

LAW
ON DEVELOPMENT PLANNING AND MANAGEMENT IN THE FEDERATION OF BOSNIA
AND HERZEGOVINA

I GENERAL PROVISIONS

Article 1
(Subject Matter)

This Law regulates the objectives and principles of development planning and management in the Federation of Bosnia and Herzegovina (hereinafter: the FBiH), cantons and local self-government units, types of strategic documents, types of documents required in the implementation of strategic documents, bodies responsible for development planning and management, the process of development planning and management in the FBiH, programming, monitoring, evaluation and reporting on strategic documents implementation, financing of strategic documents implementation and supervision of the law enforcement.

Article 2
(Establishment of Development Planning and Management System)

The establishment of development planning and management system in the FBiH shall facilitate:

- a) Transparent and harmonized development planning and management in the FBiH, cantons and local self-government units;
- b) Coordination and integration of strategic documents and public and other financial resources in order to ensure the implementation of development priorities in the best interest of the FBiH citizens.

Article 3
(Definitions)

(1) For the purpose of this Law, the terms used hereunder have the following meanings:

- a) **Budget** is a document that regulates the planning of revenues and receipts, as well as expenditures and costs of the FBiH, cantons, cities and municipalities for the period of one fiscal year;
- b) **Framework Budget Document** (hereinafter: FBD) is a document containing macroeconomic projections and forecasts of the budget funds and costs on a triennial basis, and the budget preparation and development are based on it;
- c) **Evaluation** is the process of determining the value and importance of an intervention, i.e. programme, project or overall development strategy according to the criteria defined;
- d) **Annual Work Plan** is a document which, in addition to regular activities, also contains the activities on annual level which will be undertaken for the strategic objectives implementation from the adopted strategic documents, and it is prepared on the basis of adopted triennial work plans;
- e) **Annual Work Report** is a document containing the analysis of implementation of activities planned by the Annual Work Plan;
- f) **Horizontal coordination and alignment** mean a coordination of responsibilities and processes of the institutions, as well as the alignment of strategic documents, i.e. alignment of

development strategy and sector strategies at the same level of government in the FBiH, cantons and local self-government units, according to the common development objectives;

g) **Development Index** is a composite indicator calculated as a weighted average of several basic socio-economic indicators for evaluation of the development level of the local self-government units and cantons;

h) **Indicators** mark the type and level of changes resulting directly from the programme implementation, projects and development objectives, and serve as qualitative and quantitative indicators of the level of implementation of defined development objectives, i.e. implementation of programmes or projects;

i) **Development Report** is a document that outlines the results in the achievement of development objectives and strategic documents implementation;

j) **Monitoring** means a systematic and continuous collection, analysis and use of data and indicators to measure the implementation progress in set objectives/programmes/projects, and the progress in the use of allocated funds and undertaking of adequate measures for possible corrections;

k) **Open Method of Coordination** (hereinafter: the OMC) in development planning and management means defining and implementation of joint objectives in the FBiH based on consultations and agreement of all levels of government, selection of joint indicators for monitoring of the implementation of objectives and drafting of development report;

l) **Public Investment Programme** (hereinafter: PIP) is a triennial document adopted by the FBiH and cantonal administrative bodies and local self-government units for the purpose of management and coordination of development funds in the FBiH. It also includes development investment programmes which directly facilitate the implementation of development objectives defined in strategic documents;

m) **Development programming** is the conversion of long-term strategic objectives defined by strategic documents into specific programmes and activities through development of triennial and annual plans on the 1+2 basis, in accordance with the calendar of the FBD and budget drafting;

n) **Project** is the means of organising interconnected activities in order to implement the objectives defined in advance within a defined period of time and financial framework and other available resources;

o) **Gender equality** implies inclusion of male and female interests in all phases of the development planning and management process in the FBiH, so that men and women receive equal benefits;

p) **Development** is a multidimensional process of economic, social, environmental, spatial and institutional transformation for improvement of the quality and standard of life of citizens, with inclusion of all development stakeholders in the development processes: government sector, private sector, civil society and local community. Such development is characterised by the principle of sustainability and integration, with each sector keeping its own main development objectives, which are jointly implemented in the form of balanced development, taking into consideration natural hazards and climate change;

r) **Development planning** is the process of creating development objectives and defining procedures for implementation;

s) **Sector Development Strategy** is a strategic document of the competent institutions of the FBiH and the cantons which defines public policies, directions, objectives and resources for sector development, and it results from the integrated development strategy;

