

Broj: 03-11-1412-1/2022
Sarajevo, 24.08.2023. godine

Bosna i Hercegovina
Federacija Bosne i Hercegovine
**PARLAMENT FEDERACIJE
SARAJEVO**

Prilijeno: 25-08-2023			
Org. jed.	Broj	Priloga	Vrijednost
01,02	- 11 -	2964	1/23

**PARLAMENT FEDERACIJE
BOSNE I HERCEGOVINE**

- **Predstavnički dom -**
gđa Mirjana Marinković - Lepić, predsjedavajuća
- **Dom naroda -**
gosp. Tomislav Martinović, predsjedavajući

Poštovani,

U skladu sa članom 40. stav (5) Zakona o dugu, zaduživanju i garancijama u Federaciji Bosne i Hercegovine ("Službene novine Federacije BiH", br. 86/07, 24/09, 44/10 i 30/16), a u vezi sa članom 206. Poslovnika Predstavničkog doma Parlamenta Federacije BiH („Službene novine Federacije BiH“, br. 69/07, 2/08 i 26/20) i članom 203. Poslovnika o radu Doma naroda Parlamenta Federacije BiH („Službene novine Federacije BiH“, br. 27/03, 21/09 i 24/20), **radi razmatranja i donošenja, dostavljam Vam PRIJEDLOG ODLUKE O PRIHVATANJU ZADUŽENJA PO SPORAZUMU O ZAJMU IZMEĐU BOSNE I HERCEGOVINE I MEĐUNARODNE BANKE ZA OBNOVU I RAZVOJ (IBRD) ZA PROJEKAT FINANSIRANJA RAZVOJNE POLITIKE ZDRAVSTVENOG SEKTORA**, koji je utvrdila Vlada Federacije Bosne i Hercegovine na 11. sjednici, održanoj 24.08.2023. godine.

Prijedlog odluke se dostavlja na službenim jezicima i pismima Federacije Bosne i Hercegovine.

Također, u prilogu Vam dostavljam i sljedeću dokumentaciju:

- Informaciju o zajmu Međunarodne banke za obnovu i razvoj za Projekat finansiranja razvojne politike zdravstvenog sektora,
- Usaglašeni zapisnik s pregovora i
- Nacrt Sporazuma o zajmu između Bosne i Hercegovine i IBRD-a.

S poštovanjem,



Prilog u printanoj i elektronskoj formi (CD):
- Prijedlog odluke na bosanskom jeziku i
- gore navedena dokumentacija.

**Co: Federalno ministarstvo finansija-
Federalno ministarstvo financija
gosp. Toni Kraljević, ministar**

**BOSNA I HERCEGOVINA
FEDERACIJA BOSNE I HERCEGOVINE
VLADA**

PRIJEDLOG

ODLUKA

**O PRIHVATANJU ZADUŽENJA PO SPORAZUMU O ZAJMU IZMEĐU BOSNE I
HERCEGOVINE I MEĐUNARODNE BANKE ZA OBNOVU I RAZVOJ (IBRD) ZA
PROJEKAT FINANSIRANJA RAZVOJNE POLITIKE ZDRAVSTVENOG SEKTORA**

Sarajevo, august 2023. godine

Na osnovu člana 40. stav (5) Zakona o dugu, zaduživanju i garancijama u Federaciji Bosne i Hercegovine ("Službene novine Federacije BiH", br. 86/07, 24/09, 44/10 i 30/16) Predstavnički dom Parlamenta Federacije Bosne i Hercegovine na _____ sjednici održanoj _____ i Dom naroda Parlamenta Federacije Bosne i Hercegovine na _____ sjednici održanoj _____ d o n o s i

ODLUKU

O PRIHVATANJU ZADUŽENJA PO SPORAZUMU O ZAJMU IZMEĐU BOSNE I HERCEGOVINE I MEĐUNARODNE BANKE ZA OBNOVU I RAZVOJ (IBRD) ZA PROJEKAT FINANSIRANJA RAZVOJNE POLITIKE ZDRAVSTVENOG SEKTORA

I.

Prihvata se zaduženje Federacije Bosne i Hercegovine (u daljem tekstu: Federacija) po Sporazumu o zajmu (u daljem tekstu: Sporazum) između Bosne i Hercegovine (u daljem tekstu: BiH) i Svjetske banke - Međunarodne banke za obnovu i razvoj (u daljem tekstu: IBRD) u ukupnom iznosu do 92.300.000,00 EUR-a, od čega se na Federaciju Bosne i Hercegovine odnosi 55.380.000,00 EUR-a, odnosno 60% od ukupno odobrenih sredstava za Bosnu i Hercegovinu.

II.

Sredstva zajma iz tačke I. ove Odluke dio su sveukupnog programa reforme u cilju dugoročne finansijske održivosti zdravstvenog sistema u BiH i unapređenja kvaliteta zdravstvenih usluga i zdravstvenih ishoda.

III.

Sredstva zajma iz tačke I. ove Odluke, odobravaju se Federaciji pod sljedećim uslovima:

- rok otplate (uključen grace period):.....18 godina
- grace period:.....5 godina
- početna naknada.....0,25 % godišnje
- naknada za održavanje zajma.....0,25% godišnje
- kamatna stopa:.....LIBOR (za euro) + varijabilni spread
- dospjeća:.....polugodišnja
- datumi plaćanja glavnice i kamata:15. januar i 15. juli svake godine

IV.

