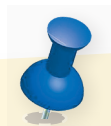


BOSNA I HERCEGOVINA
MINISTARSTVO FINANCIJA/
FINANSIJA I TREZORA



БОСНА И ХЕРЦЕГОВИНА
МИНИСТАРСТВО ФИНАНСИЈА
И ТРЕЗОРА

BOSNIA AND HERZEGOVINA
MINISTRY OF FINANCE
AND TREASURY

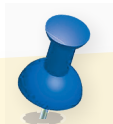


BUDGET FOR CITIZENS

Ministry of Finance and Treasury
of Bosnia and Herzegovina

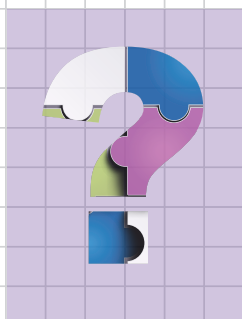
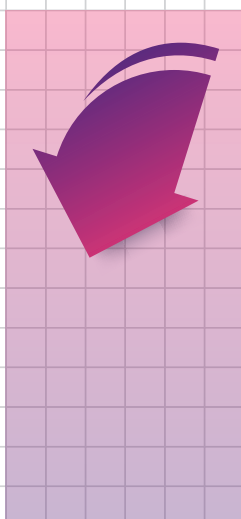
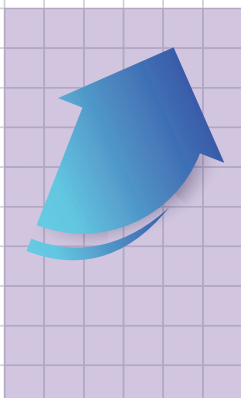
2025





BUDGET FOR CITIZENS

Ministry of Finance and Treasury
of Bosnia and Herzegovina



BOSNA I HERCEGOVINA
MINISTARSTVO FINANCIJA/
FINANSIJA I TREZORA



БОСНА И ХЕРЦЕГОВИНА
МИНИСТАРСТВО ФИНАНСИЈА
И ТРЕЗОРА

BOSNIA AND HERZEGOVINA
MINISTRY OF FINANCE
AND TREASURY



Publisher:

Ministry of Finance and Treasury of Bosnia and Herzegovina

For the Publisher:

Ministry of Finance and Treasury of Bosnia and Herzegovina

Design and computerised pre-print:

Graphic Studio „Lik“ Banja Luka

Printing press:

GRAFID d.o.o. Banja Luka

For the printing press:

Branislav Ivanković



BUDGET FOR CITIZENS

CONTENTS

Introductory note of the Minister	5
Budget for Citizens	6
Field of work	8
Jurisdictions	8
Legal basis	8
Goals	8
Budget calendar and budget process	9
Expenditure structure	10
Program activities	14
Questions, comments and suggestions	15





INTRODUCTORY SPEECH BY THE MINISTER

Dear citizens,

You are now reading the third edition of the document “Budget for Citizens of the Ministry of Finance and Treasury of BiH for 2025”, an illustrated guide that clearly and simply presents how the funds of the Ministry of Finance and Treasury of BiH are collected and spent. Our goal in launching this initiative is to become even more open, transparent, and accountable to the citizens regarding the planning, management, and use of financial resources.

The purpose of this document is to provide the public with better insight into, and understanding of, how the Ministry plans, allocates, and spends public funds from the budget. Given that the funds flowing into the budget come from taxpayers, we have a duty to manage them in the best interest of all citizens of Bosnia and Herzegovina and to present clear, easy-to-understand information on the sources of collected funds and how they are spent.

This document is intended for everyone who wants to be informed about the Ministry’s plans, as well as for all those who wish to monitor how public funds are spent in achieving the goals that have been set.

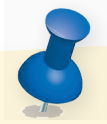
I sincerely hope that this document will answer the key questions regarding the Ministry’s Budget and encourage as many stakeholders as possible to share their views and suggestions, which will serve as a basis for preparing future editions of the “Budget for Citizens.”

We remain open to stronger and more meaningful participation of citizens in the budgetary process during the preparation of future “Budget for Citizens” documents, despite constitutional constraints in the structure of the BiH institutions’ budget. Our goal is to develop a more accessible and understandable budget, as this is one of the essential preconditions for improving public financial management. We look forward to working together in the period ahead.