t) **Development Strategy** is an integrated, multi-sector strategic document of the FBiH, the cantons and the local self-government units which defines public policies and directs the

development of the FBiH territory and the areas of cantons and local self-government units, and it serves as a guidance for overall development;

u) **Triennial Work Plan** of the FBiH administrative bodies, the cantonal administrative bodies and local self-government units is a document defining strategic objectives, programmes and activities resulting from the competences of individual institutions in the FBiH and the relevant strategic documents, the financial framework, sources of financing during triennial period on the 1+2 basis and in accordance with the calendar of budget drafting;

v) **Development management** means the transformation of development objectives and priorities into specific activities with a clear financial effect and institutional responsibilities, the implementation, monitoring and evaluation of the results;

z) **Equal opportunities** is the principle defined by the Charter of Fundamental Rights of the European Union, which stipulates non-discrimination, equality of men and women, rights to cultural, religious and language differences of all citizens, and the rights of children, the elderly and the disabled;

aa) **Vertical coordination and alignment** is coordination of responsibilities and processes between competent institutions at different levels of government in the FBiH, and alignment of strategic documents at different levels of government in the FBiH according to the common development objectives.

(2) The use of grammatical masculine gender in this Law shall imply inclusion of both genders.

Article 4

(Development Planning and Management Principles)

The principles of development planning and management in the FBiH shall include the following:

- a) Coherent approach of all levels of government in the FBiH to development planning, programming, financing and management;
- b) Accountability, effectiveness and efficiency of public institutions at all levels of government in the FBiH in development planning and implementation of development priorities;
- c) OMC among all levels of government in the FBiH in joint development planning and implementation of development priorities;
- d) Gender equality and equal opportunities for all FBiH citizens in all phases of development planning and management;
- e) Horizontal and vertical coordination between the FBiH competent institutions in the development planning and management processes and alignment of development priorities;
- f) Complementarity which implies mutual complementarity of development activities of different institutions and levels of government for the purpose of multiplication of development effects;
- g) Partnership, publicity and transparency of all FBiH government levels in development planning, implementation, financing, monitoring, evaluation and reporting.

II INSTITUTIONAL FRAMEWORK FOR DEVELOPMENT PLANNING AND MANAGEMENT IN THE FBiH

Article 5

(Institutions and Coordination Bodies for Development Planning and Management in the FBiH)

(1) Institutional framework for development planning and management in the FBiH shall include: the Government of the Federation of Bosnia and Herzegovina (hereinafter: the FBiH Government), administrative bodies and administrative organisations of the Federation (hereinafter: the FBiH administrative bodies), Institute for Development Programming of the Federation (hereinafter: the FBiH Institute), cantonal governments, cantonal administrative bodies and cantonal administrative organisations (hereinafter: cantonal administrative bodies), local self-government units and development planning and management bodies in the cantons and local self-government units.

(2) Advisory bodies shall include Development Planning and Management Council of the Federation of Bosnia and Herzegovina (hereinafter: the FBiH Council) and development planning and management councils in the cantons (hereinafter: cantonal councils).

Article 6

(The FBiH Development Programming Institute)

In the development planning and management process in the FBiH, the FBiH Institute, in cooperation with the competent institutions of BiH, the FBiH, the cantons and the Association of Municipalities and Cities of the Federation of Bosnia and Herzegovina (hereinafter: the FBiH Association) as the representative of the local self-government units, shall be in charge of:

- a) Coordinating the drafting of the Development Strategy of the Federation of Bosnia and Herzegovina (hereinafter: the FBiH Development Strategy) and coordinating the FBiH development programming;
- b) Preparation of legislation regulating: the methodology for strategic documents drafting in the FBiH, the triennial and annual planning, monitoring and reporting, evaluation of strategic documents, drafting of development index for the FBiH, the cantons and local self-government units;
- c) Participating in drafting sector strategies in the FBiH and their alignment with the FBiH Development Strategy and in drafting development strategies of the cantons and of BiH;
- d) Coordinating the participation of institutions from the FBiH level, the cantons and the FBiH Association as the representative of the local self-government units in drafting the Development Strategy of Bosnia and Herzegovina at BiH level, in accordance with the OMC principles;
- e) Establishing cooperation with the FBiH Ministry of Finance to ensure complementarity of the development planning, programming, monitoring, evaluation and reporting on strategic documents implementation and the drafting of FBD, budget and PIP;
- f) Providing opinions to the FBiH Government and the FBiH administrative bodies in drafting annual work programme of the FBiH Government to ensure that it includes activities that will facilitate the implementation of development priorities from the FBiH Development Strategy;
- g) Working on preparation of incentive mechanisms for financing the priorities from the FBiH Development Strategy in cooperation with the cantons;
- h) Coordinating the process of monitoring, evaluation and reporting on the FBiH Development Strategy implementation, and establishing the system of indicators;
- i) Drafting development index of the cantons and local self-government units;
- j) Performing expert tasks for the FBiH Council;
- k) Ensuring the publicity of development planning, programming and implementation, monitoring, evaluation and reporting on the FBiH Development Strategy;
- l) Keeping the record of adopted strategic documents in the FBiH and the implementation reports.