Potvrđuje se da je razmatrana dokumentacija prihvatljiva za Federaciju, a posebno:

- Usaglašeni zapisnik s pregovora;
- Nacrt Sporazuma o zajmu između Bosne i Hercegovine i IBRD-a;

V.

Daje se saglasnost za zaključivanje Supsidijarnog sporazuma između Bosne i Hercegovine i Federacije za sredstva iz tačke I. ove Odluke.

Za potpisivanje Supsidijarnog sporazuma ovlašćuje se federalni ministar finansija.

VI.

Za realizaciju ove Odluke i izvještavanje zadužuje se Federalno ministarstvo finansija – Federalno ministarstvo financija, Federalno ministarstvo zdravstva, svako u okviru svoje nadležnosti.

VII.

Implementacija Sporazuma iz tačke I. ove Odluke ne zahtijeva donošenje novih ili izmjenu postojećih zakona.

VIII.

Ova Odluka stupa na snagu narednog dana od dana objavljivanja u "Službenim novinama Federacije BiH".

O B R A Z L O Ž E N J E
PRIJEDLOGA ODLUKE O PRIHVATANJU ZADUŽENJA PO SPORAZUMU O ZAJMU
IZMEĐU BOSNE I HERCEGOVINE I MEĐUNARODNE BANKE ZA OBNOVU I
RAZVOJ (IBRD) ZA PROJEKAT FINANSIRANJA RAZVOJNE POLITIKE
ZDRAVSTVENOG SEKTORA

I - PRAVNI OSNOV

Pravni osnov za donošenje ove Odluke sadržan je u članu 40. stav (4) Zakona o dugu, zaduživanju i garancijama u Federaciji Bosne i Hercegovine ("Službene novine Federacije BiH", br. 86/07, 24/09, 44/10 i 30/16), koji propisuje pitanja vanjskog zaduženja Federacije i procedure za zajmove. Izmjenom Zakona o dugu, zaduživanju i garancijama u Federaciji Bosne i Hercegovine („Službene novine Federacije BiH“, broj: 44/10) u članu 40. stav (5) predviđeno je da Vlada Federacije Bosne i Hercegovine nakon prihvatanja Nacrta sporazuma o zajmu i utvrđivanja Prijedloga odluke, istu dostavlja Parlamentu Federacije BiH na usvajanje.

II - RAZLOZI ZA DONOŠENJE

Osnovni razlog za donošenje ove Odluke je zaduženje Federacije Bosne i Hercegovine po osnovu Sporazuma o zajmu kod Svjetske banke - Međunarodne banke za obnovu i razvoj (IBRD) kao dio sveukupnog programa reforme u cilju dugoročne finansijske održivosti zdravstvenog sistema u BiH i unapređenja kvaliteta zdravstvenih usluga i zdravstvenih ishoda.

III - OBRAZLOŽENJE POJEDINIH TAČAKA

Tačka I. je nužna kako bi se prihvatilo zaduženje Bosne i Hercegovine kod Međunarodne banke za obnovu i razvoj (IBRD).

Tačkom II. potvrđuje se namjena utroška sredstava zajma.

Tačkom III. precizirani su uslovi zajma.

Tačkom IV. potvrđuje se da je dokumentacija parafirana u toku pregovora s Međunarodnom bankom za obnovu i razvoj (IBRD) prihvatljiva za Federaciju BiH, što je uslov da Bosna i Hercegovina i Međunarodna banka za obnovu i razvoj (IBRD) pristupe potpisivanju Sporazuma o zajmu.

Tačkom V. daje se saglasnost za potpisivanje Supsidijarnog sporazuma kao i ovlaštenje federalnom ministru finansija da u ime Federacije potpiše isti.

Tačkom VI. se za realizaciju ove Odluke zadužuje Federalno ministarstvo finansija.

Tačkom VII. potvrđuje da za implementaciju Sporazuma o finansiranju nije potrebno donijeti nove propise.

Tačka VIII. propisuje stupanje na snagu ove Odluke.

INFORMACIJA

O ZAJMU MEĐUNARODNE BANKE ZA OBNOVU I RAZVOJ ZA PROJEKAT FINANSIRANJA RAZVOJNE POLITIKE ZDRAVSTVENOG SEKTORA

Vlada Federacije BiH je na svojoj 345. sjednici održanoj 29.12.2022. godine usvojila Zaključak V.broj: 1892/2022 kojim je podržala inicijativu da se kreditnim zaduženjem kod Međunarodne banke za obnovu i razvoj (IBRD), osiguraju sredstva za realizaciju Projekta „Finaniranje razvojne politike zdravstvenog sektora ” (Projekat) u iznosu do 92.300.000,00 EUR-a, od čega se na Federaciju Bosne i Hercegovine odnosi 55.380.000,00 EUR-a, odnosno 60% od ukupno odobrenih sredstava za Bosnu i Hercegovinu.

Pregovori sa predstavnicima IBRD-a, Ministarstva financija i trezora BiH, Federalnog ministarstva finansija-Federalnog ministarstva financija, Federalnog ministarstva zdravstva, te predstavnika Republike Srpske održani su 21. februara 2023. godine.

