



BOSNA I HERCEGOVINA
FEDERACIJA BOSNE I HERCEGOVINE
AGENCIJA ZA BANKARSTVO
FEDERACIJE BOSNE I HERCEGOVINE

A RULEBOOK ON DONATIONS AND SPONSORSHIPS

Sarajevo, May 2021

Pursuant to Article 23(1)(d) of the Law on the Federation of Bosnia and Herzegovina Banking Agency ("Official Gazette of the Federation of BIH", number 75/17) and Article 16(1)(j) of the Statute of the Federation of Bosnia and Herzegovina Banking Agency ("Official Gazette of the Federation of BIH", number 3/18), the Director of the Federation of Bosnia and Herzegovina Banking Agency issued

A RULEBOOK ON DONATIONS AND SPONSORSHIPS

1. GENERAL PROVISIONS

Article 1

This Rulebook lays down the definitions, principles, requirements, criteria, and procedure for awarding donations and sponsorships in the Federation of Bosnia and Herzegovina Banking Agency (hereinafter: Agency).

Article 2

- (1) Within the meaning of this Rulebook, the term donation means giving money and/or goods, without receiving any consideration in money, goods or services in return, for activities of general social significance for cultural, health, humanitarian, sports, religious, ecological, educational, and other charitable purposes.
- (2) Within the meaning of this Rulebook, the term sponsorship means financing, promoting, and supporting the activities of a non-profit organization or an association, the activities of a company or the activities of a natural person, who is of positive social significance, in exchange for advertising or promoting the Agency under the sponsorship agreement, in such a way that such activities contribute to the Agency's reputation and visibility.

Article 3

The calculation and payment of tax and other obligations on donations and sponsorship shall be performed in accordance with law regulations governing that area in the Federation of Bosnia and Herzegovina.

2. BENEFICIARIES OF DONATIONS AND SPONSORSHIP

Article 4

- (1) Donation beneficiaries may be:
 1. legal entities whose primary purpose of the establishment and operation is not profit-making and for whom it arises from special regulations that they are of non-profit character and which have been registered in the competent register, and whose activities are focused on general welfare in the form of protecting and promoting health, providing assistance to the sick, persons with disabilities and persons with special needs, providing services in the areas of education, science, culture, sports, art, tourism promotion, ecology, environmental protection, or other area of general social significance;
 2. natural persons for the purpose of treatment of diseases or natural defects, relief and recovery from natural disasters, as well as natural persons who are prominent or promising athletes, scientific workers and artists, and representatives of institutions at cantonal, entity, state and international olympics and competitions.

- (2) Sponsorship beneficiaries may be legal entities and natural persons who are required to promote the Agency under the sponsorship agreement.

Article 5

Donation and sponsorship beneficiaries may not be:

1. political parties, independent MPs, members of state-, entity-, cantonal-, city-, or municipal-level legislative and executive bodies;
2. organizations or natural persons who owe any debts to the Agency, who have not fulfilled contractual obligations undertaken under earlier sponsorship agreements to the Agency or the Agency has become aware that the funds that had been donated earlier were not used for the purpose for which they had been requested;
3. organizations or natural persons who support racial, religious or any other type of discrimination.

3. BUDGETING FUNDS FOR DONATIONS AND SPONSORSHIPS

Article 6

- (1) For each financial year, the Agency's Management Board shall decide the amount that may be allocated in the Financial Management Plan specifically for donations and specifically for sponsorships in the next financial year, within the planning category titled humanitarian expenditures.
- (2) The total amount of donations and sponsorships in one financial year may not exceed the amount provided for by the Financial Management Plan.

Article 7

- (1) The amount of an individual donation or the total amount of all donations awarded to one beneficiary in a one-year period may not exceed 10% of the total amount of the expenditures planned for that purpose in the Financial Management Plan for the year in which the donation is being awarded.
- (2) The amount of an individual sponsorship or the total amount of all sponsorships awarded to one beneficiary during one year may not exceed 15% of the total amount of the expenditures planned for that purpose in the Financial Management Plan for the year in which the sponsorship is being awarded.