Article 7

(Development Planning and Management Activities in the FBiH Administrative Bodies)

- (1) The FBiH administrative bodies shall organise development planning and management activities in cooperation with the competent institutions of BiH, the FBiH, the cantons and the FBiH Association, and in accordance with their internal organisation and competences.
- (2) The development planning and management activities in the FBiH administrative bodies shall include:
 - a) Coordination of drafting the FBiH sector strategies, in accordance with the provisions of Article 17 of this Law;
 - b) Participation in drafting strategic documents of BiH, the FBiH Development Strategy and other FBiH sector strategies, cantonal development strategies and sector development strategies of the cantons;
 - c) Coordination of the participation of cantons and the FBiH Association in drafting sector strategies at the FBiH level, in accordance with the OMC principles;
 - d) Programming based on the FBiH sector strategies and alignment of annual work plans of the FBiH administrative bodies in accordance with the provisions of Article 29 of this Law;
 - e) Proposal of incentive mechanisms for financing the development priorities defined in sector strategies, in cooperation with cantonal administrative bodies;
 - f) Development planning and management activities in the EU integration process;
 - g) Monitoring, evaluation and reporting on the implementation of the FBiH sector strategies according to the defined and publicly available development indicators;
 - h) Participation in monitoring, evaluation and reporting on of the implementation of the FBiH Development Strategy and strategic documents of BiH;
 - i) Ensuring the publicity of development planning, programming and implementation, monitoring, evaluation and reporting on the implementation of the FBiH sector strategies.

Article 8

(Development Planning and Management Activities in cantons)

- (1) The cantons shall organise development planning and management activities in cooperation with the competent institutions of the FBiH and the local self-government units within the cantons and in accordance with their internal organisation and competences.
- (2) The development planning and management activities in the cantons shall include:
 - a) Coordination of drafting cantonal development strategy and development programming in accordance with the provisions of Articles 18 and 29 of this Law;
 - b) Participation in drafting cantonal sector strategies, development strategies of the local self-government units within the canton, the FBiH Development Strategy, and strategic documents of BiH;
 - c) Coordination of the participation of the local self-governance units in drafting cantonal strategic documents, in accordance with the OMC principles;
 - d) Ensuring alignment of the budget planning and PIP with the development priorities defined in the adopted strategic documents;
 - e) Working on preparation of incentive mechanisms for financing the development priorities defined in the cantonal development strategy, in cooperation with the FBiH administrative bodies and the local self-government units within the canton;
 - f) Coordination of development and implementation of the projects identified in the cantonal development strategy in cooperation with the cantonal administrative bodies, other cantons and

local self-government units within the canton facilitating the implementation of development priorities;

g) Coordination of monitoring, evaluation and reporting on implementation of the cantonal development strategy in accordance with the defined system of indicators and keeping a publicly available database for the monitoring of the cantonal strategic documents implementation;

h) Development planning and management activities in the EU integration process;

i) Performing expert tasks for the cantonal councils;

j) Ensuring the publicity of development planning, programming and implementation, monitoring, evaluation and reporting.

Article 9

(Development Planning and Management Activities in the Cantonal Administrative Bodies)

(1) The cantonal administrative bodies shall organise the development planning and management activities in cooperation with the FBiH administrative bodies and local self-government units within the canton and in accordance with their internal organisation and competences.

(2) The development planning and management activities in the cantonal administrative bodies shall include:

a) Coordination of drafting the cantonal sector strategies in accordance with the provisions of Article 19 of this Law;

b) Participation in drafting the development strategy and other sector strategies of the canton, the FBiH and BiH;

c) Coordination of the participation of the local self-government units in drafting the cantonal sector strategies, in accordance with the OMC principles;

d) Programming based on the cantonal sector strategies and alignment with the annual work plans of the cantonal administrative bodies, in accordance with the provisions of Articles 19 and 29 of this Law;

e) Proposing incentive mechanisms for financing the development priorities defined in the cantonal sector strategies, in cooperation with the FBiH administrative bodies and the local self-government units within the canton;

f) Monitoring, evaluation and reporting on implementation of the cantonal sector strategies according to the defined development indicators;

g) Participation in monitoring, evaluation and reporting on implementation of the cantonal development strategy and strategic documents of the FBiH;

h) Ensuring publicity of development planning, programming and implementation, monitoring, evaluation and reporting on the implementation of sector strategies in the cantons.