Sredstva zajma iz tačke I. ove Odluke, odobravaju se Federaciji pod sljedećim uslovima:

- rok otplate (uključen grace period):.....18 godine
- grace period:.....5 godina
- početna naknada.....0,25 % godišnje
- naknada za održavanje zajma.....0,25% godišnje
- kamatna stopa:.....LIBOR (za euro) + varijabilni spread
- dospijeća:.....polugodišnja
- datumi plaćanja glavnice i kamata:15. januar i 15. juli svake godine

Projekat je ključni dio sveukupnog programa reforme u cilju dugoročne finansijske održivosti zdravstvenog sistema u BiH i unaprjeđenja kvaliteta zdravstvenih usluga i zdravstvenih ishoda. Jedan aspekt rješavanja problema u zdravstvenim sistemima je dostizanje stanja u kojem se više neće nastaviti sa akumuliranjem dospelih neizmirenih obaveza i opterećivanjem tekućeg poslovanja entitetskih zdravstvenih sistema, a drugi aspekt je uvođenje poticaja za unaprjeđenje kvaliteta zdravstvene zaštite i zdravstvenih ishoda zasnovanih na prilagođenom zakonskom okviru.

Projekat će pružiti podršku za reforme politike i institucionalne reforme grupisane u dva stuba:

Prvi stub je unaprjeđenje finansijske održivosti zdravstvenih sistema i pruža podršku BiH na neophodnim reformama za sanaciju neizmirenih obaveza, kao i drugih kratkoročnih i dugoročnih dugova kliničkih centara, kantonalnih bolnica i općih bolnica, te za zaustavljanje stvaranja novih neizmirenih obaveza. Taj će proces nadzirati Federalno ministarstvo zdravstva (FMZ) na osnovu kvartalnih izvještaja, koje će odobravati stručna komisija uspostavljena na entitetskom nivou za univerzitetsko-kliničke centre, koji su u nadležnosti entiteta. Zdravstvene ustanove na kantonalnom nivou posluju po kantonalnom zakonskom okviru i dostavljaju planove restrukturiranja i konsolidacije odnosnim vladama. Nakon što ti planovi budu odobreni, na osnovu kriterija navedenih u zakonu i podzakonskim aktima, ustanove će ostvariti uslove za transfer iz entitetskog budžeta za sanaciju dugova.

Drugi stub je unaprjeđenje kvaliteta pružanja zdravstvenih usluga i zdravstvenih ishoda I pruža podršku za potrebne zakonske i regulatorne izmjene za uvođenje odgovarajućih poticaja za unaprjeđenje zdravstvenih ishoda u FBiH, a primarno uključivati

poticaje za smanjenje pušenja i uređenje smanjenja zagađenja zraka, obzirom da Federacija BiH bilježi jedne od najlošijih rezultata u Europi.

Krajnji dužnik ovog kredita je Federacija BiH, a implementator Projekta je Federalno ministarstvo zdravstva.

U periodu implementacije Projekta, u Budžetu Federacije nije potrebno osigurati dodatna finansijska sredstva za sufinansiranje Projekta.

Donošenjem ove Odluke stvara se osnova za potpisivanje Supsidijarnog ugovora između Bosne i Hercegovine i Federacije Bosne i Hercegovine, kojim će se propisati uvjeti za davanje zajma Federaciji Bosne i Hercegovine, a koji će biti istovjetni uvjetima pod kojima IBRD odobrava zajam Bosni i Hercegovini.

Na osnovu izloženog, a radi upućivanja Parlamentu Federacije BiH na usvajanje, Vlada Federacije BiH je na 11. sjednici, održanoj 24.08.2023. godine, utvrdila Prijedlog odluke o prihvatanju zaduženja po Sporazumu o zajmu između Bosne i Hercegovine i Međunarodne banke za obnovu i razvoj (IBRD) za Projekat finansiranja razvojne politike zdravstvenog sektora.

BOARD

LOAN NUMBER 94950-BA

Loan Agreement

(BiH Health Sectors Programmatic Development Policy Loan)

between

BOSNIA AND HERZEGOVINA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between BOSNIA AND HERZEGOVINA (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement). The Bank has decided to provide this financing on the basis, *inter alia*, of: (i) the actions which the Borrower has already taken under the Program and which are described in Section I of Schedule 1 to this Agreement; and (ii) the Borrower’s maintenance of an adequate macroeconomic policy framework. The Borrower and the Bank therefore hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of ninety-two million three hundred thousand Euro, (EUR 92,300,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”).
- 2.02. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.03. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.04. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.05. The Borrower elects to apply the Automatic Rate Fixing Conversion to the Loan. Accordingly, without limitation upon the provisions of Article IV of the General Conditions and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, the interest rate basis applicable to the aggregate principal amount of the Loan withdrawn during each Interest Period shall be converted from the initial Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread for the full maturity of such amount in

accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

- 2.06. The Payment Dates are January 15 and July 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 2 to this Agreement.
- 2.08. Without limitation upon the provisions of Section 5.05 of the General Conditions, the Borrower shall promptly furnish to the Bank such information relating to the provisions of this Article II as the Bank may, from time to time, reasonably request.

ARTICLE III — SUBSIDIARY AGREEMENTS

- 3.01 The Borrower shall: (a) make available an amount of fifty-five million three hundred and eighty thousand Euro (€55,380,000) out of the proceeds of the Loan to the Federation under the Federation Subsidiary Agreement; and (b) make available an amount of thirty-six million nine hundred and twenty thousand Euro (€36,920,000) out of the proceeds of the Loan to Republika Srpska under the RS Subsidiary Agreement, all on terms and conditions satisfactory to the Bank.
- 3.02 The Borrower shall exercise its rights, and carry out its obligations, under the Subsidiary Agreements in such a manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Program, and, except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate, or waive the Subsidiary Agreements or any provisions thereof.

