Bosnia and Herzegovina in 2021 is observed comparatively by country, it can be stated that it was in the range of the regional average of the countries of the Western Balkans, which was 7.5%.

By looking at the structure of this relatively strong economic growth, it can be concluded that it was achieved mostly thanks to the increase in domestic demand (consumption and investments), while the contribution of the external sector, despite high growth rates, was negative.

Taking into account the external and internal circumstances, according to DEP projections in the period 2023-2025, economic growth can be expected in Bosnia and Herzegovina with an average economic growth rate of about 2.5% annually (2023: 1.7%, 2024: 2.7% and in 2025 3.0%).

## Macroeconomics

the field of economic sciences that deals with the total economy of an area (country), studying the interrelationships of total (aggregate) production, income, employment, prices and other variables.

### Nominal GDP

is the sum of the quantities of produced final goods (goods and services) by resident units in the country during a certain period multiplied by their current prices.

### Real GDP

is the sum of the quantities of final goods at constant (instead of current) prices and indicates the quantity of produced products and services.

## Economic growth

is the total increase in production, production capacities and all other parts of an economy, i.e., the growth of the total output of an economy due to the growth of labor force, capital goods and the improvement of technology and productivity.

## Gross domestic product (BDP)

macroeconomic indicator showing the value of final goods and services produced in the country during the year, expressed in monetary units.

## Inflation

is the increase in the general level of prices in relation to the value of money.

## Government/public spending

(Expenditures for final government consumption) - The government sector consists of all institutional units that, in addition to fulfilling their political obligations and the role of economic regulation, in principle produce non-market services (also goods) for individual or collective consumption and redistribute income and wealth. Expenditures for final government consumption include two expenditure categories:

- Non-market output, excluding investments for own account, which is measured by production costs, minus occasional sales.
- Government purchases of goods and services from market producers, which are marketed to households without any transformation, as a social transfer "in kind".

## Foreign trade exchange

is the overall exchange of goods and services of one country with another country (import and export of goods and services).

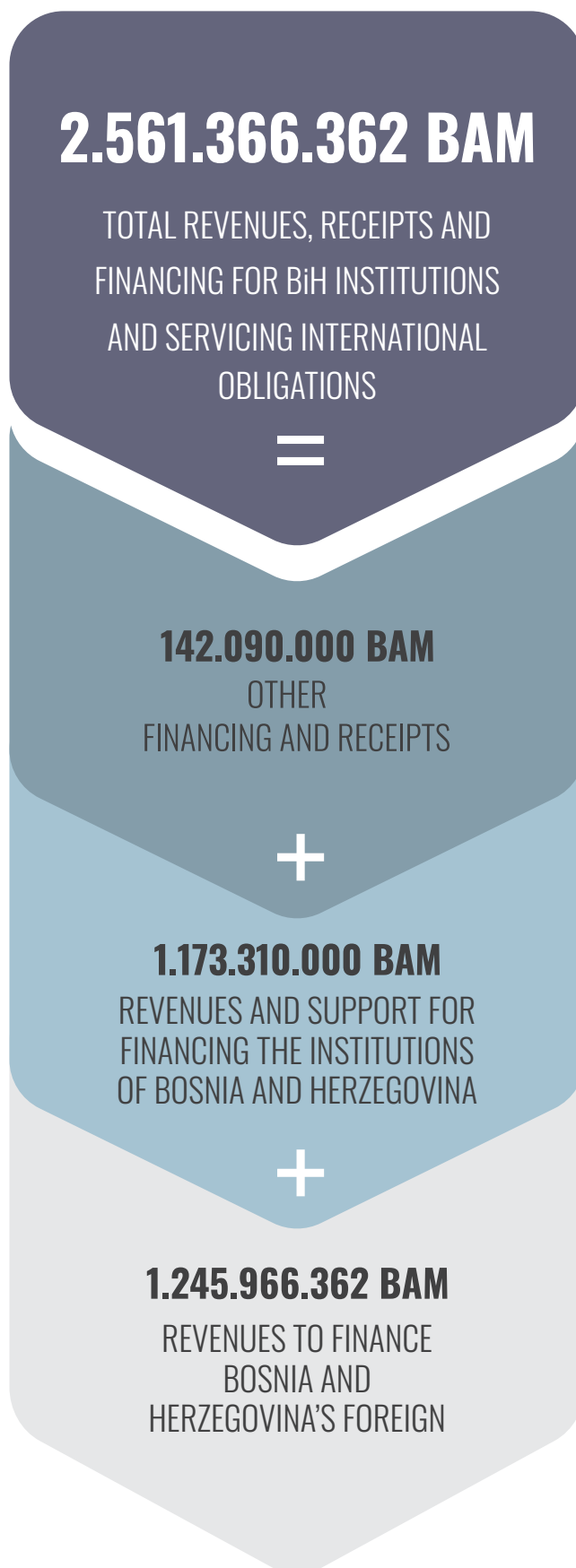
## Revenues, receipts and financing

Budget revenues of BiH institutions are planned based on the Global Framework of Fiscal Balance and Policies in Bosnia and Herzegovina 2023-2025.

The basic revenue within the Budget of the institutions of Bosnia and Herzegovina and the international obligations of BiH for the year 2023 is tax revenue, i.e., revenue from the Single Account of the Indirect Taxation Authority for the financing of BiH institutions (1,020,500,000 KM).

Other revenues and support for the financing of BiH institutions are non-tax revenues (152,118,000 KM) and transfers from other levels of government (692,000 KM). Financing and receipts include the transferred surplus of funds from previous years (141,100,000 BAM), and receipts from the sale of fixed assets (990,000 BAM).

Finally, it should be added that revenues of the Budget of the institutions of Bosnia and Herzegovina and the international obligations of Bosnia and Herzegovina also include revenues to finance public debt in the amount of 1,245,966,362 BAM, and refer to the settlement of the obligations of the institutions of Bosnia and Herzegovina, entities and Brčko District.



Transferred surplus of funds from previous years  
**141.100.000 BAM**

Receipts from the sale of fixed assets  
**990.000 BAM**

Receipts from successions  
**0 BAM**

Tax revenues  
**1.020.500.000 BAM**

Non-tax revenues  
**152.118.000 BAM**

Foreign assistance  
**0 BAM**

Transfers from other levels of government  
**692.000 BAM**

Federation of Bosnia and Herzegovina  
**807.089.638**

Republic of Srpska  
**409.756.752**

Brčko District  
**11.244.768**

Institutions of Bosnia and Herzegovina  
**17.875.204**

## NON-TAX REVENUES **152.118.000**

Revenue from administrative fees **14.639.000**

Revenue from court fees **353.000**

Revenue from special fees and charges **61.752.000**

Revenue from fees in indirect taxation procedures **29.858.000**

Revenue from personal and travel documents and vehicle registrations in Bosnia and Herzegovina **31.729.000**