Article 10

(Development Planning and Management Activities in Local Self-Government Units)

(1) Local self-government units shall organise the development planning and management activities in accordance with their internal organisation and competences.

(2) The development planning and management activities in the local self-government units shall include:

a) Coordination of drafting development strategy and development programming of the local self-government units;

b) Participation in drafting the cantonal strategic documents;

- c) Ensuring alignment of the budget planning and PIP with the development priorities of the local self-government units;
 - d) Defining incentive mechanisms for financing the development priorities defined in the local development strategy, in cooperation with the competent institutions of the canton;
 - e) Coordination of development and implementation of the projects identified in the local development strategy, in cooperation with the competent institutions within the local self-government units, cantonal administrative bodies, neighbouring local self-government units and socio-economic partners facilitating the implementation of development priorities;
 - f) Coordination of monitoring, evaluation and reporting on implementation of the local development strategy in accordance with the defined system of indicators and keeping a publicly available database for the monitoring of the local development strategy implementation;
 - g) Development planning and management activities in the EU integration process;
 - h) Ensuring publicity of development planning, programming and implementation, monitoring, evaluation and reporting on the local development strategy.
- (3) In coordination of development planning and management with higher levels of government, the local self-government units shall express and represent their interests through the FBiH Association.

Article 11 (The FBiH Council)

- (1) The FBiH Council is a body of the FBiH Government that shall have an advisory role in the processes of defining, implementation, monitoring, evaluation and reporting on implementation of development priorities in the FBiH, and it shall act in accordance with the principles of partnership and cooperation.
- (2) The FBiH Council shall be composed of the FBiH Prime Minister, prime ministers, i.e. presidents of the cantonal governments, the FBiH Association representative, and other socio-economic partners.
- (3) When needed, sector councils shall be established within the FBiH Council, and shall have an advisory role in the processes of defining, implementation, monitoring, evaluation and reporting on implementation of specific sector priorities in the FBiH.
- (4) The FBiH Government shall define by a specific act the composition, the number of members and the procedure for the work of the FBiH Council and the sector councils, taking into account equal representation of genders.
- (5) The FBiH Institute shall perform expert tasks for the FBiH Council.
- (6) The General Secretariat of the FBiH Government shall perform administrative and technical tasks for the FBiH Council.

Article 12 (Competences of the FBiH Council)

The FBiH Council referred to in Article 11 of this Law shall consider and provide recommendations:

- a) on key development priorities in the FBiH;
- b) on the FBiH Development Strategy and the FBiH sector strategies and their mutual alignment, prior to their submission to the FBiH Government for consideration;
- c) on alignment of the cantonal development strategies with the FBiH Development Strategy, prior to their submission to the cantonal government for consideration;

- d) on development programmes requiring joint action of different FBiH institutions and the cantons, within the framework of the FBiH Development Strategy;
- e) in case of conflicting development priorities between sectors;
- f) on the Annual Development Report of the FBiH;
- g) on improvement of the development planning and management system in the FBiH;
- h) in regard to other development planning and management activities in the FBiH.

Article 13
(Cantonal Councils)

(1) Cantonal councils as bodies of the cantonal governments shall have an advisory role in the processes of defining, implementation, monitoring, evaluation and reporting on implementation of development priorities in the cantons and shall act in accordance with the principles of partnership and cooperation.

(2) The cantonal councils shall be composed of the prime minister, i.e. president of the cantonal government, municipal, i.e. city mayors of the local self-government units within the canton and other socio-economic partners.

(3) When needed, sector councils shall be established within the cantonal council, and shall have an advisory role in the processes of defining, implementation, monitoring, evaluation and reporting on implementation of specific sector priorities of the canton.

(4) Cantonal governments shall define by a specific act the composition, the number of members and the procedure for the work of the cantonal council and performance of administrative and technical tasks, taking into account equal representation of genders.

(5) The cantonal development planning and management bodies shall perform expert tasks for the cantonal council.