ARTICLE IV — PROGRAM

- 4.01. The Borrower declares its commitment to the Program and its implementation. To this end, and further to Section 5.05 of the General Conditions:
 - (a) the Borrower and the Bank shall from time to time, at the request of either party, exchange views on the Borrower's macroeconomic policy framework and the progress achieved in carrying out the Program;
 - (b) prior to each such exchange of views, the Borrower shall furnish to the Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Bank shall reasonably request; and
 - (c) without limitation upon paragraph (a) and (b) of this Section, the Borrower shall promptly inform the Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken

under the Program including any action specified in Section I of Schedule 1 to this Agreement.

ARTICLE V — REMEDIES OF THE BANK

- 5.01. The Additional Event of Suspension consists of the following, namely that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.
- 5.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 5.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE VI — EFFECTIVENESS; TERMINATION

- 6.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Bank is satisfied with the progress achieved by the Borrower in carrying out the Program and with the adequacy of the Borrower's macroeconomic policy framework.
 - (b) The Subsidiary Agreements have been executed with terms and conditions satisfactory to the Bank.
- 6.02. The Additional Legal Matters consist of the following: namely, that the Subsidiary Agreements referred to in Section 6.01(b) above have been duly authorized by the Borrower and the respective Entities and are legally binding upon the Borrower and the respective Entities in accordance with their terms.
- 6.03. The Effectiveness Deadline is the date one hundred and eighty (180) days after the Signature Date.

ARTICLE VII — REPRESENTATIVE; ADDRESSES

- 7.01. The Borrower's Representative is its Minister of Finance and Treasury.
- 7.02. For purposes of Section 10.01 of the General Conditions:
 - (a) the Borrower's address is:

Ministry of Finance and Treasury
Trg BiH 1
71000 Sarajevo
Bosnia and Herzegovina; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
(387-33) 202-930	trezorbih@mft.gov.ba

7.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED as of the Signature Date.

BOSNIA AND HERZEGOVINA

By

Authorized Representative

Name: _____

Title: _____

Date: _____

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By

Authorized Representative

Name: _____

Title: _____

Date: _____

SCHEDULE 1

Program Actions; Availability of Loan Proceeds

Section I. Actions under the Program

- A. Actions Taken Under the Program. The actions taken by the Borrower under the Program include the following:

Pillar 1. Improving the financial sustainability of the health system

1. The Parliament of the FBiH has enacted the Law on Financial Consolidation and Restructuring of Public Health Facilities No. 781 dated April 28, 2022, to clear arrears and other debt liabilities and prevent their further accumulation in the main three university-clinical hospitals Sarajevo, Mostar and Tuzla, and cantonal and general hospitals, as evidenced by the publication of law mentioned herein above in the FBiH Official Gazette No. 34 dated May 6, 2022.
2. In order to operationalize the Law on Financial Consolidation and Restructuring of Public Health Facilities, the FBiH, through its Ministry of Health, has issued the (i) Rulebook No. 06-02-3926/22 dated June 22, 2022, prescribing content of the documentation to be submitted with a request to initiate financial consolidation and/or restructuring of public health facility published in the FBiH Official Gazette No 34 dated May 6, 2022; and (ii) Rulebook No. 06-02-3927/22 dated June 22, 2022, prescribing the methodology and content for the preparation of the financial consolidation and restructuring program to be used by the participating health institutions, published in the FBiH Official Gazette No. 34 dated May 6, 2022.
3. To improve planning, spending, budget controls, borrowing, and repay the accumulated stock of arrears as well as prevent future new flows of arrears and other debt obligations in primary health care centers, the RS Government has introduced ten (10) primary health care centers into the RS Treasury System operational as of early 2022, as evidenced by RS Government Conclusion No. 04/1-012-2-3079/21 dated October 21, 2021, and Local Municipalities Decisions.

Pillar 2. Enhancing the quality of health services delivery and health outcomes

4. The RS National Assembly has enacted the Law on Healthcare No. 02/1-021-578/22 dated June 1, 2022, defining indicators for assessing success of financial operations of public health institutions to enable monitoring on the system level and providing free healthcare for children up to the age of 18, as evidenced by the publication of law mentioned herein above in the RS Official Gazette No. 57 dated June 16, 2022.

5. The RS National Assembly has adopted the Law on Mandatory Health Insurance No. 02/1-021-978/22 dated September 14, 2022 to implement part of the Law on Healthcare that broadened free healthcare for children up to the age of 18 and additionally strengthen financing for health services provision, as evidenced by the publication of law mentioned herein above in the RS Official Gazette No. 93 dated September 21, 2022.
6. The RS National Assembly has enacted the Law on Amendments and Addends to the Law on Protection of the Population from Infectious Diseases No. 02/1-021-677/22 dated June 23, 2022 to protect human capital from viruses and other infectious diseases by prescribing the financing process for systemic immunization through regular budget support, including new vaccines to be delivered in RS for Covid-19 and HPV, as evidenced by the publication of law mentioned herein above in the RS Official Gazette No. 63 dated July 5, 2022.
7. The RS National Assembly has enacted the Law on Healthcare Documentation and Records in the Field of Healthcare No. 02/1-021-579/22 dated June 1, 2022 to: (i) digitalize processes of treatment and referral in the health system, and (ii) regulate the collection and production of health sector information which would be used to enhance health management, as evidenced by the publication of law mentioned herein above in the RS Official Gazette No. 57 dated June 16, 2022.
8. In order to protect the health of its population, the Parliament of the FBiH has enacted Law on Tobacco, Tobacco Products and other Smoking Products Control and Restricted Use No. 01-02-1-246-01/22 dated May 18, 2022 to prohibit smoking in businesses and catering facilities, as well as advertising of tobacco and tobacco products, as evidenced by the publication of law mentioned herein above in the FBiH Official Gazette No. 38 dated May 20, 2022.
9. The FBiH, through its Parliament, has enacted the Law on Environmental Protection No. 01-02-1-110-01/21 dated February 18, 2021 published in the FBiH Official Gazette No. 15 dated February 24, 2021 to improve the efficiency and coverage of overall environmental management, and, through its Ministry of Environment and Tourism has issued Environmental Protection Bylaws detailing the environmental impact assessment and regulating the environmental permitting process.