Revenue from property **175.000**

Revenue from interest and exchange differences **550.000**

Revenue from fines **4.760.000**

Own revenues **7.380.000**

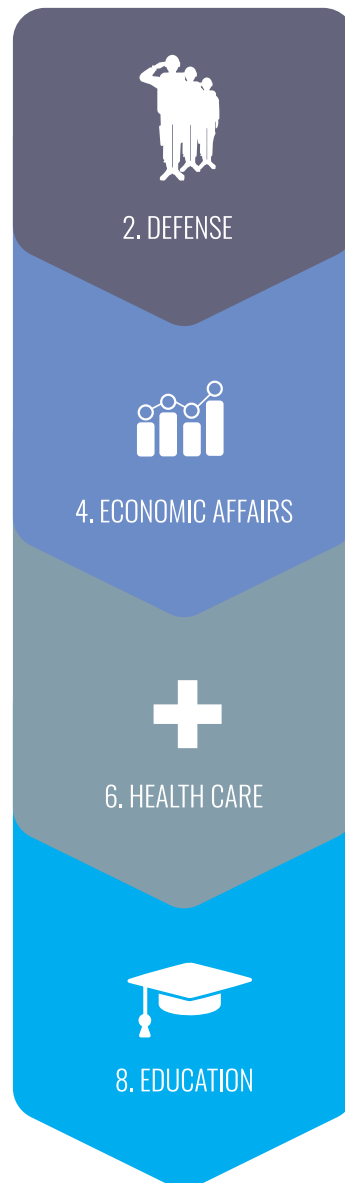
Other revenues **922.000**

## EXPENSES

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Expenses according to COFOG classification  
Institutions of Bosnia and Herzegovina  
and their budget for 2023  
The biggest budget beneficiaries





### COFOG classification

COFOG – The Classification of the Functions of Government was published by the United Nations Statistics Division and refers to budget funds classified according to the purpose for which they are spent.

## General public services **1.712.857.362 BAM**



Parliamentary Assembly of Bosnia and Herzegovina	<b>22.757.000</b>
Presidency of Bosnia and Herzegovina	<b>10.991.000</b>
General Secretariat of the Council of Ministers of Bosnia and Herzegovina	<b>7.026.000</b>
Directorate for European Integration of Bosnia and Herzegovina	<b>5.818.000</b>
Ministry of Foreign Affairs of Bosnia and Herzegovina	<b>66.377.000</b>
Ministry of Communications and Transport of Bosnia and Herzegovina	<b>6.536.000</b>
Ministry of Finance and Treasury of Bosnia and Herzegovina	<b>13.771.000</b>
Indirect Taxation Authority of Bosnia and Herzegovina	<b>172.684.000</b>
Ministry of Justice of Bosnia and Herzegovina	<b>4.208.000</b>
Ministry of Security of Bosnia and Herzegovina	<b>101.000</b>
Ministry of Civil Affairs of Bosnia and Herzegovina	<b>12.093.000</b>
Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina	<b>32.596.000</b>
Service for Common Affairs of the institutions of Bosnia and Herzegovina	<b>24.243.000</b>
Audit Office of the Institutions of Bosnia and Herzegovina	<b>6.094.000</b>
Central Election Commission of Bosnia and Herzegovina	<b>4.184.000</b>
Civil Service Agency of Bosnia and Herzegovina	<b>1.784.000</b>
Agency for Statistics of Bosnia and Herzegovina	<b>6.386.000</b>
Archive of Bosnia and Herzegovina	<b>911.000</b>
Return Fund of Bosnia and Herzegovina	<b>631.000</b>
Civil Service Appeal Board of Bosnia and Herzegovina	<b>492.000</b>
Legislative Office of Bosnia and Herzegovina	<b>947.000</b>
Public Procurement Agency of Bosnia and Herzegovina	<b>1.446.000</b>
Procurement Review Body of Bosnia and Herzegovina	<b>3.006.000</b>
Missing Persons Institute of Bosnia and Herzegovina	<b>3.400.000</b>
Directorate for Economic Planning of Bosnia and Herzegovina	<b>1.393.000</b>
Public Administration Reform Coordinator's Office of Bosnia and Herzegovina	<b>1.736.000</b>
Personal Data Protection Agency in Bosnia and Herzegovina	<b>1.552.000</b>
Central Harmonization Unit of the Ministry of Finance and Treasury of Bosnia and Herzegovina	<b>770.000</b>
Agency for Prevention of Corruption and Coordination of the Fight against Corruption of Bosnia and Herzegovina	<b>1.998.000</b>
Direct transfers and provisions	<b>50.960.000</b>
Foreign debt servicing	<b>1.245.966.362</b>



## Defense **392.259.000 BAM**



Ministry of Defense of Bosnia and Herzegovina

**392.259.000**

## Public order and security **350.993.000 BAM**



High Judicial and Prosecutorial Council of Bosnia and Herzegovina

**7.423.000**

Constitutional Court of Bosnia and Herzegovina

**8.500.000**

Court of Bosnia and Herzegovina

**20.303.000**

Prosecutor's Office of Bosnia and Herzegovina

**19.217.000**

Office of Attorney General of Bosnia and Herzegovina

**1.679.000**

Institution of Human Rights Ombudsman of Bosnia and Herzegovina

**3.241.000**

Institute for Execution of Criminal Sanctions, Detention and Other Measures of Bosnia and Herzegovina

**15.467.000**

Ministry of Justice of Bosnia and Herzegovina

**8.545.000**

Ministry of Security of Bosnia and Herzegovina

**9.968.000**

State Investigation and Protection Agency of Bosnia and Herzegovina

**44.654.000**

Border Police of Bosnia and Herzegovina

**103.263.000**

Intelligence-Security Agency of Bosnia and Herzegovina

**44.307.000**

Service for Foreigner's Affairs of Bosnia and Herzegovina

**12.326.000**

Police Support Agency of Bosnia and Herzegovina

**2.066.000**

Agency for Forensic and Expert Examinations of Bosnia and Herzegovina

**2.153.000**

Agency for Education and Professional Training of Bosnia and Herzegovina

**3.313.000**

Directorate for Coordination of Police Bodies of Bosnia and Herzegovina

**44.568.000**

## Economic affairs **63.721.000 BAM**



Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina	<b>10.839.000</b>
Foreign Investment Promotion Agency of Bosnia and Herzegovina	<b>1.682.000</b>
Veterinary Office of Bosnia and Herzegovina	<b>5.019.000</b>
Competition Council of Bosnia and Herzegovina	<b>1.774.000</b>
Ministry of Communications and Transport of Bosnia and Herzegovina	<b>12.139.000</b>
Directorate of Civil Aviation of Bosnia and Herzegovina	<b>5.226.000</b>
Communications Regulatory Agency of Bosnia and Herzegovina	<b>7.068.000</b>
Institute for Standardization of Bosnia and Herzegovina	<b>1.824.000</b>
Institute of Metrology of Bosnia and Herzegovina	<b>3.456.000</b>
Institute for Intellectual Property of Bosnia and Herzegovina	<b>2.130.000</b>
Institute for Accreditation of Bosnia and Herzegovina	<b>1.381.000</b>
Administration of Bosnia and Herzegovina for Plant Health Protection	<b>1.707.000</b>
Market Surveillance Agency of Bosnia and Herzegovina	<b>1.088.000</b>
Food Safety Agency of Bosnia and Herzegovina	<b>2.048.000</b>
Labor and Employment Agency of Bosnia and Herzegovina	<b>1.536.000</b>
Office for Harmonization and Coordination of Payment Systems in Agriculture, Nutrition and Rural Development	<b>868.000</b>
Commission for Concessions of Bosnia and Herzegovina	<b>1.304.000</b>
Insurance agency of Bosnia and Herzegovina	<b>608.000</b>
Institution of the Ombudsman for Consumer Protection in Bosnia and Herzegovina	<b>533.000</b>
Agency for Postal Traffic of Bosnia and Herzegovina	<b>933.000</b>
State Aid Council of Bosnia and Herzegovina	<b>558.000</b>