Kind regards,

MINISTER

Srdan Amidžić, PhD



BUDGET FOR CITIZENS



The money within the **budgets** of governmental institutions at all levels is the money of citizens. Governmental revenues are collected from citizens through taxes and payments of different duties and charges. In addition to this, the revenue also comes from **concessions** for the usage of resources which make a common heritage and belong to all the citizens. Even when the revenues come from loans, citizens are the ones who will have to repay them in the end. Governmental institutions are responsible for the funds within their budgets, and they decide in the name of its citizens about the distribution of the collected funds for different purposes.

Having in mind that the budget is also a reflection of **public policies**, it is clear why the countries with a developed democratic culture have a significant interest of the public in many budget-related issues. Citizens want to know and decide on how their money is spent. In this, a basic precondition for citizens to participate in the process of budgetary decision-making is to be informed. In line with that, the task of the authorities is to provide transparency of their work and provide information about all the important questions related to the process of creation, adoption, and execution of the budget.

Budget for Citizens is a document which summarizes and explains the basic budget information. This is a report, presented in an accessible format, which uses a simple and clear language understood by the citizens. If they can understand it, the citizens can then achieve their citizens' rights in a democracy – they can ask questions making sure the government explains what they do in the name of citizens.



Budget

A document forecasting all revenues and expenditures in one year.

Concession

A permission of the government given to legal or natural person to perform certain business activities according to pre-determined requirements.

Public policy

A plan or course of action of governmental institutions.

Budget for Citizens

A simplified and illustrated overview of certain parts of the official Budget.

I FIELD OF WORK

- The Ministry enforces laws and other regulations through their direct application, resolving administrative cases in administrative procedures, conducting administrative supervision, and performing other administrative tasks within its scope of competence.
- The Ministry prepares and proposes laws, other regulations, and general acts within its competence to the Council of Ministers of Bosnia and Herzegovina and the Parliamentary Assembly of Bosnia and Herzegovina and carries out other tasks defined by specific laws and other regulations.
- The Ministry prepares and proposes analyses, reports, and information on the situation in the areas and activities undertaken within the Ministry's competence to the Council of Ministers of Bosnia and Herzegovina and the Parliamentary Assembly of Bosnia and Herzegovina.
- The Ministry monitors the situation in areas and activities within its competence, particularly concerning the implementation of laws and other regulations, takes measures within its authority, or makes recommendations to the competent bodies to ensure the implementation of laws and other regulations.

GOALS

Strategic Goal

- Macroeconomic stability

Medium-Term Goal

A stable and transparent system for financing BiH, the management and control of public finances, and the fulfilment of international financial obligations

Specific Goals

- Developing effective policies and systems for managing and controlling the financing of BiH institutions.
- Improving the public debt management system and aligning external financing with the needs of BiH.
- Improvement of fiscal policy and development of the asset management system of Bosnia and Herzegovina.
- Developing effective policies and systems for financial development planning and for managing EU pre-accession assistance.
-

II JURISDICTIONS

The Ministry is responsible for:

- Principles of tax policy, fees, and regulations;
- Relations with international and domestic financial institutions;
- Preparing contracts, agreements, and other acts through which BiH assumes loans and other financial obligations with other countries and international organizations;
- Planning and managing the debt of BiH, fulfilling international financial obligations;
- Policy of new borrowing domestically and abroad;
- Preparing the budget of BiH and the annual financial report of BiH;
- Coordinating activities to secure budgetary funds for BiH;
- Executing the budget of BiH and ensuring the financing of BiH institutions;
- Conducting activities related to the succession of assets of the former SFRY;
- Banking regulations related to the functioning of the Central Bank of BiH;
- Managing property owned by BiH institutions;
- Compiling, distributing, and publishing consolidated general government fiscal data;
- Coordinating international economic support for BiH, except for the part related to European Union assistance;
- Regulating internal control of budget users in accordance with internationally recognized internal control standards, as well as providing guidelines for establishing and maintaining the internal control system;
- Developing, managing, and coordinating internal audit within the institutions of Bosnia and Herzegovina;
- Financial planning of development within the institutions of Bosnia and Herzegovina, which includes public investment management and medium-term planning, monitoring, and reporting.

III LEGAL BASIS

The Constitution of BiH, Law on Ministries and Other Administrative Bodies, Law on Administration, Law on Civil Service in the Institutions of BiH, Law on Labor in the Institutions of BiH, Law on Public Procurement of BiH, Law on Financing of BiH Institutions, Law on Salaries and Allowances in the Institutions of BiH, Law on the Budget of BiH Institutions, Law on Internal Audit of the Institutions of Bosnia and Herzegovina, Law on Borrowing, Debt, and Guarantees of BiH; Law on the Procedure for Concluding and Executing International Agreements, Agreement on Succession Issues of the former SFRY; Framework Agreement on the Rules of Cooperation between the European Commission and BiH regarding EU financial assistance to Bosnia and Herzegovina through IPA.