4. PRINCIPLES FOR AWARD OF DONATION AND SPONSORSHIP FUNDS

Article 8

The award of donations and sponsorship under the provisions of this Rulebook shall be based on the principles of impartiality and equal treatment, in such a way that equal treatment shall apply to all applicants in the sense that applications shall be objectively assessed by the Committee for Preparing and Conducting the Donation and Sponsorship Award Procedure (hereinafter: Committee), while having regard for non-discrimination and anti-corruption principles, as well as principles of business ethics.

Article 9

Applicants for donations and sponsorships must justify the award of the funds through their proposed project, implementation proposal and requested funding estimate, and through their work and results so far, which will be evaluated in the donation or sponsorship procedure in accordance with the assessment rules.

5. DONATION AND SPONSORSHIP AWARD PROCEDURE

Article 10

- (1) The donation and sponsorship award procedure under this Rulebook shall be initiated through a written application to the Agency for donation or sponsorship, which shall include the following data as a minimum:
 1. basic data about the applicant (institution name/first name and surname, address of headquarters/residence, contact telephone and e-mail, name of home register of registration and registration number of entry, ID number/UMCN¹, person authorized for representation, current account number and bank name);
 2. activity/area of operation of the applicant;
 3. organizational form of the applicant (association, foundation, company, natural person, etc.);
 4. data about the project, program, operation (project/program name, if applicable, provide brief information about organization's operation and objectives, type of activity, project/program description, planned start/end date of project/program, geographical area of operation, project/program purpose, total amount of funding required for project/program, data about amount received/expected from other donors/sponsors, requested amount).
- (2) Applicants shall provide documentation requested by the Committee in accordance with the requirements from this Rulebook.

Article 11

- (1) The Agency's Director shall appoint the Committee from Article 8 of this Rulebook on an annual level, which shall consist of a Chairperson and two members, and a Secretary with no voting right in the Committee's operation and decision-making.
- (2) The Committee's method of operation shall be regulated in greater detail by the Committee's Rules of Procedure, which shall be adopted by the Committee within 30 days from the date of its appointment.
- (3) The Committee shall be competent to:
 1. define the list of documentation to be provided by a donation or sponsorship applicant for the purpose of assessing the fulfillment of the criteria from this Rulebook, in addition to the documentation specified in Article 10(1) of this Rulebook;
 2. assess the fulfillment of the donation or the sponsorship award requirements based on the application and documentation submitted;
 3. prepare a report/information on the assessment of the donation or the sponsorship award application, with a decision proposal to be provided to the Director for the final decision making;
 4. draft a proposal of the donation or the sponsorship agreement, in cooperation with the competent organizational parts of the Agency;
 5. keep the records of the donation and sponsorship applications received, and make sure that the applicants are informed in a timely fashion;
 6. provide required information to the Division of Common Functions for the purpose of keeping the records on the funds spent and available funds for donations/sponsorships.
- (4) The Committee shall meet as required, depending on donation and sponsorship applications submitted, taking account of the time limit for deciding on applications defined by this Rulebook and the Committee's Rules of Procedures.

¹ Translator's comment: UMCN stands for Unique Master Citizen Number (local language acronym is JMBG).

- (5) The Committee shall decide on a donation or sponsorship application received within 15 days from the date of the submission of a duly application with the required documentation.

Article 12

- (1) The Agency's Director shall make the Donation and Sponsorship Award Decision on a proposal from the Committee.
- (2) If the Agency approves the donation or the sponsorship, the Agency as the donor, i.e., the sponsor, and the recipient of the donation, i.e., the sponsorship shall conclude an agreement on the donation, i.e., the sponsorship.
- (3) The agreement shall define more closely the mutual rights and obligations between the donor/sponsor and the recipient of the donation/sponsorship.

