

PARLIAMENTARY ASSEMBLY OF BOSNIA AND HERZEGOVINA

Pursuant to Article IV 4. a) of the Constitution of Bosnia and Herzegovina, the Parliamentary Assembly of Bosnia and Herzegovina at the session of the House of Representatives held on 16 September 2002 and the session of House of Peoples held on 30 September 2002 passed

LAW ON CONCESSIONS OF BOSNIA AND HERZEGOVINA

CHAPTER I- GENERAL PROVISIONS

Article 1

Contents and subject of the Law

1. This Law regulates the modalities and the conditions concerning the granting of Concessions in Bosnia and Herzegovina, the competence for granting of concessions, institutional structure, competence and other issues pertaining to the work of Bosnia and Herzegovina Concession Commission, the tendering procedure, the contents and effects of concession contract, the rights and obligations of the Concessionaire and other issues pertain to the concessions of importance for Bosnia and Herzegovina.

2. This Law sets forth the conditions under which local and foreign legal persons may be granted concessions in the sectors that are under jurisdiction of Bosnia and Herzegovina, pursuant to the Constitution and laws of Bosnia and Herzegovina and in case it concerns the representation of international subjectivity of Bosnia and Herzegovina, as well as in the cases where concession property extends to the Federation of Bosnia and Herzegovina and the Republika Srpska for providing infrastructure and services, exploitation of natural resources and facilities used for their exploitation, financing, design, construction, rehabilitation, maintenance and/or operation of such infrastructure and all accompanying facilities thereto.

Article 2

Purpose of the Law

The purpose of this Law is to create a transparent, non-discriminatory and clear legal framework for setting the conditions under which local and foreign legal persons may be granted concessions in Bosnia and Herzegovina and to encourage the investment of foreign capital in the sectors mentioned in Article 1, paragraph 2 of this Law.

Article 3

Definitions

For the purpose of this Law, the following terms shall have the following meanings:

"Conceding Party" - all relevant ministries or authorities of Bosnia and Herzegovina designated by the Council of Ministries of Bosnia and Herzegovina to grant a concession as referred to under Article 4 (1).

"Concession" - the right granted by a Conceding Party to provide the construction of infrastructure

and/or services and to exploit natural resources under terms and conditions agreed on by Conceding Party and Concessionaire.

"Concessionaire" - legal person founded pursuant to the laws of Bosnia and Herzegovina, owned by a local and/or foreign legal person who is granted a Concession and executing a concession contract pursuant to this Law.

Article 4

Authority to Grant a Concession

1. The Council of Ministries of Bosnia and Herzegovina (hereinafter: Council of Ministries) makes the decisions on type and subject as well as volume of the concession to be granted which is subject to ratification by the Bosnia and Herzegovina Parliamentary Assembly.
2. In case of joint competence of Bosnia and Herzegovina and/or the Federation of Bosnia and Herzegovina and/or Republika Srpska and/or Brčko District of Bosnia and Herzegovina for concession granting, the competent authorities harmonize the conditions and form of concession granting.
3. All disputes arisen from concession granting between Bosnia and Herzegovina and/or Republika Srpska shall be solved by the joint Concession Commission referred to under Article 6 (2).

CHAPTER II- INSTITUTIONAL STRUCTURE

Article 5

Concession Committee of Bosnia and Herzegovina

1. This Law establishes the Concession Commission of Bosnia and Herzegovina as an independent regulatory legal entity set up to carry out its competences in the capacity of the Commission of Bosnia and Herzegovina for concessions granting or in the capacity of the Joint Concession Commission (hereinafter: Commission).
2. In executing its function, the Commission shall promote the satisfaction of public needs and the economic development through involvement of private sector in financing, design, construction, rehabilitation, maintenance and/or operation of infrastructure and accompanying facilities, services and in exploitation of natural resources and buildings used for their exploitation, taking into account the protection of economic and social interests, environmental protection as well as the fair treatment of private sector.
3. The Head office of the Commission shall be in Banja Luka.
4. The Commission may hold its sessions also outside the Head Office.