Article 14
(Competences of the Cantonal Council)

The cantonal councils referred to in Article 13 of this Law shall consider and provide recommendations:

- a) on key development priorities in the cantons;
- b) on strategic documents of BiH, the FBiH Development Strategy, cantonal development strategy, cantonal sector strategies and their mutual alignment, prior to their submission to the cantonal government for consideration;
- c) on local development strategies and their alignment with the cantonal strategic documents;
- d) on development programmes requiring joint action of different institutions of the canton and the local self-government units, within the framework of the cantonal development strategy;
- e) on annual reports on implementation of the cantonal development strategy and cantonal sector strategies;
- f) on challenges and development potentials of the canton for consideration within the FBiH Council;
- g) in regard to other development planning and management activities in the canton.

III STRATEGIC AND IMPLEMENTATION DOCUMENTS IN THE FBiH

Article 15
(Types of Strategic Documents in the FBiH)

- (1) Development planning in the FBiH shall be based on the following mutually aligned strategic documents: the FBiH Development Strategy, the FBiH sector strategies, cantonal development strategies, cantonal sector strategies and local development strategies.
- (2) The strategic documents referred to in paragraph (1) of this Article shall be prepared on the basis of OMC principles and the principles of gender equality and equal opportunities, in accordance with the regulation referred to in Article 21, paragraph (2) of this Law.
- (3) The strategic documents referred to in paragraph (1) of this Article shall be adopted for the period of time in line with the European Union planning cycle.
- (4) The strategic documents referred to in paragraph (1) of this Article shall be available to the public and shall be published on the website of the competent institutions.

Article 16 (The FBiH Development Strategy)

- (1) The FBiH Development Strategy shall define the FBiH development objectives and priorities, procedure for their implementation, financial and institutional framework for the implementation, monitoring, evaluation and reporting.
- (2) The Development Strategy is the main document for drafting sector strategies, FBD, budget, PIP, the Work Programme of the FBiH Government for the mandate period, the triennial work plan of the FBiH administrative bodies and the Annual Work Programme of the FBiH Government.
- (3) The FBiH Development Strategy shall contain priorities and development directions of the FBiH defined in the Development Strategy of BiH, the documents relevant for the EU integration process and other international commitments of BiH.
- (4) The FBiH Development Strategy shall be the basis for alignment and drafting development strategies of the cantons and the local self-government units in the FBiH.
- (5) The FBiH Development Strategy shall be enacted by the Parliament of the Federation of Bosnia and Herzegovina (hereinafter: the FBiH Parliament) at the proposal of the FBiH Government.
- (6) The FBiH Government may propose to the FBiH Parliament to adopt the Development Strategy of BiH as the strategic development framework of the FBiH.
- (7) In case referred to in paragraph (6) of this Article, the implementation documents shall be drafted in the FBiH in accordance with Articles 23 to 25 of this Law.

Article 17 (The FBiH Sector Strategies)

- (1) The FBiH sector strategies shall define development objectives and priorities of the sectors, procedure for their implementation, financial and institutional framework for the implementation, monitoring, evaluation and reporting.
- (2) The FBiH sector strategies shall be drafted on the basis of the FBiH Development Strategy, Development Strategy of BiH, documents relevant for the process of integration of BiH to the EU and other international commitments of BiH.
- (3) The FBiH administrative bodies shall include the competent institutions at the level of BiH, the FBiH and the cantons in drafting sector strategies, in accordance with the OMC principles.
- (4) The FBiH sector strategies shall be the basis for drafting the triennial and annual work plan of the FBiH administrative bodies, FBD and the FBiH budget, PIP and the FBiH Economic Policy measures.

- (5) The FBiH sector strategies shall be enacted by the FBiH Parliament at the proposal of the FBiH Government.
- (6) The FBiH Government may propose to the FBiH Parliament to adopt a sector strategy enacted at the level of BiH as the sector strategic framework of the FBiH.
- (7) In case referred to in paragraph (6) of this Article, the FBiH administrative bodies shall draft the implementation documents in accordance with Articles 23 to 26 of this Law.