## Environmental protection **8.844.000 BAM**



Mine Action Center of Bosnia and Herzegovina	<b>7.566.000</b>
State Regulatory Agency for Radiation and Nuclear Safety in Bosnia and Herzegovina	<b>1.278.000</b>

## Health care **8.234.000 BAM**



Agency for Medicinal Products and Medical Devices of Bosnia and Herzegovina

**8.234.000**

## Leisure, culture, religion **9.363.000 BAM**



Srebrenica Memorial Center - Potočari. Memorial and Cemetery for the victims of the 1995 genocide

**1.432.000**

Communications Regulatory Agency of Bosnia and Herzegovina

**3.976.000**

Ministry of Civil Affairs of Bosnia and Herzegovina

**1.344.000**

Commission to Preserve National Monuments

**1.797.000**

Anti-Doping Control Agency of Bosnia and Herzegovina

**814.000**

## Education **3.776.000 BAM**



Agency for Development of Higher Education and Quality Assurance of Bosnia and Herzegovina

**1.260.000**

Agency for Pre-Primary, Primary and Secondary Education of Bosnia and Herzegovina

**1.482.000**

Centre for Information and Recognition of Qualifications in Higher Education in Bosnia and Herzegovina

**1.034.000**

## Social welfare **11.319.000 BAM**

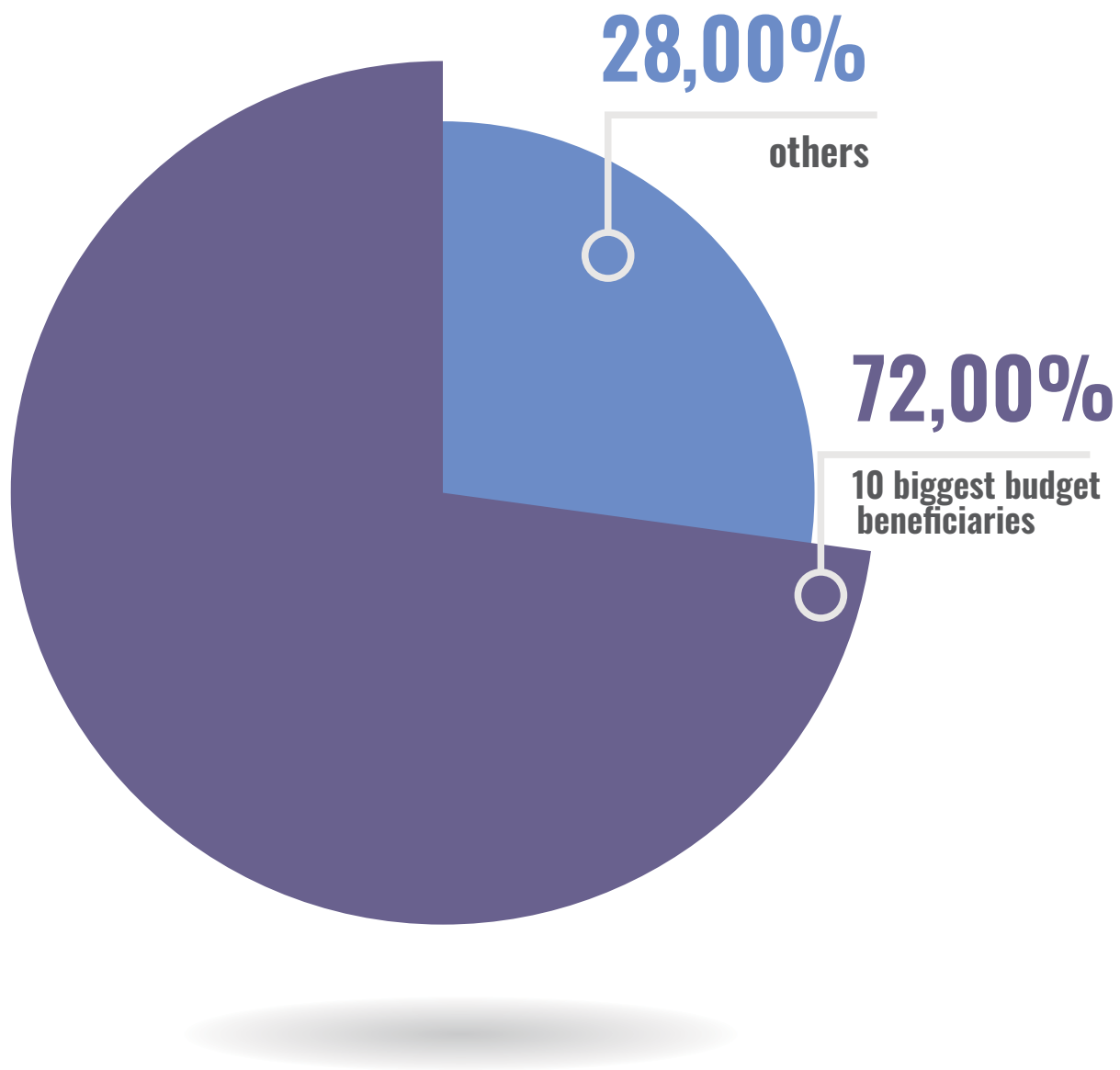


Ministry of Human Rights and Refugees of Bosnia and Herzegovina

**11.319.000**

## The biggest beneficiaries of the budget of the institutions of Bosnia and Herzegovina

When looking at the total expenses of the institutions of Bosnia and Herzegovina, it is evident that **947,708,000 BAM** pertains to **10 budget beneficiaries**, which is **72% of the budget expenses of the institutions of Bosnia and Herzegovina** (without allocating funds for financing foreign debt).



## Biggest budget beneficiaries of the budget of institutions of Bosnia and Herzegovina



Ministry of Defense of Bosnia and Herzegovina	<b>392.259.000</b>
Indirect Taxation Authority of Bosnia and Herzegovina	<b>172.684.000</b>
Border Police of Bosnia and Herzegovina	<b>103.263.000</b>
Ministry of Foreign Affairs of Bosnia and Herzegovina	<b>66.377.000</b>
State Investigation and Protection Agency	<b>44.654.000</b>
Directorate for Coordination of Police Bodies of Bosnia and Herzegovina	<b>44.568.000</b>
Intelligence-Security Agency of Bosnia and Herzegovina	<b>44.307.000</b>
Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina	<b>32.596.000</b>
Service for Common Affairs of the institutions of Bosnia and Herzegovina	<b>24.243.000</b>
Parliamentary Assembly of Bosnia and Herzegovina	<b>22.757.000</b>

It is evident that the most funds from the Budget of the institutions of Bosnia and Herzegovina are allocated to the defense sector and public order and security.

In the following part, we will present the costs for salaries and benefits of employees as well as the budgets of six institutions of Bosnia and Herzegovina: the Directorate for Civil Aviation, the Ministry of Justice, the State Investigation and Protection Agency - SIPA, the Service for Foreigners' Affairs, the Agency for Pre-Primary, Primary and Secondary Education, and the Directorate for Coordination of Police Bodies.

## SHARE OF SALARIES AND BENEFITS FOR EMPLOYEES IN THE BIGGEST BUDGET BENEFICIARIES

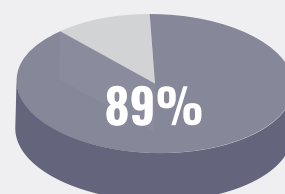
Just as stated in the section on total expenses, the most budget funds within these 10 institutions are allocated for salaries and benefits, bearing in mind the large number of employees in these institutions.