Article 6

Commission's Functional Distribution of Competence

1. Commission functions in the capacity of the Commission for Granting Concessions of Bosnia and Herzegovina when it performs duties and gives authorizations pertain to concession granting that fall under exclusive competence of Bosnia and Herzegovina.
2. Commission functions in the capacity of the Joint Commission for Granting Concessions when it performs duties and gives authorizations pertain to concession granting that do not fall under exclusive competence of Bosnia and Herzegovina or in the cases set forth under Article 4 (3).

Article 7

Composition of the Commission

1. When functions in the capacity of the Concession Commission granting concessions of Bosnia and Herzegovina, the Commission consists of seven members, including the President and Vice-President, out of which three members have residence in the Federation of Bosnia and Herzegovina,

three in the Republika Srpska and one member in the Brčko District of Bosnia and Herzegovina.

2. When it functions in the capacity of the Joint Concession Commission, the Commission consists of seven members. The President as referred to in paragraph 1 is also the President of the Joint Concession Commission. The President appoints three members of the Commission to the Joint Concession Commission out the members referred to in paragraph 1. Other three members of the Joint Commission are interchangeable depending on the subjects and are appointed by the President of the Joint Concession Commission from among the members of the Federation of Bosnia and Herzegovina Concession Commission founded under the Concession Law of the Federation of Bosnia and Herzegovina and/or out of members of the Republika Srpska Concession Commission founded based on the Republika Srpska Law on Concession or the representatives of the Brčko District of Bosnia and Herzegovina.

Article 8

Appointment of Commissioners

1. The Commissioners shall be appointed by the Parliamentary Assembly of Bosnia and Herzegovina upon proposal the Council of Ministers out of eminent experts in the field of law, economics and engineering. The President and the Vice-President shall be appointed from among the Commissioners by the Chair of Council of Ministries.

2. No person convicted of a criminal offence or under criminal proceedings can be appointed as a Commissioner.

3. A Commissioner may not have direct or indirect interests in any activity that would lead to a conflict of personal interest with his/her official duties. A Commissioner may not be engaged at another job nor assume any other function.

4. A Commissioner may not execute any political function.

5. No criminal proceedings may be instituted or conducted pursuant to this Law against a Commissioner or the employees of the Commission for the actions performed during exercising official duties laid out in the law herein.

Article 9

Term of Office

1. The term of office of Commissioners is five years and it may be renewed for another term of five years.

2. The President of the Commission may authorize a Commissioner to continue and complete the task assigned notwithstanding the expiry of his/her term.

3. If a vacancy in the Commission exists prior to the expiration of term, the Parliamentary Assembly of Bosnia and Herzegovina shall appoint a new Commissioner for the remaining period of term. The new Commissioner shall have the residence in the same entity or Brčko District of Bosnia and Herzegovina as the previous one.

Article 10

Appointment and Remuneration of Personnel

1. The Commission shall have a Secretary. The Secretary of the Commission and other personnel working for the Commission shall be appointed in a way and under conditions set by law and Rules of Procedure of the Commission internal organization. The Rules of Procedure of the Commission shall set the criteria for the level of salaries and other remunerations based on employment.

2. The Council of Ministers shall set the level of salary and other remunerations based to employment for the President, the Vice-President and other Commissioners.

Article 11

Funds for Operation of the Commission

1. The funds for operation of the Commission constitute the integral part of the budget of the institutions of Bosnia and Herzegovina.
2. The funds for the work of the Commission shall make the budget funds of the Bosnia and Herzegovina institutions that are established in accordance to the law.
3. The use of funds by the Commission shall be subject to audit by the Office in charge of audit of financial operations of the institutions of the Republic of Srpska.
4. The Commission shall prepare an annual financial statement and include it in the report on its operation during preceding fiscal year and submit it to the Council of Ministries of Bosnia and Herzegovina as referred to in Article 14.

