

Decision Enacting the Law on Registration of Legal Persons Established by the Institutions of Bosnia and Herzegovina

In the exercise of the powers vested in the High Representative by Article V of Annex 10 (Agreement on Civilian Implementation of the Peace Settlement) to the General Framework Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theatre regarding interpretation of the said Agreement on the Civilian Implementation of the Peace Settlement; and considering in particular Article II.1. (d) of the last said Agreement, according to the terms of which the High Representative shall "Facilitate, as the High Representative judges necessary, the resolution of any difficulties arising in connection with civilian implementation";

Recalling paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997, in which the Peace Implementation Council welcomed the High Representative's intention to use his final authority in theatre regarding interpretation of the Agreement on the Civilian Implementation of the Peace Settlement in order to facilitate the resolution of any difficulties as aforesaid "by making binding decisions, as he judges necessary" on certain issues including (under sub-paragraph (c) thereof) "measures to ensure implementation of the Peace Agreement throughout Bosnia and Herzegovina and its Entities";

Recalling further the Annex to the Declaration of the Peace Implementation Council which met in Brussels on 23 and 24 May 2000, and which demanded that the authorities of Bosnia and Herzegovina act promptly inter alia to adopt legislation on Associations and Public Legal Persons;

Taking into account the relationship between the regulation of the registration of such Associations and Public Legal Persons and the Legal Persons referred to in the Law annexed hereto;

Bearing in mind the Declaration of the Peace Implementation Council, which met in Brussels as aforesaid, and which declared creation of a single economic space as a critical economic reform, and stated that Bosnia and Herzegovina "cannot afford a divided economic landscape";

Further bearing in mind that in the said Declaration the High Representative was called on to ensure rapid development of State-level regulatory mechanisms to ensure that there are no duplicative or conflicting regulatory competencies at any level of government;

Considering "An Agenda for Reform Agreed between the Government of Bosnia and Herzegovina and the International Community" announced on 31 July, 2002, which stressed the need to create a clear regulatory environment and remove barriers to business and cut unnecessary bureaucracy, thus making the country more competitive and "business friendly";

Convinced of the vital importance to Bosnia and Herzegovina of ensuring that the rule of law is strengthened and followed in order to create the ground for economic growth;

Mindful therefore both of the importance and of the need for the economy to be reformed.

The High Representative hereby issues the following

DECISION

Enacting the Law on Registration of Legal Persons Established by the Institutions of Bosnia and Herzegovina

The said Law which forms an integral part of this Decision shall enter into force as a law of Bosnia and Herzegovina as provided for in Article 20 thereof on an interim basis, until such time as the Parliamentary Assembly of Bosnia and Herzegovina adopts this Law in due form, without amendment and with no conditions attached.

This Decision shall come into effect forthwith and shall be published without delay in the Official Gazette of Bosnia

and Herzegovina, and also in the Official Gazettes of the Entities and of the Brcko District of Bosnia and Herzegovina.

Sarajevo, 21 October 2002

Paddy Ashdown

High Representative

LAW ON REGISTRATION OF LEGAL PERSONS ESTABLISHED BY THE INSTITUTIONS OF BOSNIA AND HERZEGOVINA

CHAPTER I

GENERAL PROVISIONS

Article 1

1. This Law regulates the conditions and manner of registration of legal persons established by the Institutions of Bosnia and Herzegovina, the competence for the keeping, maintenance and handling of a Register for registration of legal persons of Bosnia and Herzegovina, the rights and obligations of registered legal persons, the registration procedure and amendments to a registration, types of decisions issued by the competent Ministry upon applications for entry or amendments to a registration and the content and effects of those decisions, termination of operations of registered legal persons, measures that may be pronounced in respect of registered legal persons and cases when such measures are pronounced, the composition and the mandate of the Appeals Commission, the application of the Law and the competence and deadline for issuing implementing regulations, the entry into force and the manner of publication of this Law.