Other expenses within these institutions are expenditures related to the needs for their smooth functioning, including several capital projects, which will be presented in more detail in the section related to individual institutions



### Ministry of Defense 392.259.000 BAM

NO. OF EMPLOYEES	<b>10.011</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>43%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>36%</b>

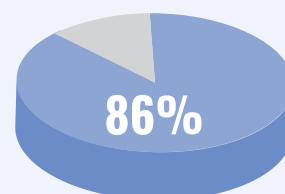


GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**349.446.000 BAM**



### Police Agencies 236.792.000 BAM

NO. OF EMPLOYEES	<b>4.756</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>20%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>21%</b>

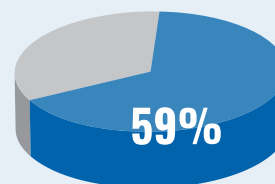


GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**204.007.000 BAM**



## Indirect Taxation Authority 172.684.000 BAM

NO. OF EMPLOYEES	<b>2.591</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>11%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>11%</b>

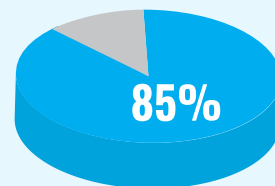


GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**101.507.000 BAM**



## Judicial institutions 55.443.000 BAM

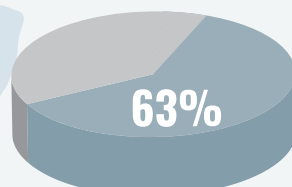
NO. OF EMPLOYEES	<b>715</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>3%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>5%</b>



GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**46.903.000 BAM**

## Ministries except the Ministry of Defense 157.240.000 BAM

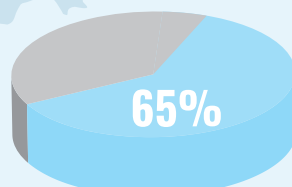
NO. OF EMPLOYEES	<b>1687</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>7%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>10%</b>



GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**99.151.000 BAM**

## Other institutions 250.022.000 BAM

NO. OF EMPLOYEES	<b>3718</b>
PERCENTAGE OF EMPLOYEE PARTICIPATION	<b>16%</b>
PERCENTAGE OF PARTICIPATION OF GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES	<b>17%</b>



GROSS SALARIES AND REIMBURSEMENT OF EMPLOYEE EXPENSES  
**162.332.000 BAM**



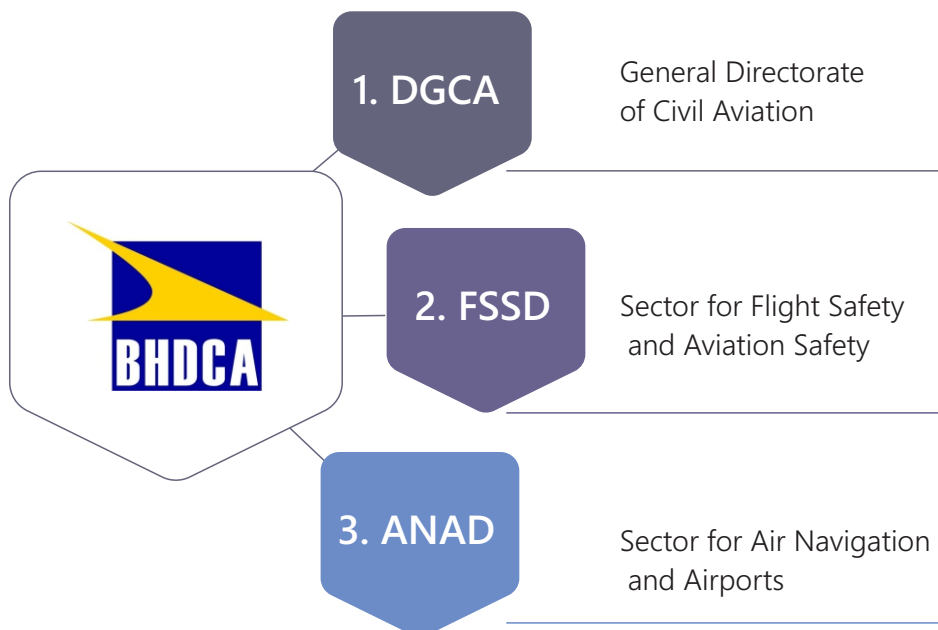
## DIRECTORATE OF CIVIL AVIATION OF BOSNIA AND HERZEGOVINA 5.226.000 BAM

BHDCA is an administrative agency within the Ministry of Communications and Transport of Bosnia and Herzegovina. Its organization and management, competences and responsibilities are regulated by the Law on Aviation of Bosnia and Herzegovina and the Rulebook on Amendments to the Rulebook on the Internal Organization of the Ministry of Communications and Transport of Bosnia and Herzegovina of November 12, 2009. The mission of BHDCA is to establish a regulatory framework, certification and supervision of aviation entities in Bosnia and Herzegovina.

The vision of BHDCA is to improve the safety of civil aviation in Bosnia and Herzegovina. BHDCA is responsible for:

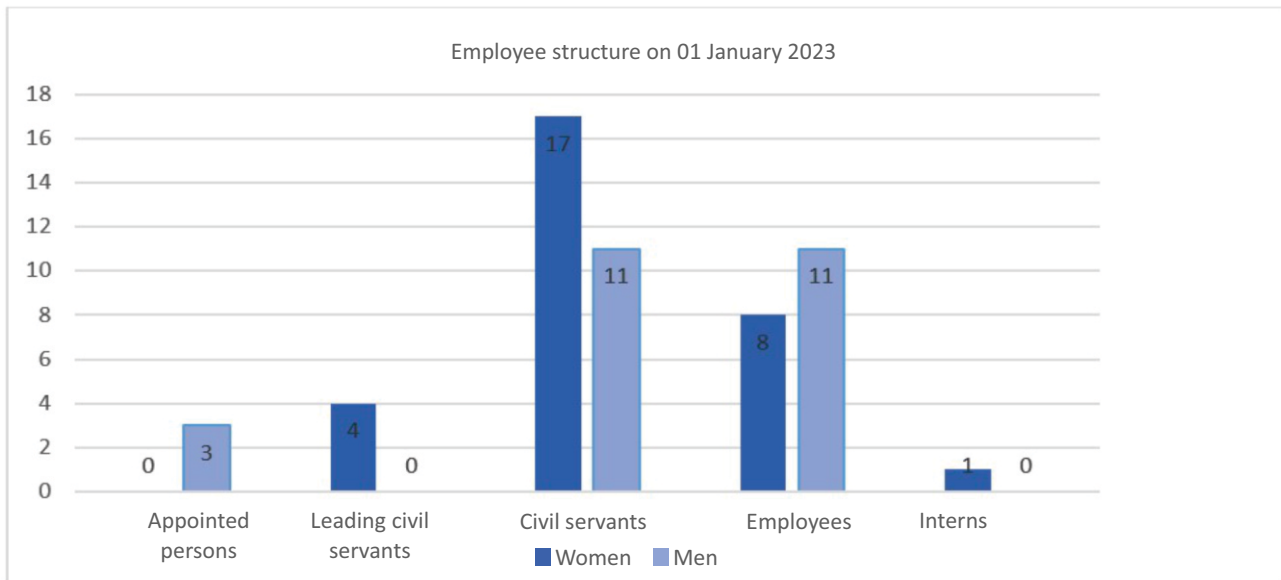
- adoption and application of regulations in the field of civil aviation,
- issuing certificates, permits and other approvals for air navigation service providers, air operators, aircrafts, aviation personnel, aviation personnel training schools and school centers, airports and airfields, etc.