Article 12

Operation of the Commission

1. The President of the Commission shall coordinate the work of the Commission and be responsible for work of the personnel.
2. Should the President of the Commission be absent or unable to act, the Vice-President shall act as the President of the Commission.
3. Applications filed with or requests for approval or reconsideration/review submitted to the Commission pursuant to this Law shall be examined and decided on by at least four Commissioners, out of whom one has residence set forth under Article 7 (1). If one Commissioner is unable to perform his/her duty or die in the course of deciding procedure, three remaining members of the Commission might unanimously make decision.
4. The issues under the Joint Concession Commission competence referred to in Article 4 (3) and Article 6 (2) shall be considered and decided upon by seven Commissioners.

Article 13

Decisions of the Commission

1. Decisions of the Commission shall be made in writing and include the reasoning.
2. The Commission shall forward without delay a certified copy of its decision to the participants and the competent Minister (hereinafter: Minister) and upon request from the Minister, the copies of other documents as well.
3. The Secretary of the Commission shall have custody of the records and execute other tasks assigned to him/her by the President of the Commission.
4. The decision referred to in Article 21 (3) and the approval referred to in Article 23 shall be published in the Official Gazette of Bosnia and Herzegovina.
5. All documents signed by the Commission President or the person authorized by the President shall be authentic. A copy of any document of the Commission signed by the President or authorized person shall be deemed authentic.

Article 14

Reporting Obligation

1. The Commission shall submit a report on its activities to the Council of Ministries not later than 31 May of the current year.
2. The report shall include the data on submitted requests, those for review, decisions of the Commission, and number and nature of and answers to any inquiry the Commission considered. The report shall also contain any other information concerning the work of the Commission required by the Minister.

3. Upon consideration, the Council of Ministries shall table the report under paragraph 1 to the Parliamentary Assembly for adoption within 30 (thirty) days from the day of receiving.
4. The report under paragraph 1 shall be published in the Official Gazette of Bosnia and Herzegovina, Official Gazette of Entities and Brčko District of Bosnia and Herzegovina.

Article 15

Public Hearings

1. The work of the Commission shall be public in the following cases:
 - a) when considering the appeals referred to under Article 16 (1) c);
 - b) at the request of Minister pursuant to Article 14 (2);
- 2) The Commission may also hold a public hearing on any matter within its jurisdiction if the public interest so requires.
- 3) Before holding a public hearing the Commission shall issue written instructions setting the date for submitting of all necessary documents and information and the date of hearing, and shall provide all needed information it deems necessary.
- 4) The Commission may require that the participants submit their opinion and evidence in writing.
- 5) The Commission may prohibit or restrict the disclosure, publication or release of any information or documents if the nature of that document or the protection of public interest so requires.

Article 16

Competence of the Commission

It is within the exclusive competence of the Commission to:

- a) monitor the entirety of activities of Concessionaire in order to ensure that the consumers are adequately provided with services and charged fair and reasonable rates;
- b) approve the terms and conditions of a standard contract on provision of services to the customers referred to in Article 30 (3);
- c) examine the complaints filed by consumers concerning the amount of fee or conditions for supply of services by the Concessionaire;
- d) decide on any claim filed or request for revision filed pursuant to this Law.
- e) conduct the proceedings in case of violation referred to in Article 33.

Article 17

Other Duties and Functions of the Commission

1. The Commission shall prepare a Paper on the Policy of Granting of Concessions that fall under exclusive competence of Bosnia and Herzegovina. The Policy Paper of Granting Concessions shall be submitted to the Council of Ministries that either adopts or rejects it within 30 days following its receiving. Upon adoption, the document shall be tabled to the Parliamentary Assembly of Bosnia and Herzegovina. The Policy Paper shall be published in the "Official Gazette of Bosnia and Herzegovina."
2. The Commission shall supervise the implementation of Policy Paper and submit an annual report to the Council of Ministries.
3. The Commission, on its own initiative or upon request from any interested person, may formulate general principles or suggest the implementation of specific regulations regulating certain sector of economy or industry.
4. The Commission shall advise the Minister on any regulative matter the Minister submits to the Commission, and on its own initiative it may advise the Minister on any matter within its jurisdiction.
5. If so agreed between the interested parties, the Commission may arbitrate any dispute occurred between contracting parties and it may act as a mediator upon request from interested parties.

