

AGRICULTURE LAW

I GENERAL PROVISIONS

Article 1

This Law in the Federation of Bosnia and Herzegovina (hereinafter: the Federation) shall govern agricultural policy objectives and measures, entitlements beneficiaries, including the definitions of farm, farmer, institutional support, reporting in agriculture and the keeping of registers, administrative and inspection supervision, penalty clauses and other issues pertaining to agriculture.

Article 2

The objectives of this Law shall be to establish:

- the framework for institutional structures, competences, responsibilities, reporting lines, regulations, coordination mechanisms, consultation processes, rights, obligations and the implementation of measures at all levels of authority in the Federation involved in the agriculture sector development;
- framework and mechanisms for strengthening competitiveness and enhancing quality of agro-food products, and the application of standards required to achieve a more dynamic development in the agriculture sector;
- framework and mechanisms required for the preparation for the European Union association (hereinafter: the EU) and compliance with all commitments of international agreements related to agriculture, food and rural development within the competence of the Federation.

Article 3

Definitions

For the purposes of this Law, the following definitions shall apply:

- a) **“Agricultural activity”** - means the economic activity including plant and livestock production and their related service-providing activities according to the standard classification of activities in Bosnia and Herzegovina, and maintaining the land in good agricultural and environmental condition.

- b) **“Agricultural product”** – means the product of plant production, of livestock and of fisheries, and the products of first stage of their processing. The List of agricultural products is provided in Annex I to this Law.
- c) **“Farm”** means a production unit, or a group of units forming a production unit in both technical and economic terms, engaged in the production of agricultural products; the farm can also engage in off-farm (non-agricultural) production and service activities. The farm can operate as an enterprise, a craft or a cooperative, subject to its being registered for carrying out agricultural activities, and as a family farm.
- d) **“Family farm”** – means an independent economic and social unit based on the ownership and/or utilization of production resources and family management in carrying out of agricultural activities.
- e) **“Farmer”** – means a physical person who produces plant and livestock products on a farm and carries out other activities related to this production, regardless of the level of specialization of the farm where he/she operates, and who possesses skills and know-how with regard to agriculture.
- f) **“Farm holder”** – means a physical or a legal person, or a group of physical and legal persons, according to the legal status granted to the group and its members by the laws of Bosnia and Herzegovina, whose farm is situated within the territory of Bosnia and Herzegovina and who exercises an agricultural activity and is entered in the Farm Register as the farm holder.
- g) **“Rural development”** – means a set of policies, measures and activities aimed at ensuring comprehensive economic, social and cultural progress for the population in rural areas and which are planned and implemented in compliance with the principles of sustainable development, environmental quality conservation and improvement.
- h) **“Organic product”** – means an agricultural product produced in compliance with the principles of organic agricultural production, that includes specific methods of organic production on the farm, as well as activities involving further processing, packing and labeling of the products concerned in line with the objectives, principles and rules laid down by law.
- i) **“Market order”** means a common name for regulations, decisions and measures aimed at impacting supply and demand for certain groups of agricultural and food products using various protection instruments designed to regulate the price levels of agricultural products, and stability of incomes of agricultural producers.

II AGRICULTURAL POLICY OBJECTIVES AND MEASURES

Article 4

Agricultural Policy Objectives

Objectives of the Agriculture Policy in the Federation shall be as follows:

1. Increasing self-sufficiency in domestic agricultural products and creating conditions in order to ensure adequate and stable supply of agricultural products for the consumers in line with their demands, in particular with regard to food price, quality and safety;
2. Increasing and improving agricultural production and exports with a view to enhancing competitiveness on domestic as well as foreign markets;
3. Ensuring stable agricultural income and allowing adequate living standards for the agricultural producers;
4. Technical and technological improvement of the agriculture sector;
5. Ensuring harmonization and integration of agricultural sector into the EU and global markets;
6. Sustainable use and conservation of natural resources, environmental protection and improvement of integrated and organic agriculture;
7. Development and protection of rural areas and conservation of traditional rural values;
8. Identifying favorable conditions to address the labor rights issues of the agricultural producers.

Article 5

Midterm Agriculture Sector Development Strategy

The agriculture policy shall be implemented according to the Midterm Agriculture Sector Development Strategy in the Federation (hereinafter: Agriculture Strategy) which shall include short-term and midterm goals, measures, time framework, stakeholders and deadlines for the implementation of the aforesaid goals in the agriculture sector and shall be adopted for a five year period.

The Federal Ministry of Agriculture, Water Management and Forestry (hereinafter: the Federal Ministry of Agriculture), in cooperation with cantonal ministries responsible for agriculture, shall establish and prepare the key elements for the development of an agricultural strategy.