BHDCA has three organizational units as shown in the following diagram.



In the budget for 2023, 57 employees were approved for BHDCA.

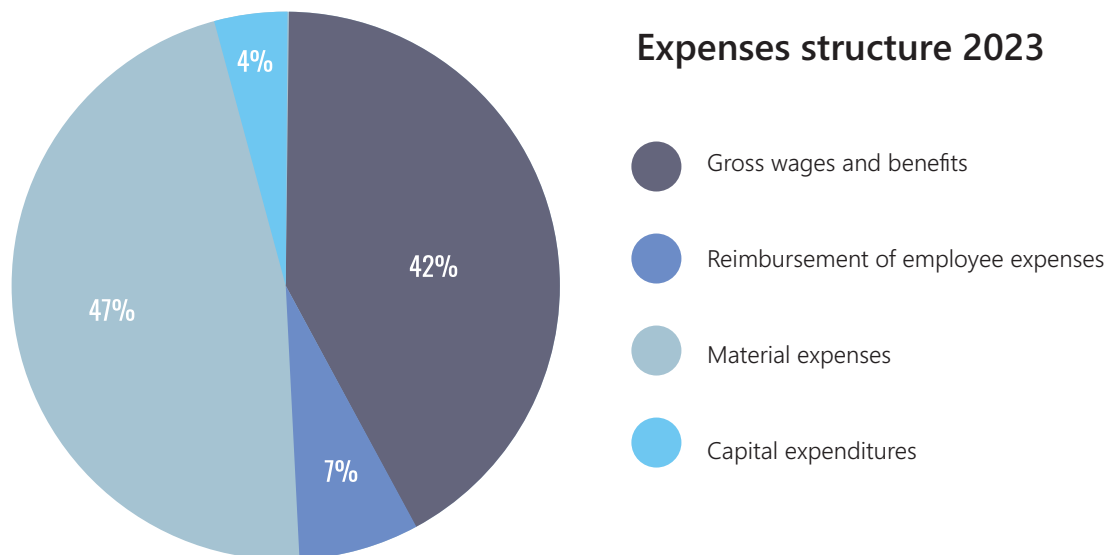




The budget of the Directorate of Civil Aviation for 2023 is 5.226.000 BAM.

Expenses structure, according to economic categories and sources of financing:

1.	Current expenditures .....	5.016.000 BAM
	-Budget funds .....	2.339.000 BAM
	-Own dedicated revenues .....	2.847.000 BAM
2.	Capital expenditures.....	210.000 BAM
	- Own dedicated revenues .....	210.000 BAM



The Directorate of Civil Aviation of Bosnia and Herzegovina carries out activities within the program "Development and implementation of the regulatory framework in the field of civil aviation", by improving regulation and controlling the fulfillment of requirements in the field of civil aviation. The implementation of activities in the upcoming period will be monitored through the outcome indicator "Compliance with international obligations in the field of civil aviation".



## MINISTRY OF JUSTICE OF BOSNIA AND HERZEGOVINA

# 12.753.000 BAM

The Ministry of Justice of Bosnia and Herzegovina was established in 2003, by the Law on Ministries and Other Administrative Bodies of Bosnia and Herzegovina ("Official Gazette of Bosnia and Herzegovina", No. 5/2003).

### MISSION

The mission of the Ministry of Justice of Bosnia and Herzegovina: "Ensuring equal and timely access to justice, and efficient and responsible administration, which are at the service of citizens and fully aligned with EU standards and best practices, guaranteeing the rule of law."

The Ministry of Justice of Bosnia and Herzegovina is responsible for:

- administrative functions related to judicial bodies at the state level,
- international and inter-entity judicial cooperation (mutual legal assistance and contacts with international tribunals);
- the development of relevant laws and regulations to regulate issues from paragraphs 1 and 2 of this article;
- ensuring that BiH legislation and its implementation at all levels are in accordance with the obligations of Bosnia and Herzegovina arising from international agreements;
- the cooperation with the Ministry of Foreign Affairs of Bosnia and Herzegovina and entities on drafting international bilateral and multilateral agreements;
- providing guidance and monitoring legal education, in order to ensure inter-entity harmonization in this area and acting in accordance with the best standards;
- generally acting as the central coordinating body to ensure the harmonization of legislation and standards of the judicial system among the entities, either by ensuring the conditions for discussion or by coordinating initiatives;
- extradition;
- administrative inspection of the execution of laws related to civil servants and employees of administrative bodies, administrative procedure and special administrative procedures and office operations in administrative bodies;
- issues of citizens' associations, keeping registers of citizens' associations and non-governmental organizations operating on the territory of BiH;
- other activities and tasks that are not within the competence of other ministries of Bosnia and Herzegovina, but are related to the tasks within the competence of this ministry.

The Ministry of Justice of Bosnia and Herzegovina reports to the Council of Ministers of Bosnia and Herzegovina.

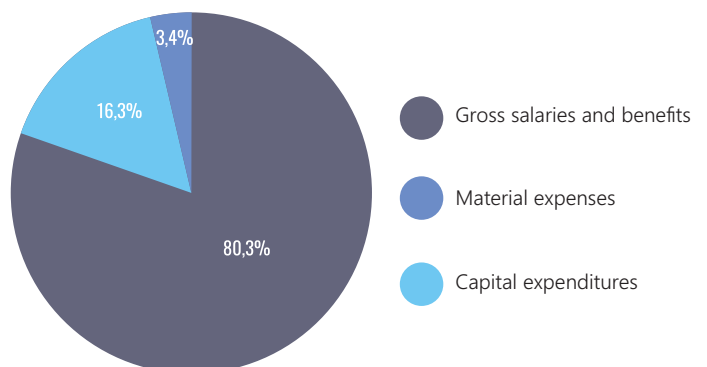
### Funds for achieving the objectives of the Ministry of Justice of Bosnia and Herzegovina 12,443,000 BAM

1. current expenditures in the amount of 12,016,000 BAM, of which for:
  - a) salaries and reimbursement of employee expenses (224 persons) 9,991,000 BAM
  - b) expenses for material and services 2,025,000 BAM
2. capital expenditures 427,000 BAM

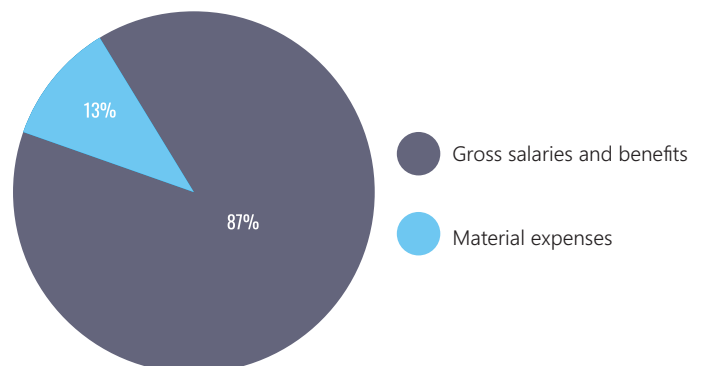
### Funds for achieving the objectives of the Appeals Council at the Council of Ministers of Bosnia and Herzegovina 310,000 BAM