6. Upon submission of request by any interested party, the Commission shall make a decision in order to protect the rights of interested parties.
7. If warranted to protect the public interest, the Commission may request that the Council of Ministries reimburses the costs of participation of experts in public hearings.
8. The Commission shall cooperate with other regulating bodies established pursuant to the laws of Bosnia and Herzegovina.
9. The Concessionaire shall compensate in accordance with the Law on Stamp Duties of Bosnia and Herzegovina (Official Gazette of BiH, no. 16/02 and 19/02), the entirety or a part of costs incurred in examining any matter submitted to the Commission or costs incurred in enforcement of the decisions or orders of the Commission.

Article 18

Reexamination of the Decisions of the Commission

1. Upon request for reexamination of the decision of the Commission submitted within 60 (sixty) days from the day of making of decision or ex officio, after the reexamination of the decision, the Commission may revise or revoke the same if:
 - a) a new fact is established which would have influenced the making of a different decision had it been known at that time,
 - b) interested party was justifiably unable to present the observations concerning the decision for sufficient cause.
2. Prior to the reexamination of a decision, the Commission shall enable the interested parties to state their opinion on the decision.
3. The Commission may correct a decision if it contains an error in writing or calculation or any clerical error, upon its own initiative or upon a request of interested party.
4. The Commission or any interested person may keep a certified copy of a decision or order made under this Law with the registry office of the relevant court, with which the Concessionaire is registered according to the laws of Bosnia and Herzegovina.
5. The decision or order kept pursuant to paragraph 4 has the same force and effect as the decision of the relevant court with which the Concessionaire is registered according to the laws of Bosnia and Herzegovina.
6. No appeal shall be permissible against the decision of the Commission. However, administrative proceedings might be initiated before the Court of Bosnia and Herzegovina.

Article 19

Rules of the Commission

1. With agreement from the Council of Ministries, the Commission shall make the rules on:
 - a) procedure to submit requests, presentations and complaints to the Commission, to conduct hearings before the Commission and other issues concerning the work of the Commission;
 - b) sessions and number of Commissioners to examine the request;
 - c) concentration of ownership and measures in order to allow the growth of competition in particular sector, if this issue is not regulated by other regulations;
 - d) modalities of disputes resolution referred to in Article 17, paragraph 5;
 - e) internal organization and way to establish the criteria for setting the level of remuneration referred to in Article 17, paragraph 9.
 - f) establishment of remunerations referred to in Article 17, paragraph 9. .
2. The rules under paragraph 1 shall entry into force on the eight day following their publishing in the Official Gazette of Bosnia and Herzegovina.

Article 20

Inspection and Verification of the Work of Concessionaires

1. The President of the Commission may designate another person in writing to perform the inspection and verification of the work of Concessionaires.
2. Person designated under paragraph 1 of this Article may:
 - a) enter the building or property of the Concessionaire at any reasonable time;
 - b) examine and make copies of books, records, reports, files or other documents relating to the activities of the Concessionaire;
 - c) require any information or document needed for enforcement of this Law.
3. The person having custody, possession or control over books, records, reports, files or other documents shall allow access and verification of the same upon request of designated person.
4. Designated person referred to in paragraph 1 shall be obliged to prove his/her official identity.
5. No court proceedings may be instituted against the designated person referred to under paragraph 1 for the actions performed ex officio and in bone fide.
6. Neither Concessionaire nor any other person may hinder the work of designated person, give or certify a false statement during the execution of inspection or verification.