Section II. Availability of Loan Proceeds

- A. **General.** The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of this Section and such additional instructions as the Bank may specify by notice to the Borrower.
- B. **Allocation of Loan Amounts.** The Loan is allocated in: (a) a single tranche, from which the Borrower may make withdrawals of the Loan proceeds; and (b) the

amounts requested by the Borrower to pay: (A) the Front-end Fee; and (B) each Interest Rate Cap or Interest Rate Collar premium. The allocation of the amounts of the Loan to this end is set out in the table below:

Allocations	Amount of the Loan Tranche Allocated (expressed in EUR)
(1) Single Withdrawal Tranche	92,069,250
(2) Front-end Fee	230,750
(3) Amount due pursuant to Section 4.05 (c) of the General Conditions	0
TOTAL AMOUNT	92,300,000

D. Withdrawal Tranche Release Conditions.

No withdrawal shall be made of the Single Withdrawal Tranche unless the Bank is satisfied: (a) with the Program being carried out by the Borrower; and (b) with the adequacy of the Borrower's macroeconomic policy framework.

E. Closing Date. The Closing Date is March 31, 2024.

SCHEDULE 2

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

Principal Payment Date	Installment Share
On each January 15 and July 15 Beginning July 15, 2028 through July 15, 2040	3.85%
On January 15, 2041	3.75%

APPENDIX

Section I. Definitions

1. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Development Policy Financing", dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).
2. "Entity" means either the FBiH or RS, as the case may be, and "Entities" means the Federation and RS collectively.
3. "Environmental Protection Bylaws" means a series of regulations adopted by the FBiH Ministry of Environment and Tourism detailing the environmental impact assessment and regulating the environmental permitting process and including the following:
 - (a) "Regulation on projects for which an environmental impact assessment is mandatory and projects for which a decision is made on the need for an environmental impact assessment" No. 1066/2021 dated June 24, 2021 and No. 592/2022 dated April 21, 2022 and published in the FBiH Official Gazette No. 51/21 and 33/22;
 - (b) "Decree determining plants and facilities that must have an environmental permit" No. 1065/2021 dated June 24, 2021 and No. 1329/2022 dated September 8, 2022 and published in the FBiH Official Gazette number: 51/21 and 74/22;
 - (c) "Rulebook on plants, facilities and warehouses in which dangerous substances are present that can lead to major accidents" No. 05-02-19-236/21 dated June 24, 2021 and No 05-02-19-236-1/21-1 dated November 23, 2022 and published in the FBiH Official Gazette No. 51/21 and 96/22;
 - (d) "Rulebook on the register of facilities where hazardous substances are present" No. 05-02-19-418/22 dated October 31, 2022 and published in the FBiH Official Gazette No. 88/22;
 - (e) "Rulebook on the conditions and criteria for granting authorization to environmental impact study holders, the manner and criteria that must be met by environmental impact study holders and the amount of the fee for issuing authorization to environmental impact study holders" No. 05/02-19-428/21 dated March 4, 2022 and No. 05/02-19-428/21 dated April 4, 2022 and published in the FBiH Official Gazette No. 19/ 22 and 36/22;

- (f) “Electronic register of persons authorized to carry out environmental impact study and other professional tasks” dated November 23, 2022 and published on the official website of the FBiH Ministry of Environment and Tourism at <https://fmoit.gov.ba/bs/zakoni/zakoni-na-razini-fbih> (as item 10);
 - (g) “Rulebook on determining the conditions and criteria for placing on the list of experts who can be appointed to expert commissions for the assessment of environmental impact studies” No. 02-19-6-202/20 dated July 23, 2021 and published in the FBiH Official Gazette No. 63/21;
 - (h) “Rulebook on the content of the environmental impact study” No. 05-02-19-236/21 dated July 26, 2021 and published in the FBiH Official Gazette No. 63/21;
 - (i) “Regulation on handling in case of cross-border and inter-entity impact of the project on the environment” No. 1928/2021 dated December 23, 2021 and published in the FBiH Official Gazette No. 105/21; and
 - (j) “Regulation on the Environmental Protection Information System in the Federation of Bosnia and Herzegovina” No. 863/2022 dated June 9, 2022 and published in the FBiH Official Gazette No. 47/22.
4. “Federation of Bosnia and Herzegovina” or “FBiH” means the Federation of Bosnia and Herzegovina, a constitutive part of the Borrower.
5. “FBiH Subsidiary Agreement” means the agreement entered into between the Borrower and the Federation pursuant to Section 6.01(b) of this Agreement, as the same agreement may be amended from time to time with the Bank’s prior approval, and such term includes all schedules supplemental to the Federation Subsidiary Agreement.
6. “Local Municipalities Decisions” means a series of decisions adopted by local municipalities and including the following:
- (a) “Decision on Inclusion of Public healthcare institutions “Health Center in Prnjavor” into treasury system of operations” No. 01-022-31/21 dated March 11, 2021;
 - (b) “Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center “Sveti Nikola Milići” No. 01-022-103/19 dated October 3, 2019;
 - (c) “Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center Municipality of Ljubinje” No. 01-50-1-2/21 dated November 15, 2021;