Article 18 (Cantonal Development Strategy)

- (1) The cantonal development strategy shall define development objectives and priorities of the canton, procedure for their implementation, financial and institutional framework for the implementation, monitoring, evaluation and reporting.
- (2) The cantonal development strategy shall be the main document for drafting sector strategies, FBD, the budget and PIP of the canton, the work programme of the cantonal government for the mandate period, the triennial work plan of the cantonal administrative bodies and the annual work programme of the cantonal government.
- (3) The cantonal development strategy shall contain priorities of the spatial development of the canton and development directions defined in the strategic documents of the FBiH and the documents relevant for the process of integration of BiH to the EU.
- (4) The cantonal development strategy shall be the basis for alignment and drafting development strategies of the local self-government units.
- (5) The cantonal development strategy shall be enacted by the cantonal assembly at the proposal of the cantonal government.
- (6) The cantonal government may propose to the cantonal assembly to adopt the FBiH Development Strategy as the strategic development framework of the canton.
- (7) In case referred to in paragraph (6) of this Article, the implementation documents shall be drafted in the canton in accordance with Articles 23 to 26 of this Law.

Article 19 (Cantonal Sector Strategies)

- (1) Cantonal sector strategies shall define objectives and priorities of the sectors, procedure for their implementation, financial and institutional framework for the implementation, monitoring, evaluation and reporting.
- (2) Cantonal sector strategies shall be drafted on the basis of the cantonal development strategy, priorities of the FBiH sector strategies and strategic documents at the level of BiH, and documents relevant for the process of integration of BiH to the EU.
- (3) Cantonal administrative bodies shall include the FBiH administrative bodies, other cantonal institutions and local self-government units in drafting sector strategies in accordance with the OMC principles.
- (4) Cantonal sector strategies shall be the basis for drafting cantonal FBD and budget, cantonal PIP, the triennial and annual work plan of the cantonal administrative bodies.
- (5) Cantonal sector strategies shall be enacted by the cantonal assembly at the proposal of the cantonal government.
- (6) The cantonal government may propose to the cantonal assembly to adopt the FBiH sector strategy as the sector strategic framework of the canton.
- (7) In case referred to in paragraph (6) of this Article, the cantonal administrative bodies shall draft the implementation documents in accordance with Articles 23 to 26 of this Law.

Article 20
(Local Development Strategy)

- (1) The local development strategy shall define development objectives and priorities of the local self-government units in the FBiH, procedure for their implementation, financial and institutional framework for the implementation, monitoring, evaluation and reporting.
- (2) The local development strategy shall be the main document for drafting the FBD, the budget and PIP of the local self-government unit, the work programme of the municipal, i.e. city mayor for the mandate period, the triennial and annual work plan of the local self-government unit and annual work programme of the municipal, i.e. city mayor.
- (3) The local development strategy shall contain spatial development priorities of the local self-government unit and development directions defined in the strategic documents of the cantons and the FBiH.
- (4) The local development strategy shall be enacted by the municipal, i.e. city council at the proposal of the municipal, i.e. city mayor.
- (5) The municipal, i.e. city mayor may propose to the municipal, i.e. city council to adopt the cantonal development strategy of its respective canton as the strategic development framework of the municipality, i.e. city.
- (6) In case referred to in paragraph (5) of this Article, implementation documents shall be drafted in the local self-government unit in accordance with Articles 23 to 26 of this Law.

Article 21
(Regulation on Strategic Documents Drafting in the FBiH)

The regulation on strategic documents drafting in the FBiH, including procedure for drafting, the structure, horizontal and vertical coordination and consultations, alignment with the spatial planning documentation and institutional accountability, shall be enacted by the FBiH Government at the proposal of the FBiH Institute, with prior consultations with the institutions at the FBiH level, the cantons and the FBiH Association.

Article 22
(Types of Implementation Documents in the FBiH)

- (1) The following documents shall be adopted in strategic documents implementation: a triennial work plan, annual work plan, annual work report and development report.
- (2) The FBiH Government, at the proposal of the FBiH Institute and in prior consultation with the FBiH Ministry of Finance, other institutions at the FBiH level, the cantons and the FBiH Association, shall enact a regulation on triennial and annual planning, monitoring and reporting referred to in paragraph (1) of this Article.

Article 23
(Triennial Work Plan)

- (1) The FBiH administrative bodies, cantonal administrative bodies and the local self-government units shall prepare a triennial work plan on the 1+2 basis.
- (2) The triennial work plan shall result from the strategic priorities and strategic documents in the FBiH, the competences of the FBiH and cantonal administrative bodies and local self-government units and an overall analysis of the current situation in the respective field.
- (3) The triennial work plan shall be the basis for drafting the FBD and PIP in the FBiH.

Article 24
(Annual Work Plan)

- (1) The FBiH administrative bodies, cantonal administrative bodies and local self-government units shall draft an annual work plan for one calendar year, which shall be based on the adopted triennial work plan.
- (2) The activities and programmes foreseen in the annual work plan shall be aligned with the adopted budgets in the FBiH and shall be an integral part of the annual work plan of the FBiH Government, cantonal governments and the municipal, i.e. city mayor.