CHAPTER II

REGISTRATION OF LEGAL PERSONS

SECTION 1 - COMPETENCE AND REGISTRATION PROCEDURE

Article 2

1. Legal persons referred to in Article 1 must be entered in the Register of Legal Persons of Bosnia and Herzegovina (hereinafter: the Register).
2. Legal persons referred to in Paragraph 1 that are entered in the Register under the provisions of this Law perform the activity as provided for in their Statute, in accordance with the Constitution and laws of Bosnia and Herzegovina and are entitled to operate throughout the territory of Bosnia and Herzegovina.

Article 3

1. The Ministry of Civil Affairs and Communications (hereinafter: the Ministry) is competent for the registration of legal persons referred to in Article 2.
2. Registration is made by virtue of entry into the Register.

Article 4

1. The Register is public and is accessible under the conditions and in such manner as may be specified by a

regulation of the Ministry.

2. The regulation referred to in the preceding paragraph shall also specify in detail the keeping, maintaining and handling of the Register.

Article 5

1. Registration is carried out upon an application which shall be accompanied by the following documents:

- (a) The founding act and the Statute, if any, of the applicant;
- (b) The full name and the shortened name, if any, and seat of the applicant;
- (c) A list of the members of the managing board of the applicant;
- (d) The names and addresses of the one or several persons who are authorized to represent the applicant;
- (e) A statement of the capital structure of the applicant, in such form as prescribed by regulations of the Ministry;
- (f) The logo of the applicant, if any used;
- (g) Such other documents or information as may be specified in regulations of the Ministry.

Article 6

1. A registered legal person is obliged to submit an application for amendment of its registration within 15 (fifteen) days of any change in any information referred to in Article 5.

2. Failure of the registered legal person to comply with the obligations contained in Paragraph 1 are grounds for its deletion from the Register.

Article 7

1. In filing an application for registration legal persons referred to in Article 18 must pay administrative fees specified by regulation of the Ministry.

2. Any legal person who has already paid fees incident to registration proceedings started before another governmental authority is exempt from paying the administrative fee for registration under the provisions of this Law.

SECTION 2 - DECISION MAKING ON APPLICATIONS FOR REGISTRATION OR AMENDMENT OF REGISTRATION

Article 8

1. Upon an application for registration or for amendment of registration, the Ministry issues a decision allowing or denying the application, or requiring a further submission from the applicant.

2. In the event of failure of the legal person to comply with the request for further submission, the Ministry issues a decision on its deletion from the Register.

Article 9

1. A decision of the Ministry requiring amendment or further submission from the applicant in connection with an application for registration is deemed to be a decision denying the registration if the required further submission is not made by the applicant within 15 (fifteen) days or within a subsequently extended period.

Article 10

1. The Ministry must issue within 30 (thirty) days a decision following the application for registration or for amendment of registration if the legal person has complied with the provisions of Article 5.

Article 11

1. A decision allowing registration of an applicant includes:
 - (a) The date of registration;
 - (b) The registry entry number;
 - (c) The full name or the shortened name, if any, and seat of the applicant;
 - (d) The logo of the applicant, if any used;
 - (e) The activity of the applicant;
 - (f) The names and addresses of persons authorized to represent the applicant;
 - (g) Such other documents or information as may be prescribed by regulations of the Ministry.
2. A decision allowing amendment of a registration includes the information referring to the amendment.
3. Decisions allowing, denying, amending or deleting from the Register any registration shall be published in the Official Gazette of Bosnia and Herzegovina, Official Gazettes of the Entities and of Brcko District of BiH.

SECTION 3 - DISSOLUTION OF A LEGAL PERSON

Article 12

1. A registered legal person seeking its own dissolution submits to the Ministry a request for de-registration, referring to its registration and any amendments thereto, and stating the basis for dissolution and the proposed distribution of its assets.
2. The Request is filed in a form prescribed by regulations of the Ministry, following which the Ministry issues a decision allowing or denying de-registration.

Article 13

1. If established that the information which has been furnished by a legal person is materially incorrect or misleading, or that a registered legal person does not fulfil the requirements under this Law, or that it has conducted activities contrary to the provisions of this Law, the Ministry denies the registration or de-register the legal person and applies other measures as provided by this Law.
2. The Ministry notifies in advance the applicant or the registered legal person concerned of the measures referred to in the preceding article and allows it to be heard on their account within 15 (fifteen) days from the receipt of the notification.
3. Proceedings concerning the measures under this Article shall be specified in a regulation of the Ministry.