- (d) "Decision on inclusion into the treasury system of operations of the Health Center "Dr. Dusan Marceta" Municipality of Istocni Drvar" No. 02-22-756/21 dated November 16, 2021;
 - (e) "Decision on inclusion into the treasury system of operations of the Health Center "Dr Jovan Raskovic" Municipality of Mrkonjić Grad" No. 02-022-173/21 dated November 12, 2021;
 - (f) "Decision on inclusion into the treasury system of operations of the Health Center of Municipality of Srbac" No: 01-022-209/21 dated November 26, 2021;
 - (g) "Decision on inclusion into the treasury system of operations of the Health Center of Municipality of Šipovo" No. 02-013-192/21 dated November 26, 2021;
 - (h) "Decision on inclusion into the treasury system of operations of the Health Center "Sveti Sava" in Teslić" No. 01-022-141/21 dated November 29, 2021;
 - (i) "Decision on inclusion into the treasury system of operations of the Health Center "Sveti Luka" Kalinovik" No. 01-022-40/21 dated November 23, 2021;
 - (j) "Decision on inclusion into the treasury system of operations of the Health Center Prijedor" No. 01-022-228/21 dated November 26, 2021;
 - (k) "Decision on inclusion into the treasury system of operations of the Municipality of Petrovac of the Health Center Drinić" No. 01-022-744/21 dated December 2, 2021;
 - (l) "Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center "Dr Mladen Stojanović" Laktaši" No. 01-022-191/21 dated November 17, 2021;
 - (m) "Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center of the Municipality of Nevesinje" No. 01-013-211/21 dated November 19, 2021;
 - (n) "Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center "9. januar", Krupa na Uni" No. 01-012-83/21 dated November 24, 2021;
 - (o) "Decision on inclusion into the treasury system of operations of the Public Healthcare Institution Health Center Stanari" No. 01-020-248/21 dated December 3, 2021.
7. "Program" means the program of objectives, policies, and actions set forth or referred to in the letter dated February 21, 2023 from the Borrower to the Bank declaring the Borrower's commitment to the execution of the Program, and requesting assistance from the Bank in support of the Program during its execution and comprising actions taken, including those set forth in Section I of Schedule 1 to this Agreement, and actions to be taken consistent with the program's objectives.
8. "Republika Srpska" or "RS" means Republika Srpska, a constitutive part of the Borrower.

9. "RS Subsidiary Agreement" means the agreement entered into between the Borrower and RS pursuant to Section 6.01(b) of this Agreement, as the same agreement may be amended from time to time with the Bank's prior approval, and such term includes all schedules supplemental to the RS Subsidiary Agreement.
10. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
11. "Single Withdrawal Tranche" means the amount of the Loan allocated to the category entitled "Single Withdrawal Tranche" in the table set forth in Part B of Section II of Schedule 1 to this Agreement.
12. "Subsidiary Agreement" means either the FBiH Subsidiary Agreement or the RS Subsidiary Agreement, as such agreement may be amended from time to time with the Bank's prior approval, and such term includes all schedules supplemental to the Subsidiary Agreement, and "Subsidiary Agreements" means the Federation Subsidiary Agreement and the RS Subsidiary Agreement collectively.

AGREED MINUTES OF NEGOTIATIONS

BETWEEN BOSNIA AND HERZEGOVINA AND

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)