The Minister of Agriculture, Water Management and Forestry of the Federation (hereinafter: the Federal Minister of Agriculture) shall appoint an expert commission for the development of agriculture strategy, following which the agriculture strategy shall be made subject to the technical public consultation and be submitted for consideration and motion to the Government of the Federation of Bosnia and Herzegovina (hereinafter: the Federation Government).

Agriculture strategy shall be adopted by the Parliament of the Federation of Bosnia and Herzegovina (hereinafter: the Federation Parliament) for a period of up to five years.

The Federal Ministry of Agriculture shall adopt an annual operative program for the implementation of the agriculture strategy not later than 31 March of a given year.

Article 6

Agricultural policy measures

Agricultural policy measures shall aim at achieving the agricultural policy objectives as laid down in Article 4 of this Law, and be adopted at the State, Federation, cantonal and municipal levels.

Support measures for agriculture and rural development shall be aligned progressively at all levels of authority with a view to ensuring their harmonization with the relevant EU measures.

Depending on their scope, agricultural policy measures shall be:

1. Market price policy measures;
2. Structural policy measures;
3. Land policy measures;
4. Financial support measures in agriculture.

The agricultural policy measures shall be mutually harmonized and implemented following the principles of impartiality and equality.

Agricultural policy measures within the competence of the Federation shall be financed through the Budget of the Federation of Bosnia and Herzegovina (hereinafter: the Federation Budget) and other sources of funding, and agricultural policy measures within the competence of cantons shall be financed from the budgets of the cantons concerned.

1. **Market Price Policy Measures**

Article 7

Market price policy shall impact on the stability of the domestic agricultural market and subsequent strengthening of competitiveness of the agriculture in the Federation, as well as on the implementation of commitments taken under the international trade agreements.

Market price policy shall be comprised of the following groups of measures:

- Prescribed prices;
- Interventions on domestic market;
- Marketing and consumption incentive measures;
- Trade measures.

Article 8

Market order

For certain groups of agricultural products, the Government may, acting upon the proposal put forward by the Federal Minister of Agriculture, with the agreement of the Federal Minister of Trade and in accordance with the Agricultural Strategy, prescribe market orders to regulate markets for these groups of products applying prescribed market price policy measures.

Market orders shall support production and marketing of various agricultural products, determine volume and types of reserves with a view to creating conditions for a transparent market and diminishing dominance of traders in relation to producers and consumers.

Article 9

Prescribed prices

Prescribed prices, in accordance with this Law, shall be: target prices, guaranteed prices, minimum purchase prices and import threshold prices.

Target prices shall allow a satisfactory level of income for certain agro-food products.

Guaranteed prices shall allow, with appropriate production volume, a minimum level of income for certain agricultural products. The Federation shall, through the Commodity

Reserves Directorate of the Federation and in accordance with the market orders referred to in Article 8 of this Law, purchase certain agricultural products at guaranteed prices.

Minimum purchase prices shall mean the prices at which a processor, receiving support in accordance with the market order referred to in Article 8 of this Law, shall purchase agricultural products from a farm and an agricultural producer.

Import threshold price shall mean the lowest level of prices on the border of certain imported agro-food products with a view to ensuring that the stability of the domestic market is not threatened by the import of such products at prices lower than the threshold prices.

Article 10

Prescribed prices referred to in Article 9 of this Law shall be determined according to the Agricultural Strategy.

The guaranteed and minimum purchase prices shall be determined by the Federation Government based on the agreed proposal by the Federal Minister of Agriculture and the Federal Minister of Trade not later than 31 March of a given year.

The Federation Government shall, upon the proposal by the Federal Minister of Agriculture, prepare a proposal on the introduction of import threshold prices.

The proposal referred to in paragraph 3 of this Article shall be submitted to the line country-level ministry competent for agriculture affairs of Bosnia and Herzegovina.

Article 11

Interventions on the domestic market

Domestic market intervention measures shall be implemented in case of emergency and with a view to preventing major distortions in supply and demand on the domestic market and stabilizing agricultural prices.

The Federation Government may, upon the proposal of the Federal Minister of Agriculture and with the opinion of the Federal Ministry of Trade in accordance with the market orders referred to in Article 8 of this Law, introduce the following agricultural market stabilization measures:

1. Intervention purchase and marketing;
2. Withdrawal of agricultural products from the domestic market;

3. Support to warehousing of agricultural products.

The measures referred to in paragraph 2 of this Article shall be implemented through the Commodity Reserves Directorate of the Federation.

Article 12

Intervention purchase and marketing

Intervention purchase and marketing as referred to under point 1 of paragraph 2 of Article 11 of this Law shall include the purchase and marketing at guaranteed prices and be implemented in such a way as to ensure that all offered products, for which guaranteed prices have been determined, are purchased from the agricultural producers.