CHAPTER III- TENDERING PROCEDURE

Article 21

Concession Project Approval

1. The Conceding Party shall prepare a feasibility study on any project to be granted as a Concession prior to public invitation of potential bidders. The feasibility study shall be submitted to the Commission for consideration and approval.
2. The Commission shall inform the relevant body on the approval of project within one month from the day of receiving of the study.
3. In rendering its decision the Commission shall have due regard to:
 - a) impact of project on the supply of services to the customers;
 - b) impact of project on the fee charged against the customers;
 - c) whether the project falls within the objectives set in the Policy Paper;
 - d) whether the project is of net benefit to Bosnia and Herzegovina.
4. In case the Commission does not approve the project, it may suggest or recommend such changes as would render the project acceptable.
5. Upon approval of the project pursuant of paragraph 2, the authority in charge shall organize a public invitation, i.e. a tender (hereinafter: tender) and invite the persons that have qualified. The invitation shall be sent to the biggest possible number of addressees and if the Commission requires so, an international invitation shall be sent as well.
6. Subject to the approval of the Commission the request for qualification may be issued by the Conceding Party prior to public invitation. The request for qualification shall be published and distributed to persons recognized for their expertise as well as business practices and financial strength. Request for qualification shall contain also the criteria to be used in the process of selection.

Article 22

Public Invitation

1. Public invitation shall include:
 - a) project description;

- b) definition of economic and legal conditions and requirements applicable to the project;
- c) principles and methods of calculation of concession fee;
- d) amount of concession fee and fee and duty for participation in public invitation;
- e) description of assets and property to be made available to the Concessionaire;
- f) criteria pertaining to evaluation of tenders and granting of Concession, based on clear, transparent and non-discriminatory principles accessible to all;
- g) deadline for submitting of tenders;
- h) draft of Concession Contract;
- i) tax allowances attached to the project, if any
- j) list of all necessary permits, licenses and other authorizations.

2. The Commission may require that public invitation include the obligation for bidders to prepare a feasibility study with environmental impact assessment. Feasibility study shall be considered in the evaluation of criteria pertaining to the granting of Concession.

Article 23

Approving Public Invitation

1. The Conceding Party shall submit to the Commission a proposal of public invitation and related documents for consideration and approval.

2. Within 21 days from the day of receiving of proposal of public invitation, the Commission shall inform the Conceding Party whether the invitation is approved.

3. In considering the proposal of public invitation the Commission shall take into account all relevant elements, including:

- a) whether the evaluation criteria, the procedure and selection of successful tender are satisfactorily based on clear, transparent and non-discriminatory principles accessible to all;
- b) whether the proposal of public invitation substantially deviates from feasibility study approved by the Commission.

4. The Commission may give recommendations pertaining to each submitted invitation. Such recommendations are binding.

Article 24

Granting of Concession

1. A Concession shall be granted to the most favorable bidder having met and satisfied all the criteria set in public invitation and being of a higher rank compared to all other bidders.

2. A Conceding party shall, as promptly as possible, notify the Commission of the selection of the most successful bidder.

3. The Commission shall receive a copy of Concession Contract as well as copies of all project documentation.

4. The Conceding party shall notify the Parliamentary Assembly of Bosnia and Herzegovina on the final decision relating to concession granting.

Article 25

Unsolicited Proposal

1. In the event that a bidder submits to the competent Ministry (hereinafter: Ministry) a proposal for concession for which there was no public invitation, the Ministry shall evaluate whether there is public interest for such a concession.

