

FISCAL COUNCILS/FISCAL RULES

BOSNIA AND HERZEGOVINA

CURRENT ECONOMIC ENVIRONMENT

- COVID-19 and negative impact on the economy
- Inflationary pressures
- Policymaker's engagement in mitigating a deeper impact
- Limited fiscal space to support declining growth
- Regional priority: bringing public debt down while continuing to support economic recovery?

BIH AND FISCAL PROSPECTS



Joint / unified economic space



Reforms have improved links between entities



Fiscal coordination in the country to be performed by Fiscal Council of BiH (established in year 2008)



FBiH – Fiscal Coordinating Body



RS – Fiscal Council of the RS

BIH AND FISCAL PROSPECTS / FBIH – FISCAL RULES

- *Law on budgets in F BiH*
- *Law on debt, indebtedness and guarantees in F BiH*
- F BiH - Fiscal coordinating body
- Coordinating and informing role
- Fiscal rules

BIH AND FISCAL PROSPECTS / RS – FISCAL RULES

- *Law on the fiscal responsibility of Republic of Srpska*
- *Law on indebtedness, debt and guarantess in RS*
- RS – Fiscal council
- Broader responsibility and authority

CONCLUSIONS AND RECOMMENDATIONS

- Fiscal rules are strict and enforced
- Fiscal stability is high priority
- The role of Fiscal Council of BiH
- Prospects of State level Fiscal Board and its competences?

THANK YOU