- salaries and reimbursement of employee expenses (three members of the Appeals Council) 271,000 BAM
- expenditures for material and services 39,000 BAM

### Expenses structure 2023 achievement of goals of the Ministry of Justice BiH



### Expenses structure 2023 Appeal Council at the Council of Ministers of Bosnia and Herzegovina





# STATE INVESTIGATION AND PROTECTION AGENCY (SIPA)

## 44.654.000 BAM

### I LEGAL BASIS

The State Investigation and Protection Agency (SIPA) was established in 2002, with the adoption of the Law on the Information and Protection Agency, which defined this Agency as an independent institution of BiH, responsible for collecting and processing data of interest for the enforcement of international and criminal laws of Bosnia and Herzegovina, as well as for the protection of very important figures, diplomatic and consular missions and facilities of the institutions of Bosnia and Herzegovina, and diplomatic missions. With the Law on the State Investigation and Protection Agency ("Official Gazette of Bosnia and Herzegovina" No. 27/4, 63/04, 35/05, 49/09 and 40/12), the Information and Protection Agency was transformed into the State Investigation and Protection Agency. It received police powers and became the first police agency to exercise its jurisdiction over the entire territory of Bosnia and Herzegovina, marking the beginning of SIPA's real development and the strengthening of its operational capabilities. SIPA is defined as an administrative agency of the Ministry of Security of Bosnia and Herzegovina with operational independence.

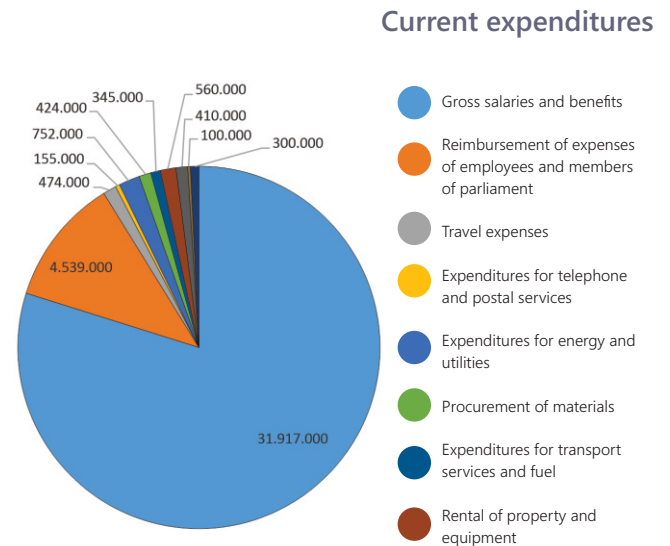
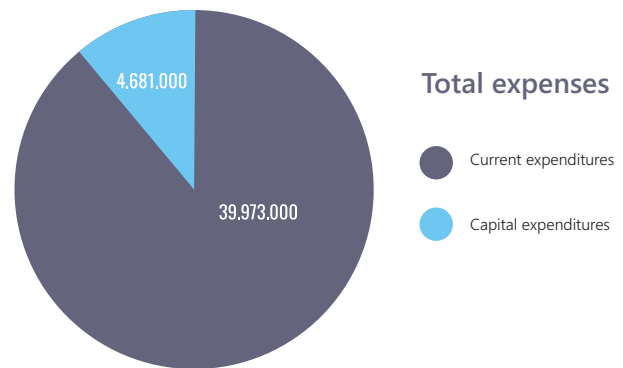
### II MISSION

Effective suppression of terrorism, organized crime, serious financial crime and corruption, detection and investigation of war crimes and witness protection. Providing protection to all citizens in Bosnia and Herzegovina and improving their sense of security and trust in the security system. Strengthening cooperation with the public and other agencies during law enforcement. Maintaining a leadership position and recognizable partnership when conducting international investigations.

SIPA's responsibilities are: prevention, detection and investigation of criminal offenses under the jurisdiction of the Court of Bosnia and Herzegovina, especially organized crime, terrorism, war crimes, human trafficking and other crimes against humanity and values protected by international law, as well as serious financial crime, protection of endangered witnesses and witnesses under threat and other activities within its scope determined by this law.

### III EXPENSES STRUCTURE

- **CURRENT EXPENDITURES: 39,973,000 BAM**
  - Gross salaries and reimbursement of employee expenses (789 employees) 36,453,000 BAM
  - Expenses for material and services 3,520,000 BAM
- **CAPITAL EXPENDITURES: 4,681,000 BAM**
  - Part of the funds for the acquisition of the building to house the Regional Office in Banja Luka 3,480,000 BAM
  - Procurement of equipment 1,201,000 BAM





## SERVICE FOR FOREIGNERS' AFFAIRS OF BOSNIA AND HERZEGOVINA 12.326.000 BAM

The Service for Foreigners' Affairs was established by the Law on the Service for Foreigners' Affairs ("Official Gazette of Bosnia and Herzegovina", No. 54/05 and 36/08), which performs administrative and inspection activities prescribed by this law as well as the Law on Foreigners ("Official Gazette of Bosnia and Herzegovina" No. 88/15).

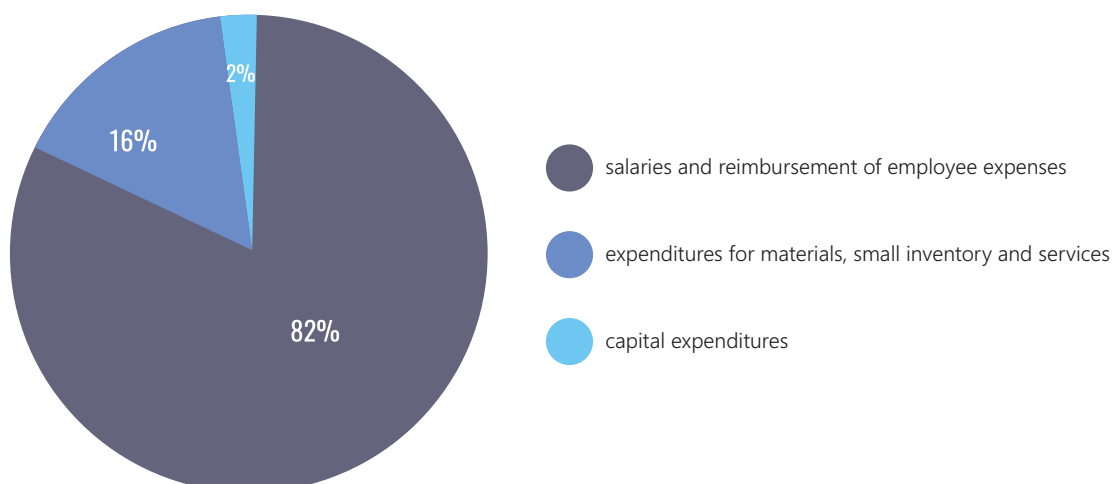
Basic responsibilities of the Service for Foreigner's Affairs of Bosnia and Herzegovina:

- inspection supervision and control of the movement and stay of foreigners;
- conducting administrative procedures in order to decide on requests for residence permits for foreigners;
- imposing ex officio measures on irregular migrants;
- putting foreigners illegally residing in Bosnia and Herzegovina under supervision (accommodation in the Immigration Center);
- removal of foreign citizens who have been issued a final removal decision;
- necessary security checks of foreigners when deciding on the issuance of visas and residence permits, and the collection of intelligence and information about illegal migration and illegal migrants through operational activities with the aim of preventing their actions against public security or against national security

In carrying out tasks within its jurisdiction, and by implementing the program "Control of the movement of foreigners, reception, accommodation and removal of foreigners", the Service for Foreigners' Affairs accomplishes the medium-term goal of "Improving the security sector of Bosnia and Herzegovina" concerning responsibility and efficiency", through an efficient migration management mechanism in Bosnia and Herzegovina while respecting freedom of movement.