BUDGET CALENDAR AND BUDGET PROCESS

The budget calendar is prescribed by the Law on Financing of the Institutions of Bosnia and Herzegovina, defining activities related to the preparation and adoption of the Budget. It outlines the timeline and responsibilities of individual institutions concerning the preparation of the official Budget.

The budget process is based on the prescribed activities of all participants involved in the preparation and adoption of the Budget of the institutions of Bosnia and Herzegovina, as well as the international obligations of Bosnia and Herzegovina, including implementation, reporting, and control.

The budget process begins in January when the Ministry of Finance and Treasury, by the 31st of the month, provides all budget users with the budget instruction and budget calendar for the preparation of the **Budget Framework Document (BFD)**.



Budget process

The process which includes preparing and adopting the budget, its execution, reporting and control.

Framework Budget Document (FBD)

A projection of three-years' revenues and expenditures, i.e. a mid-term budget projection.



31 January

The Ministry of Finance and Treasury of BiH sends out its budgetary instructions with the budget calendar for the preparation of a Framework Budget Document and Annual Budget to all the budget users.



31 March

Directorate for Economic Planning is obliged to prepare a draft of the macroeconomic projections for the current year and the three following years.



15 April

Department for Macroeconomic Analysis of the Management Board of the Indirect Taxation Authority prepares a draft of projection of revenues from indirect taxation for the current year and the three following years. Budget users submit their tables summarising their priorities to the Ministry of Finance and Treasury of BiH.



15 June

The Ministry of Finance and Treasury submits the Framework Budget Document to the Council of Ministers for adoption.



30 June

The Council of Ministers adopts the Framework Budget Document.



1 July

The Ministry of Finance and Treasury of BiH submits its instructions to the budget users for the preparation of requests for the next year's budget.



1 August

Budget users submit their requests for the next year's budget.



1 October

The Ministry of Finance and Treasury of BiH, after performed consultations with budget users, submits a Draft Law on the Budget of Institutions of BiH and International Obligations of BiH to the BiH Council of Ministers for the next year.



15 October

The Council of Ministers is obliged to submit the Draft Law of the Budget of Institutions of BiH and International Obligations of BiH for the next year to the BiH Presidency.



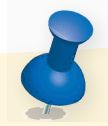
1 November

The Presidency of BiH is obligated to submit a Proposal of the Law on the Budget of Institutions of BiH and International Obligations of BiH for the next year to the BiH Parliamentary Assembly.



31 December

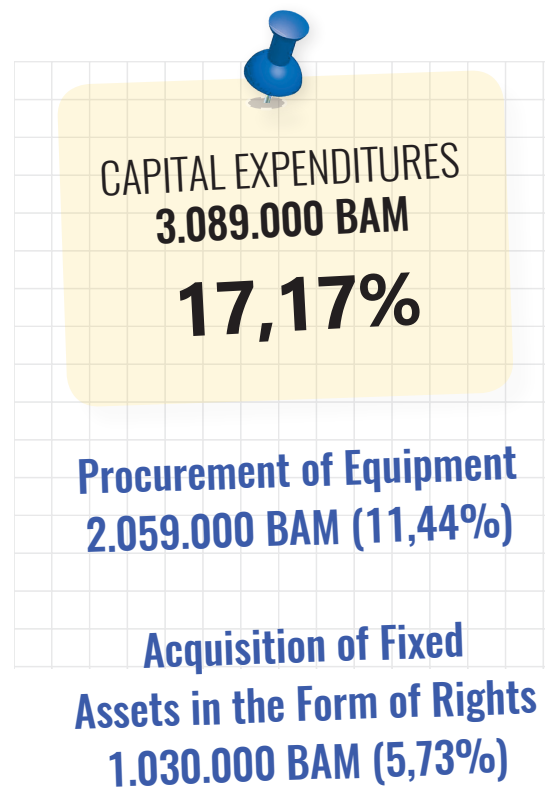
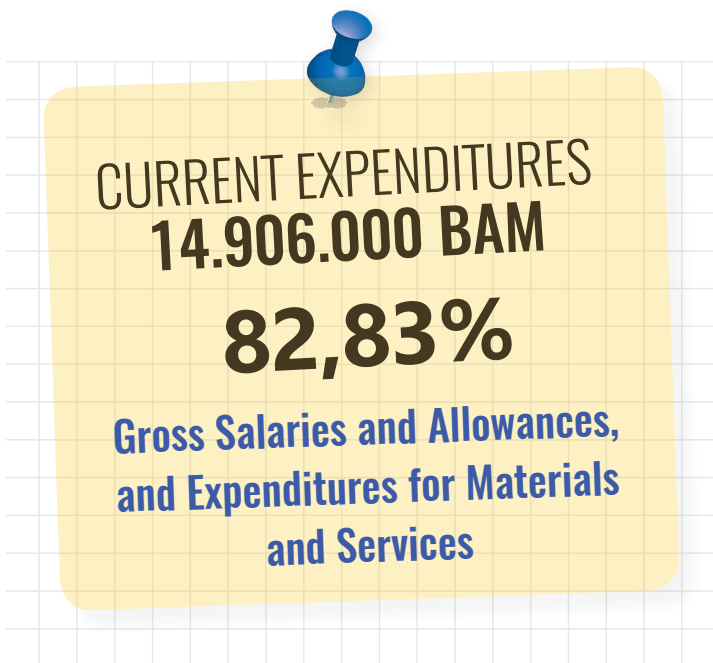
The BiH Parliamentary Assembly considers the Proposal of the Law on the Budget submitted to the Presidency of BiH and it adopts the Law on Budget in accordance with its own Rules of Procedure.