Article 25
(Annual Work Report)

- (1) The FBiH administrative bodies, cantonal administrative bodies and local self-government units shall draft an annual work report which shall be based on the annual work plan.
- (2) The FBiH administrative bodies, cantonal administrative bodies and local self-government units shall collect data required for the monitoring of implementation of the annual work plan on regular basis.

Article 26
(Development Report of the FBiH)

- (1) The institutions referred to in Article 5, paragraph (1) of this Law shall draft development reports for the previous year.
- (2) Development reports shall be available on the websites of the institutions referred to in Article 5, paragraph (1) of this Law.

**IV DEVELOPMENT PLANNING AND PROGRAMMING IN THE FBiH AND EVALUATION
OF STRATEGIC DOCUMENTS IN THE FBiH**

Article 27
(Initiating Development Planning in the FBiH)

- (1) Except for Article 16, paragraph (6) of this Law, the FBiH Government shall enact a decision on drafting the FBiH Development Strategy not later than 24 months prior to completion of the previous planning cycle in the FBiH.
- (2) Except for Article 18, paragraph (6) of this Law, the cantonal government shall enact a decision on drafting the cantonal development strategy not later than 12 months prior to completion of the previous planning cycle in the FBiH.
- (3) In case referred to in Article 28, paragraph (4) of this Law, the municipal, i.e. city mayor in the local self-government unit shall enact a decision on drafting the local development strategy not later than 12 months prior to completion of the previous planning cycle in the FBiH.

Article 28
(Interlinking of Strategic Documents in the FBiH)

- (1) The FBiH Development Strategy shall be the main platform for socio-economic development of the FBiH and it shall serve as the basis for all other strategic documents in the FBiH.
- (2) The FBiH sector strategies shall be drafted on the basis of the FBiH Development Strategy.
- (3) The cantons may adopt their own development strategies on the basis of development objectives defined in the FBiH Development Strategy, and in line with their competences. .
- (4) The local self-government units may adopt their own development strategies on the basis of development objectives defined in strategic documents of the FBiH and the cantons, and in line with their competences.

Article 29

(Development Programming in the FBiH)

- (1) Development programming in the FBiH shall be implemented through drafting the implementation documents referred to in Articles 23, 24, 25 and 26 of this Law.
- (2) Development programming shall be implemented according to the calendar of the FBD and budget drafting.
- (3) The methodology for the development programming in the FBiH shall be an integral part of the regulation referred to in Article 22, paragraph (2) of this Law.

Article 30

(Evaluation of Strategic Documents in the FBiH)

- (1) Evaluation of the strategic documents referred to in Article 15 of this Law shall be performed by the institutions referred to in Article 5, paragraph (1) of this Law according to the evaluation criteria and the dynamics stipulated by the regulation referred to in paragraph (2) of this Article.
- (2) At the proposal of the FBiH Institute and in prior consultation with the institutions at the FBiH level, the cantons and the FBiH Association, the FBiH Government shall enact a regulation on evaluation of strategic documents in the FBiH.
- (3) All reports on evaluation of strategic documents foreseen by this Law shall be available to the public and published on the websites of the institutions referred to in Article 5, paragraph (1) of this Law.
- (4) For the purpose of measurement of the overall effect of the strategic documents implementation in the FBiH, the FBiH Institute shall draft a development index of the cantons and the local self-government units on annual basis.
- (5) At the proposal of the FBiH Institute and prior to consultation with the institutions at the FBiH level, the cantons and the FBiH Association, the FBiH Government shall enact a regulation on development index drafting.

V FINANCING OF IMPLEMENTATION OF DEVELOPMENT PRIORITIES IN THE FBiH AND SUPERVISION OVER THE ENFORCEMENT OF THIS LAW

Article 31

(Financing Sources of Development Priorities in the FBiH)

The financing sources for the implementation of priorities defined by the strategic documents referred to in Article 15, paragraph (1) of this Article shall be:

- a) the FBiH budget;

- b) cantonal budgets;
- c) the budgets of the local self-government units;
- d) financial resources of the international financial institutions and organisations;
- e) other sources.