The budget of the Service for Foreigners' Affairs of Bosnia and Herzegovina for the year 2023 amounts to 12,326,000 BAM, and refers to:

- salaries and reimbursement of employee expenses in the amount of 10,114,000 BAM (82%)
- expenditures for materials, small inventory and services in the amount of 2,009,000 BAM (16%)
- capital expenditures in the amount of 203,000 BAM (2%)



The plan is to implement the Partnership Agreement between the Service for Foreigners' Affairs of Bosnia and Herzegovina and UNHCR in 2023, financed by UNHCR.



## AGENCY FOR PRE-PRIMARY, PRIMARY AND SECONDARY EDUCATION BiH (APOS)

### 1.482.000 BAM

The Agency for Pre-Primary, Primary and Secondary Education of Bosnia and Herzegovina was established by the Law on the Agency for Pre-Primary, Primary and Secondary Education of Bosnia and Herzegovina ("Official Gazette of Bosnia and Herzegovina", number 88/07) as an independent administrative organization, which apart from the Agency's Headquarters in Mostar, also has two regional units, in Sarajevo and Banja Luka, with each organizational unit having its specific tasks.

The Agency is responsible for establishing knowledge standards and evaluating achieved results, developing a common core of curricula in pre-primary, primary and secondary education, as well as for other professional tasks in the field of knowledge standards and quality assessment that are determined by special laws and other regulations.

#### Mission:

Contribute to the quality of pre-primary, primary and secondary education and the process of lifelong learning, as well as the competitiveness of the educational systems of Bosnia and Herzegovina on the international level, through the development of a common core of curricula, the establishment of knowledge standards, monitoring and evaluation of the achieved results in education, the development of adult education and lifelong learning and participation in the development of the qualification framework, as well as the creation and promotion of the quality of education in Bosnia and Herzegovina.

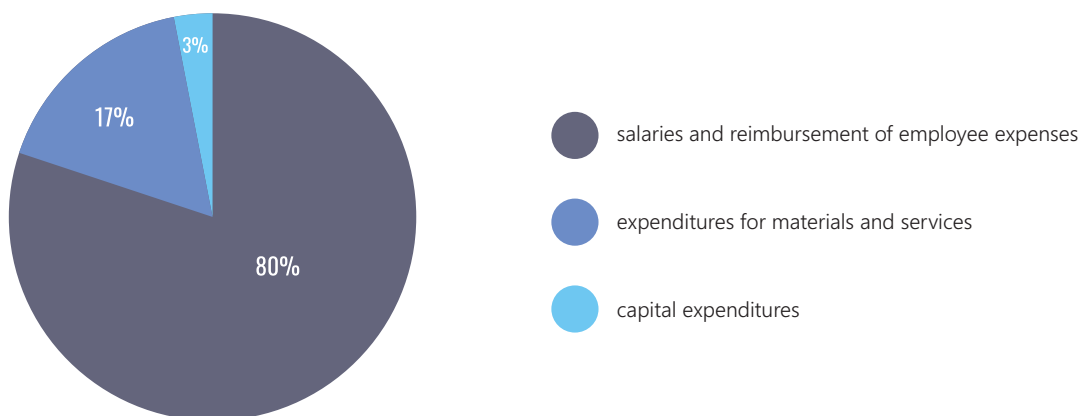
#### Vision:

Effective pre-primary, primary and secondary education and lifelong learning and competitive education of Bosnia and Herzegovina on the international level.

According to the Law on the Budget of the Institutions of Bosnia and Herzegovina and the International Obligations of Bosnia and Herzegovina for the year 2023, the **Agency for Pre-Primary, Primary and Secondary Education was granted funds in the amount of**

**1,482,000 BAM**, according to the following:

- Salaries and reimbursement of employee expenses 1,181,000 BAM
- Expenditures for material and services 251,000 BAM
- Capital expenditures 50.000 BAM



The work program is organized as part of the program: "Setting standards, evaluating achieved results and developing a common core of curricula (ZJNPP) in pre-primary, primary and secondary education and other professional tasks in the field of knowledge standards and evaluation of the quality of education".

The goal of the program is achieved through the program activity: "Improving the quality of pre-primary, primary and secondary education in Bosnia and Herzegovina".

In addition to this program, the Agency also implements significant projects related to the implementation of (international) research in education. Another important project is the implementation of international projects from the ERASUMS+ program, which are mostly financed from European funds through donor funds.

Through all the mentioned activities, the Agency significantly contributes to the assessment and improvement of education systems in Bosnia and Herzegovina, in accordance with the jurisdictions prescribed by the Law.



# DIRECTORATE FOR COORDINATION OF POLICE BODIES OF BOSNIA AND HERZEGOVINA

## 44.568.000 BAM

### I LEGAL BASIS

Law on the Directorate for Coordination of Police Bodies and on Agencies to Support the Police Structure of Bosnia and Herzegovina ("Official Gazette of Bosnia and Herzegovina", No. 36/08), Rulebook on the Internal Organization and Systematization of the Directorate for Coordination of Police Bodies of Bosnia and Herzegovina, No: 21-1-04-176/10 of August 19, 2010.

The role of the Directorate for Coordination of Police Bodies of Bosnia and Herzegovina is to develop and strengthen domestic and international police cooperation and improve the protection of persons and property.

### II MISSION

Mission:

By constantly strengthening communication, coordination and cooperation with all partners in Bosnia and Herzegovina and abroad, to serve the police and other relevant bodies in Bosnia and Herzegovina to more efficiently perform the tasks within their jurisdiction, and to protect persons and property and thus actively contribute to the security and the quality of life of the citizens of Bosnia and Herzegovina, the region and beyond.

Vision:

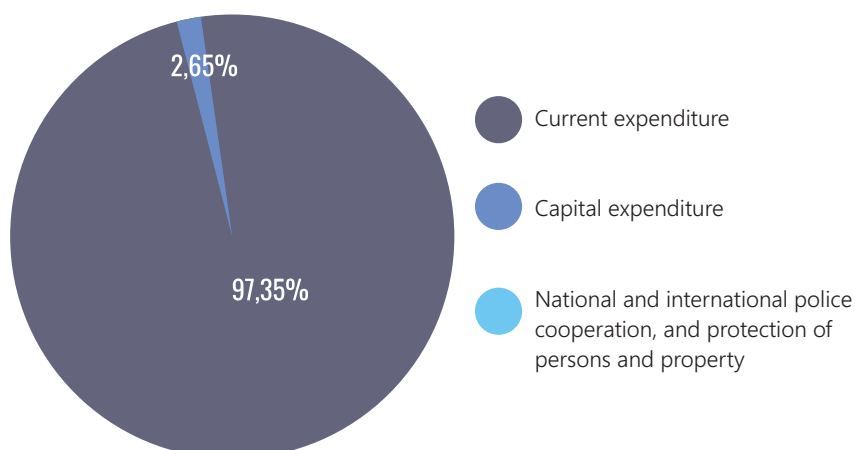
The Directorate for Coordination of Police Bodies of Bosnia and Herzegovina is becoming a modern, inventive and goal-oriented professional police agency that measurably contributes to the security of the country and the region, becoming a recognizable added value to the police structure of Bosnia and Herzegovina. The employees will continuously develop the capacities of the Directorate through training, using modern technologies, innovations and developing partnerships based on professionalism and mutual respect.