5.1 Course of Procedure

Article 13

- (1) Once donation and sponsorship applications have been recorded in the Agency, they shall be provided to the Committee's Secretary, who shall notify the Committee's members of this for further procedure under the provisions of this Rulebook and the Committee's Rules of Procedure.
- (2) The Committee's Secretary shall keep the records of donation and sponsorship applications received, and shall take care, in coordination with the Committee's Chairperson, that applicants are informed in a timely fashion.
- (3) The records of the donation and sponsorship applications shall include:
 1. the application receipt date,
 2. the applicant's name/first name and surname and address,
 3. the applicant's ID/UIN,
 4. a brief description, name of the donation or the sponsorship requested,
 5. list of the documentation provided by the applicant,
 6. the Committee's proposal and the final decision of the Agency's Director,
 7. level of the approved amount, where a positive decision has been made by the Agency's Director on the application.

Article 14

- (1) The Committee shall meet as required and evaluate the donation and sponsorship applications received based on the provisions this Rulebook and the provisions of the Committee's Rules of Procedure.
- (2) A report/information shall be prepared on actions from Paragraph (1) of this Article taken with a proposal on granting or not granting the donation or the sponsorship application, which shall be signed by the Committee's Chairperson and provided to the Agency's Director.
- (3) The Agency's Director shall take a decision granting or not granting the donation or the sponsorship application in accordance with the means and the funds budgeted.
- (4) The Committee shall provide a notification to the applicants who have not been granted the donation or the sponsorship within 5 days from the date of deciding on the application.
- (5) The Committee shall provide a proposal of the agreement to the applicants who have been granted the donation/sponsorship within 5 days from the date of deciding on the application, pursuant to the decision taken by the Agency's Director granting the donation/sponsorship.

Article 15

- (1) The decisions on the donations in cash shall be implemented by the Division of Common Functions through payment of the approved amount to the recipient's accounts, while the

donations in goods shall be implemented by the same Division through handover of the goods to the recipient's possession, along with noting the handover in the minutes.

- (2) The decisions on the sponsorships shall be implemented by the Division of Common Functions through payment to the recipient of the sponsorship once the invoice for the amount agreed has been issued by the recipient of the sponsorship.

5.2 Donation and Sponsorship Award Criteria

Article 16

- (1) When assessing, based on availability of funds, the donation or sponsorship applications submitted, the Committee shall apply the general criteria entailing that the applicant should:
 1. be registered in the relevant register (if applicable),
 2. be registered in the register of non-profit organizations and provide financial statements in accordance with regulations (if applicable)
 3. be committed under its statute or other general regulation to performing the activities and actions that are subject to the donation/sponsorship,
 4. duly fulfill the obligations from all previously concluded agreements on financing from public sources,
 5. have adequate capacities and human resources to implement the program or the project.
- (2) Specific criteria which shall be evaluated by the Committee when processing donation and sponsorship applications are:
 1. contribution to the affirmation of the social community's individual and overall values, such as: humanity, ethicality, social aspect, human rights, etc.;
 2. quality of the project or the program proposals and their contribution to the social community's development;
 3. the applicant's track record and commitment so far;
 4. strategic importance of the programs and the projects and their ability to improve the areas that are of general social interest;
 5. indirect or direct improvement of the quality of life of the individual or the social community as a whole.
- (3) Additional criteria which may give priority when making the decision on the donation or the sponsorship application are:
 1. media usability potential for the promotion of the Agency's objectives in the case of sponsorship;
 2. quality and originality/specific characteristics of the programs and projects and their contribution to the achievement of the Agency's objectives;
 3. the project's impact and beneficial effect on the area of interest to the Agency.

5.3 Use of Awarded Funds

Article 17

- (1) The donation recipients shall provide feedback to the Agency on the expenditure of the funds for which the funds have been granted under the donation agreement.
- (2) The sponsorship recipients shall provide feedback to the Agency on the activities held for which the funds have been granted, i.e., provide adequate documentation from which it is evident that the obligations have been fully performed in accordance with the sponsorship agreement concluded.

Article 18

The Agency will withdraw its support or request reimbursement of the funds if it identifies, at any time during the ongoing donation activity or the sponsorship, any deviations from the decision and/or the agreement or the criteria specified in the donation or the sponsorship application or for any other justified reason, according to the decision of the Agency's Director.

5. FINAL PROVISIONS

Article 19

This Rulebook shall enter into force on the date of its issuance and it shall be published on the Agency's official website and the Agency's internal portal.

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D I R E C T O R

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