2. In evaluation of proposal under paragraph 1, particular attention shall be paid at:

- a) the fact that the project subject to proposed concession can be achieved only with process, design, methodology or concept of engineering for which the bidder owns exclusive rights;

- b) urgent need for providing services or for existence of infrastructure for public use.
- 3. The Ministry shall submit a request to the Commission for obtaining of authorization to negotiate with bidder if it estimates that there is public interest for the Concession.
- 4. The Commission shall as soon as possible inform the Ministry whether the granting of authorization is approved or not. The authorization given by the Commission may prescribe the right of the Commission to monitor the process and/or review the documentation.
- 5. The Ministry may not conclude a Concession Contract based on unsolicited proposal unless granted the authorization by the Commission; and in that case the Concession is granted according to the procedure set by this Law.

CHAPTER IV- CONCESSION CONTRACT

Article 26

Contents of Concession Contract

1. The Concession contract shall contain in particular:

- a) contents and volume of concession
- b) rights and obligations of contracting parties, including the obligation to provide reliable services to customers at the lowest price given the circumstances,
- c) activities related to obtaining necessary authorizations for execution of activities in accordance with the Concession Contract,
- d) investment requirements,
- e) facilities and occupation of land,
- f) assets and property made available by the Council of Ministries, Entity Governments or the Government of the Brčko District of Bosnia and Herzegovina,
- g) terms and conditions for renewal of Contract,
- h) sanctions and fees for nonperformance of obligations of contracting parties,
- i) termination of Contract and procedure in case of termination prior to the expiry date set by the Contract,
- j) modalities of disputes settlement, including international arbitration if agreed so by the parties,
- k) measures for facilitating project financing,
- l) establishment and adjustment of tariffs,
- m) annual concession fee amount,
- n) description of events considered as force majeure,
- o) other elements relevant to the subject of Concession.

2. The Concession Contract shall have a definite term, which may not exceed 30 years. In event of exceptional circumstances requiring a longer-term investment, the term may be extended but may not exceed 50 years. The Concession Contract may be subject to renewal for a period not exceeding half of the original term.

3. Upon the final decision of the Commission, the Concession Contract shall be concluded by the minister. One copy of the concluded Contract shall be delivered to the Commission.

4. The Concession Contract may not be concluded without prior approval of the Commission, except it is concluded with an international financial institution of which Bosnia and Herzegovina is a member. In reviewing the request for approval, the Commission shall have due regard to:

- a) financial condition of proposed new Concessionaire,
- b) expertise and ability of proposed new Concessionaire to provide services and perform its obligations under the Concession Contract,

- c) impact of assigned Concession on concentration of ownership within specific sector of activity.
5. A new Concessionaire shall assume the rights and obligations of the former Concessionaire.
6. A new Concession Contract shall be concluded and carried out in accordance with the principles of the applicable economic laws of Bosnia and Herzegovina.

Article 27

Termination of Concession Contract

A Concession Contract shall terminate if:

1. the Concessionaire is insolvent or bankrupt,
2. the Concessionaire or the Conceding Party fails to fulfill its obligations under the Contract.

CHAPTER V- THE CONCESSIONAIRE

Article 28

Legal Status of the Concessionaire

The Concessionaire is a legal entity established pursuant to the laws of Bosnia and Herzegovina with whom the Conceding Party shall conclude a Concession Contract, and having the rights and obligations under this Contract and this Law.

Article 29

Rights of the Concessionaire

The Concessionaire has the right to own and use the assets and property made available by the Conceding Party in accordance with the Concession Contract.

Article 30

Obligations of the Concessionaire

1. The share capital of the Concessionaire shall be held by persons listed in tender documentation. Not more than 15% of voting rights can be transferred, directly or indirectly, without approval of the Commission.
2. The Concessionaire may not perform any activity other than listed in Concession Contract.
3. The Concessionaire shall prepare standard services contracts regulating business relationship between the Concessionaire and users of services, subject to approval of the Commission.