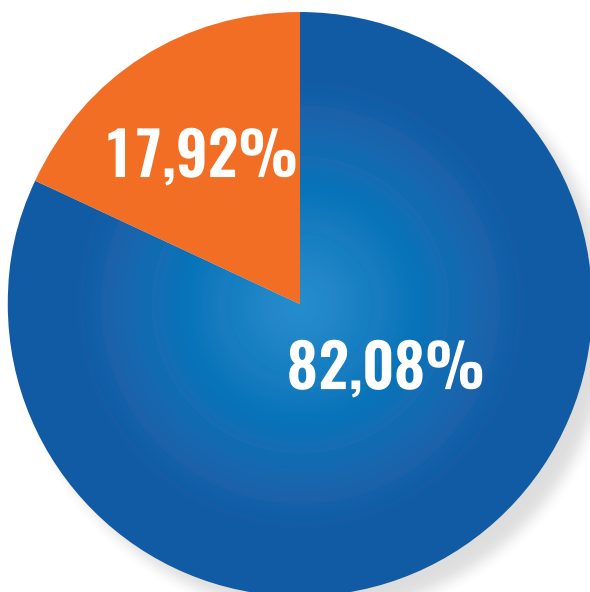
EXPENDITURE STRUCTURE

The 2025 Budget of the Ministry of Finance
and Treasury of Bosnia and Herzegovina
amounts to **17.995.000 BAM** with the following
expenditure structure:

a) LINE ITEM - BY TYPE OF EXPENDITURE



b) PROGRAMMATIC- PROJECT EXPENDITURE STRUCTURE



EXPENDITURE STRUCTURE BY ECONOMIC CATEGORIES

CURRENT EXPENDITURES	14.906.000
Gross Salaries and Allowances	7.495.000
Reimbursement of Expenses for Employees and Parliamentary Representatives	1.181.000
Travel Expenses	180.000
Expenditures for Telephone and Postal Services (PTT)	75.000
Procurement of Materials	55.000
Expenditures for Transport and Fuel Services	60.000
Rental of Property and Equipment	42.000
Current Maintenance Expenditures	5.462.000
Expenditures for Insurance, Banking Services, and Payment Transactions	20.000
Contracted and Other Special Services	336.000
EXPENDITURES FOR THE PROCUREMENT OF FIXED ASSETS	3.089.000
Procurement of Equipment	2.059.000
Acquisition of Fixed Assets in the Form of Rights	1.030.000
TOTAL	17.995.000