REGARDING

BOSNIA AND HERZEGOVINA HEALTH SECTORS PROGRAMMATIC DEVELOPMENT

POLICY OPERATION

February 21, 2023

1. **Introduction.** Negotiations for the proposed IBRD loan (“Loan”) of EUR 92,300,000 (US\$ 100,000,000 equivalent) for the Bosnia and Herzegovina Health Sector Programmatic Development Policy Operation (“Operation”) were held between representatives of Bosnia and Herzegovina (the “BiH Delegation” or “the Borrower’s Delegation”) and representatives of the International Bank for Reconstruction and Development (the “IBRD Delegation” or the “Bank Delegation”) (collectively, the “Delegations”) on February 21, 2023, following technical discussions between the Delegations on January 30, 2023, in Sarajevo and by video conference with World Bank headquarters in Washington D.C., Zagreb and in Banja Luka, Republika Srpska, BiH. Members of the Delegations are listed in Annex 1 to these minutes of Negotiations (“Minutes”), which record the key understandings reached between the Delegations regarding the proposed Operation. The BiH Delegation and the Bank Delegation agreed on the draft Loan Agreement (LA) between Bosnia and Herzegovina (the “Borrower”) and IBRD.
2. **Authority to Negotiate.** The Borrower’s Delegation provided to the IBRD Delegation a letter from Bosnia and Herzegovina Ministry of Finance and Treasury dated February 7, 2023, No. 06-21-1-8381-8/23 appointing Nenad Vujičić to attend the Negotiations and sign the Minutes for the Project. A conclusion of the FBiH Government No. 1892/2022 from December 29, 2022 referenced in the letter received from the Federal Ministry of Health dated January 16, 2023 appointing Anamarija Magazinović and the Federal Ministry of Finance dated January 24, 2023 appointing Vedad Nezirić to attend the Negotiations and sign the Minutes on behalf of their institutions. A conclusion of the RS Government No. 04/1-012-2-170/23 dated January 26, 2023 appoints the representatives of the RS Ministry of Finance Ms. Bojana Vasiljević Poljašević, and RS Ministry of Health and Social Welfare Mr. Milenko Dulić to take part in the Negotiations and sign the Minutes on behalf of Republika Srpska Government.
3. **Documents Discussed.** The following documents, included as attachments to these Minutes, were discussed: Loan Agreement draft (“LA”) (Attachment 1), Loan Choice Worksheet (Attachment 2), the Amortization Schedule (Attachment 3), and Program Document (“PD”) (Attachment 4).
4. **Loan Agreement.** The Delegations reviewed and discussed the LA and all agreed that the changes resulting from the Negotiations are reflected in the LA and dated January 30, 2023.
5. **IBRD Loan Choice and Terms.** The Bank received the signed Loan Choices Worksheet (LCW) from the Borrower’s MoFT, dated February 20, 2023. The Borrower’s Delegation confirmed its choice of a EUR denominated IBRD Flexible Loan in the amount of EUR 92,300,000 (US\$ 100,000,000 equivalent using the January 31, 2023 exchange rate of US\$ 1 to EUR 0.9228 and rounded up to nearest hundred thousand) with EUR 55,380,000 allocated to the FBiH and EUR 36,920,000 allocated to the RS, and including the front-end fee divided between the entities as follows: EUR 138,450 for the FBiH and EUR 92,300 for the RS, all as agreed among BiH, FBiH and RS. The Borrower selected the following Loan

terms: a variable spread, Payment Dates of January 15 and July 15 each year, 18-year repayment period including a 5-year grace period (conforming to the average repayment maturity limit of 12 years and grace period limit of 5 years applicable to fast-disbursing operations under the adjusted IBRD financial terms for the Bank's FY 2022-23), a commitment-linked level repayment of the principal, front-end fee (amounting to 0.25% of the Loan amount) financed from the Loan proceeds, all conversion options and Automatic Rate Fixing by Period. The Amortization Schedule for the Loan prepared by the Bank is attached to these Minutes. In case the Board date is moved to another date after these negotiations, the Bank Delegation will check the impact of such change on the average repayment maturity and communicate to the Borrower Delegation any changes that may impact the agreed amortization schedule and Loan terms. The Loan would be subject to a commitment charge of 0.25% per annum, payable on the unwithdrawn Loan balance. Commitment Charge would start to accrue 60 days after the LA signing.

6. **Review of Program Document and Prior Actions.** The text of the Program Document ("PD") was reviewed by the Delegations and changes were made. The wording outlined below was revised to incorporate comments received from the BiH Delegation.

- a) The Bank Delegation received the signed Letter of Development Policy (LDP) during Negotiations on February 21, 2023.
- b) All Prior Actions have been completed. The BiH Delegation had shared all relevant evidence to document the achievement of all nine Prior Actions, which the Bank has reviewed and found acceptable.
- c) The RS Representatives in the BiH Delegation requested that the reference to "Russia's invasion of Ukraine" should remain as "war in Ukraine". The Bank Delegation indicated that the respective wording is in accordance with the Bank's management consistent approach in reference to the current situation in Ukraine, wherein "Russia's invasion of Ukraine" is used in the first instance and "war in Ukraine" thereafter. The Bank Delegation indicated that Program Document is a document of the Bank, and not a client document. Hence decision to retain the reference to "Russia's invasion of Ukraine" in the Program Document, even with the request from the RS Representatives in the Borrower's Delegation to exclude that reference from the Program Document. Further, the RS Representatives of the Borrower's Delegation requested that, if included, reference to "Russia's invasion of Ukraine" in the Program Document is not disclosed. The Bank Delegation took note of the request and explained that this will not be consistent with the Bank's Policy on Access to Information, and therefore cannot be accepted.
- d) The Bank Delegation indicated that minor editorial and formatting changes to the documents have occurred and may still occur prior to the PD's submission to the Board based on the Bank's internal clearance process.
- e) The IMF's Assessment Letter (in Annex 2 of PD: Fund relations annex) has not been consented to be published and will be removed from the PD prior to Board submission. If the consent is received from the IMF prior to Board submission date, then the IMF Assessment Letter will be included in the PD.

7. **Disbursement Arrangements.** The Delegations discussed and agreed on the disbursement arrangements for the Operation. The Operation is a single-tranche Loan to BiH. The Loan proceeds will be made available to BiH upon the effectiveness of the LA and compliance with the withdrawal tranche release condition. The proposed Loan will follow the Bank's disbursement procedures for DPOs. Upon approval of the loan and notification by the Bank of the effectiveness of the Loan Agreement between the Bank and the BiH, the Borrower will submit a withdrawal application to the IBRD within a defined drawdown period.