CHAPTER VI- TRANSITIONAL, PENAL AND FINAL PROVISIONS

Article 31

Initial composition of the Commission

1. In the initial composition, Commissioners shall be appointed as follows: one member from the Federation of Bosnia and Herzegovina, Republika Srpska and the Brčko District each, for the term of office of 5 years, one member from the Federation of Bosnia and Herzegovina, Republika Srpska and the Brčko District each for the term of office of 3 years, and one member from the Federation of Bosnia and Herzegovina and Republika Srpska each for the term of office of two years.
2. In the initial composition, the President of the Commission referred to in Article 7, paragraph 1, shall be a foreign citizen and shall be appointed by the Council of Ministries at the proposal of the High Representative to Bosnia and Herzegovina for the term of office of five years. After the said period, the appointment of the President of the Commission shall be performed in accordance with Article 8, paragraph 1.

Article 32

Application of law

1. Provisions of this Law shall not be applied to the concessions granted before the day of this Law entered into force.
2. Exceptionally, in event that the Concessionaire under paragraph 1 limits competition and creates monopoly at the market in any sectors in Bosnia and Herzegovina, the Commission shall be entitled to review the contract concluded between the Concessionaire and the Conceding party, as well as the contract referred to in Article 30, paragraph 3.
3. Each Concession Contract concluded contrary to this Law is null and void.
4. By the day of this law entry into force, the Law on Concession (Official Gazette of SR BiH, number 27/91), as well as all by-laws based on it, shall cease to be applied.

Article 33

Penalties

1. A fine in the amount from KM 1,000 to 10,000 KM shall be imposed on responsible person and the Concessionaire who gives a false statement in order to secure a transfer of participation, shares or share certificate or on the bases of which the Commission issues authorization to transfer (Article 30, paragraph 1).
2. A fine in the amount from KM 100 to KM 1,000 KM shall be imposed for breach on persons referred to in paragraph 1 if:
 - a) avoid answering the questions that could establish the facts because of which the inquiry is made (Article 14, paragraph 2);
 - b) fail to submit any data or document necessary for application of this Law provisions (Article 20, paragraph 2);
 - c) upon request of the Commission fail to present to the Commission or Commissioner, or person authorized to review books, documents, invoices, archive or minutes of more Concessionaires (Article 20, paragraph 3);
3. A fine in the amount from KM 300 to KM 3,000 shall be imposed on the Concessionaire who ordered, requested or instructed the actions under paragraph 2.
4. A fine in the amount from KM 400 to KM 4,000 shall be imposed on the Concessionaire, who:
 - a) breaches any of the provisions of the Law,
 - b) commits any action prohibited by the Law,
 - c) fails or refuses to perform any duty entrusted with him/her for which the sentence is not established, or
 - d) avoids or refuses to execute the request, order issued by the Commission or judgment of the competent court,
5. Within the meaning of paragraph 4, the act, omission or failure of any responsible person, officer, agent or other person acting on behalf of or employed by any Concessionaire and acting within his/her scope of employment and instructions shall in every case be deemed to be the act, omission or failure of that Concessionaire.
- 6) The right to initiate a proceedings for the breach referred to in paragraphs 1, 2, 3 and 4 shall fall under statute of limitation within a year starting from the day of the breach commission.

Article 34

Payment of funds

The funds collected based on fees referred to in Article 17, paragraph 9 and Article 26, paragraph 1 m) and the fines imposed for breaches, referred to in Article 33 shall be paid to the account of Bosnia and Herzegovina Budget.

Article 35**Jurisdiction of court**

In the event of disputes arisen from violations of this Law the competent court shall be the Court of Bosnia and Herzegovina.

Article 36**Entry into force**

This Law shall enter into force on the eighth day following the publication in the Official Gazette of Bosnia and Herzegovina, and shall also be published in the Entity Official Gazettes and the Official Gazette of the Brčko District of Bosnia and Herzegovina.

Parliamentary Assembly of Bosnia and Herzegovina, number 86/02, 30 September 2002, Sarajevo

President of the House of Representatives of the Parliamentary Assembly of Bosnia and Herzegovina, Mariofil Ljubic

President of the House of Peoples of the Parliamentary Assembly of Bosnia and Herzegovina, Dr. Nikola Spiric