Article 14

1. Decisions of the Ministry taken in accordance with the provisions of this Law may be appealed within 15 (fifteen) days from the receipt of the decision.
2. An appeal shall be lodged with the Appeals Commission to be appointed and dismissed by the Council of Ministers of Bosnia and Herzegovina (hereinafter: the Commission). An appeal shall stay the execution of the decision. Decisions of the Commission are final.
3. The Commission referred to in Paragraph 2 shall carry out tasks within its mandate until such tasks have been taken over by the Court of Bosnia and Herzegovina established by the Law on the Court of Bosnia and Herzegovina (Official Gazette of BiH, 29/00, 16/02, 24/02).
4. The Commission shall be composed of five members, three of whom shall come from among the three

constituent peoples and two shall be representatives of the others.

5. Members of the Commission shall not be employees of the Ministry.
6. More detailed provisions on the requirements for the members of the Commission, the method of work and the decision making of the Commission shall be issued by the Council of Ministers of Bosnia and Herzegovina.

Article 15

1. The provisions of this Law shall accordingly apply to Public Corporations of Bosnia and Herzegovina established under Annex IX to the General Framework Agreement for Peace in Bosnia and Herzegovina.

CHAPTER III

PENALTY PROVISIONS

Article 16

1. The Ministry may impose a fine of at least 300 KM, but not exceeding 3,000 KM, against a legal person found to have committed any of the following acts:
 - (a) Failing to be entered in the Register (Article 3(2));
 - (b) Failing to file an application for amendment of the registration within 15 (fifteen) days from the amendment of the foundation act or the Statute (Article 6(1));
 - (c) Failing to use its registered name in legal transactions with the intention to deceive a third party (Article 13);
 - (d) Performing its activity contrary to its Statute and this Law (Article 2(2));
 - (e) Misusing its profit or assets contrary to its Statute (Article 13);
 - (f) Providing inaccurate information in connection with an application for registration, amendment of registration, or termination of its operations (Articles 8 and 12).
2. The Ministry may also impose a fine of at least 100 KM but not exceeding 1,000 KM against the responsible physical person, representative of a registered legal person, for the commission of any of the acts described in Paragraph 1.
3. Proceedings for imposition of fines referred to in Paragraphs 1 and 2 shall be specified in detail in regulations of the Ministry.

Article 17

1. Funds collected as fines for the acts referred to in Article 16 shall be paid into the Budget of Bosnia and Herzegovina.

CHAPTER IV

TRANSITIONAL AND FINAL PROVISIONS

Article 18

1. Legal persons established by the Institutions of Bosnia and Herzegovina before the entry into force of this Law are obliged to file an application for registration in accordance with the provisions of this Law within 30 (thirty) days from the entry into force of this Law.
2. Legal persons referred to in Paragraph 1 shall have a duty to bring their regulations in compliance with the provisions of this Law and to submit them to the Ministry within 3 (three) months from the entry into force of this Law.

Article 19

1. The Council of Ministers issues, within 30 (thirty) days from the entry into force of this Law, detailed provisions on the requirements for the members of the Commission, the method of work and the decision making of the Commission (Article 14(6)).
2. The Ministry issues the following regulations within 60 (sixty) days:
 - (a) on keeping, maintaining and handling the Register (Article 4(2));
 - (b) on the form and content of applications concerning registration (Articles 5 and 12)
 - (c) on the type and content of the Ministry's decisions (Article 11(1));
 - (d) on the proceedings for enforcement measures (Article 13(3));
 - (e) on the proceedings for imposition of fines (Article 16(3)).
3. Regulations referred to in Paragraphs 1 and 2 shall be published in the Official Gazette of BiH, in the Official Gazettes of the Entities and the Brcko District of Bosnia and Herzegovina.

Article 20

1. This Law shall come into force forthwith and shall be published in the Official Gazette of Bosnia and Herzegovina, Official Gazette of the Federation of Bosnia and Herzegovina, Official Gazette of Republika Srpska and Official Gazette of Brcko District.