Article 32

(Linking Priorities from Strategic and Implementation Documents with Budgets and Public Investment Programmes in the FBiH)

- (1) The strategic documents referred to in Article 15, paragraph (1) of this Law and their triennial work plans referred to in Article 23 of this Law shall be the basis for preparation of draft FBD and PIP of the FBiH, the cantons and the local self-government units.
- (2) At the proposal of the FBiH Ministry of Finance and with prior opinion of the FBiH Institute, the FBiH Government shall enact a regulation on methodology for linking development, financial and investment planning in the FBiH.

Article 33

(Supervision of the Law Enforcement)

- (1) Supervision of the enforcement of this Law with regard to establishing the institutional framework referred to in this Law shall be performed by the FBiH Ministry of Justice for the FBiH, cantonal ministries of justice for the cantons and the competent bodies for the local self-government units.
- (2) Supervision of the enforcement of this Law with regard to ensuring procedural and essential compatibility of strategic and implementation documents shall be performed by the FBiH Institute in cooperation with competent institutions referred to in Article 7 of this Law for the FBiH, i.e. competent institutions referred to in articles 8, 9 and 10 of this Law for the cantons and local self-government units.
- (3) Supervision of the enforcement of this Law with regard to linking the development planning and programming process with the process of drafting the FBD, the budget and PIP shall be performed by the FBiH Ministry of Finance in cooperation with the FBiH Institute for the FBiH, i.e. cantonal ministries of finance in cooperation with the competent institutions referred to in Article 8, paragraph (2), item d) of this Law for the cantons, and in accordance with Article 10, paragraph (2), item c) of this Law for their local self-government units.
- (4) The FBiH Institute shall evaluate the effect of enforcement of this Law four years from the day this Law enters into force.

VI TRANSITIONAL AND FINAL PROVISIONS

Article 34

(Alignment of Normative Acts)

Within 12 months from the day this Law enters into force, the normative acts regulating the issue of development planning and management in the FBiH, the cantons and local self-government units shall be aligned with the provisions of this Law.

Article 35

(Enactment of Implementation Documents)

(1) Within six months from the day this Law enters into force, the FBiH Government shall enact the document referred to in Article 11, paragraph (4) of this Law.

(2) Within six months from the day this Law enters into force, at the proposal of the competent institutions referred to in Article 8 of this Law, the cantonal governments shall enact the documents referred to in Article 13, paragraph (3) of this Law.

(3) Within six months from the day this Law enters into force, at the proposal of the FBiH Institute, the FBiH Government shall enact the documents referred to in Article 21, Article 22, paragraph (2) and Article 30, paragraphs (2) and (8) of this Law.

(4) Within six months from the day this Law enters into force, at the proposal of the FBiH Ministry of Finance and with prior opinion of the FBiH Institute, the FBiH Government shall enact the document referred to in Article 32, paragraph (2) of this Law.

Article 36

(Alignment of Internal Organisation)

(1) Within six months from the day this Law enters into force, the FBiH administrative bodies shall adjust their internal organisation in order to ensure performance of the tasks referred to in Article 7 of this Law.

(2) Within six months from the day this Law enters into force, the cantonal governments shall adjust the internal organisation of the cantonal administrative bodies to ensure performance of the tasks referred to in Articles 8 and 9 of this Law.

(3) Within six months from the day this Law enters into force, the executive bodies in the local self-government units shall adjust the internal organisation of the municipal, i.e. city administration in order to ensure performance of the tasks referred to in Article 10 of this Law.

Article 37

(The First Development Planning Cycle in the FBiH)

(1) The strategic documents referred to in Article 5, paragraph (1) of this Law, except Article 15, paragraph (3) of this Law, shall not be drafted for the current planning cycle until the end of 2020, and the existing strategic documents shall remain in force until the new planning cycle enters into force in accordance with the provisions of Article 27 of this Law.

(2) All levels of government in the FBiH shall draft the implementation documents referred to in Article 22 of this Law which shall be based on the valid strategic documents.

(3) Except the provision of Article 27, paragraph (1) of this Law, and not later than 24 months from entry into force of this Law, the FBiH Government shall propose the adoption of the FBiH Development Strategy for the planning period from 2021 to 2027 to the FBiH Parliament.

(4) Strategic documents drafting referred to in Article 15, paragraph (1) of this Law shall start with the adoption of the FBiH Development Strategy in accordance with Article 27, paragraphs (2) and (3) of this Law.

Article 38

(Entry into Force)

This Law shall enter into force on the eighth day following its publication in the Official Gazette of the FBiH.

Chairperson of the House of
Representatives of the FBiH Parliament
Edin Mušić, m. p

Chairperson of the House of
Peoples of the FBiH Parliament
Lidija Bradara, m. p