The budget of the Directorate for Coordination of Police Bodies in 2023 amounts to 44,568,000 BAM with the following structure of expenses:

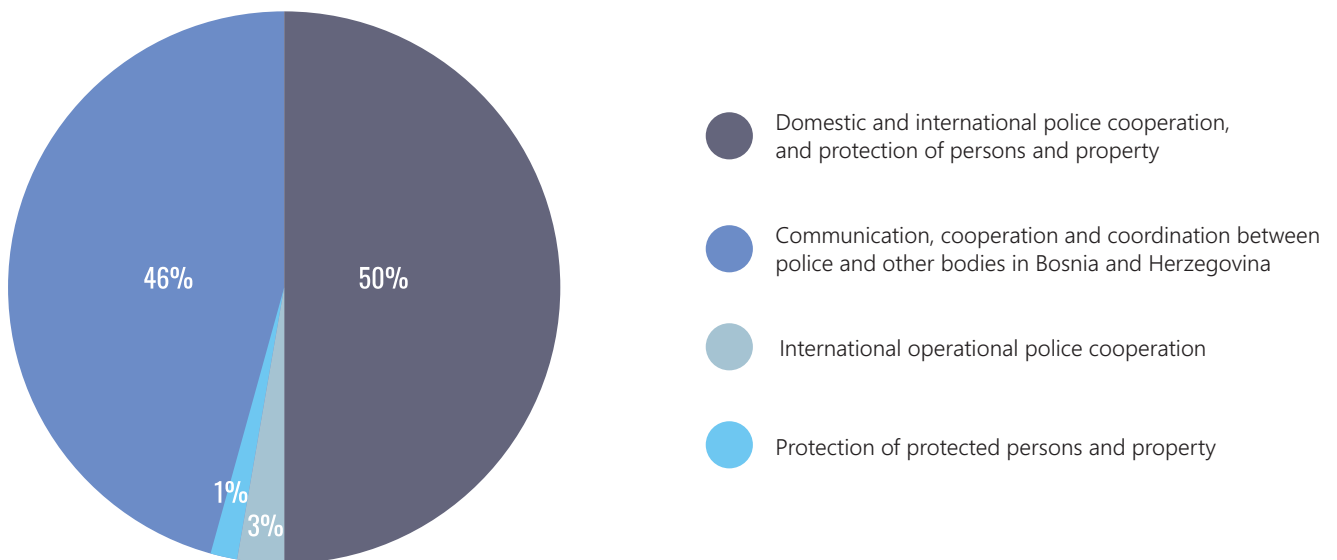
TYPE OF EXPENSES	AMOUNT (BAM)	PERCENTAGE (%)	NOTE
Current expenditures	43.387.000	97,35	Gross salaries and benefits Expenditures for material and services
Capital expenditures	1.181.000	2,65	Procurement of equipment
TOTAL:	44.568.000	100	

### PROGRAM AND PROJECT STRUCTURE OF EXPENSES

PROGRAM	AMOUNT (BAM)	PERCENTAGE (%)
National and international police cooperation, and protection of persons and property	44.568 .000	100
TOTAL:	44.568.000	100



PROGRAMS AND PROJECTS	GOALS	COSTS (BAM)
National and international police cooperation, and protection of persons and property	Developing and strengthening domestic and international police cooperation and improving the protection of persons and property	<b>44.568.000</b>
Communication, cooperation and coordination between police and other bodies in Bosnia and Herzegovina	Developing and strengthening communication, cooperation and coordination between the police and other bodies in Bosnia and Herzegovina	<b>2.522.549</b>
International operational police cooperation	Developing and strengthening domestic and international police cooperation	<b>1.149.854</b>
Protection of protected persons and property	Improving the protection of persons and property	<b>40.895.597</b>



## BUDGET DICTIONARY



**Budget** - an act that predicts all revenue and expenses in one year.

**Concession** - a permit of the authorities given to legal or natural persons to perform a certain activity under predetermined conditions.

**Public policy** - the plan or course of action of government institutions.

**Budget for citizens** - a simplified and illustrated presentation of certain parts of the official Budget.

**Constitution** - the basic legal act of a country that establishes the political and legal order.

**Budget beneficiary**- Institutions and all other bodies that are financed from the budget.

**Framework Budget Document (FBD)**- Projection of three-year revenues and expenses, i.e., medium-term budget projection.

**Macroeconomics** - the field of economics that deals with the total economy of an area (country), studying the interrelationships of total (aggregate) production, revenues, employment, prices and other variables.

**Nominal GDP** - is the sum of the quantities of produced final goods (goods and services) by resident units in the country during a certain period multiplied by their current prices.

**Real GDP** - is the sum of the quantities of final goods at constant (instead of current) prices and indicates the quantity of produced products and services.

**Economic growth** - is the total increase in production, production capacities and all other parts of an economy, i.e., the growth of the total output of an economy due to the growth of labor force, capital goods and the improvement of technology and productivity.

**Transfers from other levels of government** - funds that higher or lower levels of government remit to the budget to implement certain programs and/or functions.

**Gross Domestic Product (GDP)**- macroeconomic indicator that shows the value of final goods and services produced in the country during the year, expressed in monetary units.

**Inflation** - is an increase in the general level of prices in relation to the value of money.

**Government/public consumption** - (Expenditures for final government consumption) - the government sector consists of all institutional units that, in addition to fulfilling their political obligations and the role of economic regulation, in principle produce non-market services (possibly also goods) for individual or collective consumption and redistribute income and wealth. Government final consumption expenditures include two categories of expenditures:

- Non-market output, excluding investments for own account, measured by production costs, minus occasional sales.
- Government purchases of goods and services from market producers, which are marketed to households without any transformation, as a social transfer "in kind".

**COFOG Classification** – the Classification of the Functions of Government was published by the United Nations Statistics Division and refers to budget funds classified according to the purpose for which they are spent.

**Permanent assets**- part of the assets that will remain unchanged, i.e., keep the same form, for a period longer than one year and will not be consumed in one normal production cycle (e.g., land, buildings, machines, etc.). It is purchased with the intention of using it in your own business, and not for further resale.



Name and surname

Address

E-mail

Organization/  
Institution

You can write questions, comments, and suggestions on the back of the form.

Name and surname

Address

E-mail

Organization/  
Institution

You can write questions, comments, and suggestions on the back of the form.

## QUESTIONS, COMMENTS, AND SUGGESTIONS

Should you have any questions, comments or suggestions concerning the preparation and presentation of the "Budget for Citizens", you can use the prepared forms, tear them out and send them by mail to:

**Ministry of Finance and Treasury of Bosnia and Herzegovina  
(Cabinet of the Minister - Public Relations),  
Trg Bosne i Hercegovine 1, 71000 Sarajevo.**

You can also send questions, comments and suggestions by e-mail to [trezorbih@mft.gov.ba](mailto:trezorbih@mft.gov.ba).

With respect,  
Ministry of Finance and Treasury of Bosnia and Herzegovina

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# BUDGET FOR CITIZENS

of the institutions of Bosnia and Herzegovina and  
international obligations of Bosnia and Herzegovina

2023