The IBRD will deposit the proceeds of the Loan into a foreign currency deposit account designated by the Borrower to be held at the Central Bank of BH (CBBH). This account forms part of the official foreign currency reserves of BiH, and it will be managed by and subject to control of the Ministry of Finance and Treasury. The CBBH's foreign exchange management is transparent and subject to adequate operational controls. The Borrower shall ensure that upon the deposit of the Loan into said account, an equivalent amount is credited in local currency to the two sub-accounts, one for FBiH (60 percent of the loan amount) and another for RS (40 percent of the loan amount), kept in CBBH.

8. **Actions Required for Board Submission.** To expedite the processing of the Loan for presentation to the Board, it was agreed that the BiH Delegation will, no later than February 21, 2023, provide to the Bank an official confirmation of the negotiated documents from the Borrower.

9. **Actions Required for Signing and Effectiveness.** The BiH Delegation advised that authorization from the Presidency of Bosnia and Herzegovina will need to be issued before the Loan Agreement can be signed. The Effectiveness Deadline is the date one hundred and eighty (180) days after the Signature Date.

10. **Signatures.** The Bank Delegation explained that the Bank, for the sake of efficiency, is encouraging members countries to sign legal agreements electronically and queried whether the Borrower has any legal restrictions in place that would impede the Borrower to sign the LA using electronic signatures.

11. **Effectiveness of the Loan Agreement.** With respect to the provisions of Section 9.02 of the General Conditions, the Borrower has confirmed that additional actions will be required to be undertaken after the signing of the LA for it to be considered legally binding. The Borrower will notify the Bank when such actions have been undertaken. The notification will be submitted to the Bank by the Borrower's representative signing the LA, unless such a representative informs the Bank that a different official will prove the notification. Upon the receipt of such notification, the Bank will rely on the Borrower's representation and warranty described in Section 9.02 (b) of the General Conditions, unless in the Bank's opinion the circumstances that justified its decision change before declaring the LA effective.

12. **Statutory Committee.** According to Article III, Section 4 (iii) of the IBRD Articles of Agreement, an operation proposed to be financed or guaranteed by IBRD shall be accompanied by a report/recommendation ("Statutory Committee Report") to be issued by a competent committee ("Statutory Committee") whose members shall include an expert selected by the Governor representing the member in whose territories the operation in question is located. The Governor representing BiH on the IBRD Boards of Governors agreed, by a letter dated October 1, 2014, that the official designated and authorized by the Council of Ministers of Bosnia and Herzegovina to represent BiH in the negotiations of IBRD financing provided to or guaranteed by Bosnia and Herzegovina shall be considered to be the Bosnia and Herzegovina's expert on the Statutory Committee, and that said official's signature of the signed Minutes for such IBRD financing shall be deemed to constitute the signature of the Statutory Committee report. The parties acknowledged the above designation with respect to the IBRD financing for this Operation.

13. **Access to Information.** The PD was reviewed and updated to take into account comments and observations made by the BiH Delegation during negotiations. Pursuant to the World Bank Policy on Access to Information, the Bank will disclose the PD, the related legal agreements and other information related to the operation and the legal agreements. The IMF's Assessment Letter will not be disclosed unless consent is received by the IMF prior to Board submission.

*On behalf of the
Bosnia and Herzegovina*

Nenad Vujić

Mr. Nenad Vujić
Expert Advisor for Multilateral Arrangements
BiH Ministry of Finance and Treasury

*On behalf of the
Federation of Bosnia and Herzegovina*

Nezirić

Mr. Vedad Nezirić
Head of Department for Borrowing and
Coordination of Development Funds
Federal Ministry of Finance

Anamarija Magazinović
Ms. Anamarija Magazinović
Assistant Minister
Federal Ministry of Health

*On behalf of
Republika Srpska*

Ms. Bojana Vasiljević Poljašević
Assistant Minister
Ministry of Finance

Bojana Bacuneljubić Narančević

Milenko Dulić

Mr. Milenko Dulić
Assistant Minister
Ministry of Health and Social Welfare

*On behalf of the
International Bank for Reconstruction and Development*

Tihomir Stučka

Mr. Tihomir Stučka
Task Team Leader/ Senior Economist
Europe and Central Asia Region

Attachments:

1. Negotiated draft Loan Agreement
2. Loan Choice Worksheet
3. Amortization Schedule
4. Negotiated draft Program Document

Annex 1
Members of BiH Delegation

Mr. Nenad Vujičić, BiH Ministry of Finance and Treasury
Ms. Marina Bera, FBiH Ministry of Health
Ms. Anamarija Magazinović, FBiH Ministry of Health
Ms. Snježana Bodnaruk, FBiH Ministry of Health
Mr. Vedad Nezirić, FBiH Ministry of Finance
Ms. Nermana Bešlagić, FBiH Ministry of Finance
Ms. Bojana Vasiljević Poljašević, RS Ministry of Finance
Ms. Aleksandra Tarlač, RS Ministry of Finance
Ms. Aleksandar Kesić, RS Ministry of Finance
Mr. Milenko Dulić, RS Ministry of Health and Social Welfare
Ms. Sanja Tonković, RS Ministry of Health and Social Welfare

Members of Bank Delegation

Mr. Tihomir Stučka, Senior Economist
Ms. Sandra Hlivnjak, Senior Economist
Ms. Adanna Deborah Ugochi Chukwuma, Senior Health Economist
Ms. Ruxandra Costache, Senior Counsel
Mr. Dilip Kumar Prusty Chinari, Finance Officer
Ms. Lamija Marijanović, Senior Financial Management Specialist
Ms. Samra Bajramović, Operations Analyst
Ms. Sanja Tanić, Program Assistant