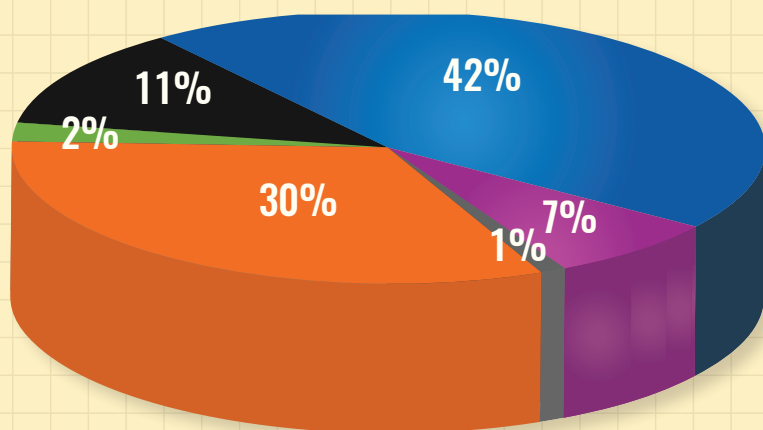


The largest share of the Ministry of Finance and Treasury of BiH's budget relates to gross salaries and allowances (42%). The remaining expenditures cover the costs required to ensure the Ministry's uninterrupted functioning.

As part of its planned equipment purchases, the Ministry of Finance and Treasury has budgeted for the procurement of one vehicle, furniture, computers and laptops, data and voice transmission equipment, and server rack equipment. Under fixed assets in the form of rights, it has planned Oracle, Cisco VPN, Adobe Acrobat Pro, and Teams licenses. Revenue from the sale of motor vehicles is planned in the amount of BAM 10,000.

The number of employees of the Ministry of Finance and Treasury of BiH approved under the Budget is 183.

EXPENDITURE STRUCTURE



Gross Salaries and Allowances

Allowances for Employee and Assembly Representatives' Expenses

Travel Expenses

Expenditures for Ongoing Maintenance

Contracted and Other Special Services

Procurement of Equipment

COFOG Classification

According to the COFOG classification, all funds of the Ministry of Finance and Treasury of BiH are allocated to General public services—Executive and legislative bodies; financial and fiscal affairs; and external affairs.

COFOG Classification

Classification of governmental function (COFOG – Classification of the Functions of the Government) was published by the Department for Statistics of the United Nations and it is related to the funds from the budget classified by the purposes, which these are spent for.



PROGRAM ACTIVITIES

Management and Control of Financing of Institutions of Bosnia and Herzegovina

- Management and Support of the Budget of BiH Institutions
- Management and Administration
- Upgrade of the Financial Management Information System with the Budget Preparation Process Management Module (BPMIS)
- Upgrade of the Financial Management Information System with the Human Resource Management System (HRMS) Module and the Payroll Module
- Preparation, Analysis, and Control of Budget Execution of BiH Institutions and Reporting (Budget of the Institutions of Bosnia and Herzegovina Sector)
- Management of Treasury Operations in BiH Institutions in accordance with EU Standards (Treasury Operations Sector)
- Internal Audit (Central Unit for Internal Audit)
- Management of Property Owned by BiH Institutions and Coordination of the Succession Process of the Former SFRY (Implementation of the Succession of the Former SFRY and the Management of the Property of BiH Sector)
- Management of Public Investments, Medium-Term Planning (Financial Development Planning and Coordination of International Economic Assistance Sector)
- Management Activities and Support Activities (Office of the Minister, Office of the Deputy Minister, Secretary of the Ministry, and Sector for Legal, Personnel, General, and Financial Affairs)

Number of Employees in the Program: 119

Approved Budget: 14.771.000 BAM

International Relations in the Field of Finance

- Conclusion and Implementation of International Agreements
- Public Debt Management System (Public Debt Sector)
- Relations with Financial Institutions (Sector for Relations with Financial Institutions)
- Fiscal Regulations, Taxation Policy According to International Agreements, and International Cooperation in the Field of Taxation (Fiscal Affairs Sector)
- Coordination of International Assistance (Sector for Financial Development Planning and Coordination of International Economic Assistance)
- Coordination and Management of EU Pre-Accession Assistance (Sector for Financing EU Aid Programs and Projects)

Number of Employees in the Program: 64

Approved Budget: 3.224.000 KM

Name and surname

Adress

E-mail

Organisation/
Institution

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

Name and surname

Adress

E-mail

Organisation/
Institution

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

QUESTIONS, COMMENTS AND SUGGESTIONS

Dear citizens, if you have any questions, comments or suggestions with regards to the preparation and presentation of the "Budget for Citizens", you can use the pre-prepared forms, tear them out and send them by postal mail to the address:

**Ministry of Finance and Treasury of BiH (Office of the Minister – Public Relations),
Trg BiH 1, 71000, Sarajevo.**

You may also send your questions, comments and suggestions to the following e-mail at:
trezorbih@mft.gov.ba.

Sincerely,
Ministry of Finance and Treasury of BiH





BUDGET FOR CITIZENS

Ministry of Finance and Treasury
of Bosnia and Herzegovina