Intervention mechanism referred to in paragraph 1 of this Article may also act in the opposite direction in cases when market prices are increased to the level of target prices and purchased products are returned to the market, whereby creating higher supply which brings the prices back within the desired price field between target and guaranteed prices.

Article 13

Withdrawal of agricultural products

Withdrawal of agricultural products from the domestic market as referred to in point 2 of paragraph 2 of Article 11 of this Law is a measure consisting of the implementation of activities that will later allow purchased products to enter domestic or foreign markets as processed or finished products or as products transformed into non-food products, rather than entering the said markets in the same form.

The measure referred to in paragraph 1 of this Article may be implemented by way of destroying the purchased products for the purpose of ensuring price equilibrium.

Article 14

Support to warehousing of agricultural products

The support to warehousing of agricultural products as referred to in point 3 of paragraph 2 of Article 11 of this Law is a measure aimed at ensuring the balance in supply and demand for certain agricultural products on the domestic market and/or maintaining agricultural prices by way of subsidizing part of the warehousing expenses.

Article 15

Marketing and consumption incentive measures

Incentive measures for marketing and consumption of agricultural products shall be adopted with a view to strengthening the competitiveness of agriculture in the Federation and supporting the domestic consumption of agricultural products.

For the purpose of providing an incentive to marketing and consumption of agricultural products, the Federation Government, acting upon the proposal from the Federal Minister of Agriculture, may adopt the following measures:

1. Awarding marketing and quality improvement;
2. Support to the preparation of products for the market;
3. Consumption support.

Article 16

Trade Measures

Trade measures shall be taken to ensure the balance of agricultural markets.

Trade measures, for the purposes of this Law, shall be tariffs and tariff quotas established in line with the commitments made within the international agreements signed by Bosnia and Herzegovina.

The Federation Government, acting upon the proposal from the Federal Minister of Agriculture, shall prepare a proposal on methods and criteria of the tariff quota allocation for agricultural and food products for next year.

The proposal as referred to in paragraph 3 of this Article shall be submitted to the line ministry of Bosnia and Herzegovina responsible for agriculture.

The Federation Government shall propose to the Council of Ministers of Bosnia and Herzegovina protection measures regarding import and export of agricultural products in line with the international commitments of Bosnia and Herzegovina.

2. Structural Policy Measures

Article 17

Structural Policy Measures shall include a set of measures to promote the efficiency of agricultural production in order to ensure stable incomes and solid living standards for farmers in rural areas and equitable development of agricultural regions and rural areas.

Structural Policy Measures shall provide support for:

1. Less-favored agricultural areas;
2. The development of environmentally friendly agriculture ensuring biodiversity protection;
3. Investments in farms;
4. Capacity building for agriculture;
5. Enhancement of gender and age structure of farmers;
6. Development of agriculture in the Federation and specific agricultural sectors in certain agro-ecological regions;
7. Off-farm activities;
8. Organization of farmers (establishment of cooperatives and associations and support to development projects of cooperatives etc.);
9. Incomes of noncommercial farms and/or farmers;
10. Other measures for the improvement of agricultural production and crop protection.

Article 18

Support to less-favored agricultural areas

Support to less-favored agricultural areas shall mean the eligibility for financial support aimed at maintaining the agricultural production in areas concerned, and shall relate to:

1. Mountainous and hilly areas (of specified altitude);

2. Areas with unfavorable hydrological and soil characteristics.

Support as referred to in paragraph 1 of this Article shall ensure the appropriate level of income and living standards for farmers living in these areas and improve their economic position and subsequently reduce depopulation.

The areas as referred to in paragraph 1 of this Article shall be laid down in a specific law.

Article 19

Support to the development of environmentally friendly agriculture

Support to the development of agriculture that protects environment and ensures biodiversity conservation shall promote:

1. Introduction of such technologies into agricultural production as to allow the protection and conservation of natural resources, such as agricultural land and water, and the environmental protection in general;
2. Conservation of environments which are under threat and taking measure to prevent the emergence of unplanned, uncultivated and neglected agricultural land areas within farms,
3. Protection of the agricultural biological diversity of eco-systems.

Article 20

Support to investments in farms

Support to investment in farms shall be introduced with a view to increasing technical and technological level and competitiveness of production, reducing production costs and improving the quality of agro-food products and shall be intended for:

1. The development of the irrigation system;
2. The establishment of permanent plantations of fruit and vineyards;
3. Land improvement and consolidation;
4. Construction and equipping activities in livestock production;
5. Mechanization and equipment procurement in agriculture;

6. New construction or reconstruction and equipping of the existing fish farms;
7. Investment in production, preparation, storing and placing on the market of agricultural products (equipment, civil works and other);
8. Improvement of organic and integrated production;
9. Other purposes as may be laid down by law.

Article 21

Support to capacity building in agriculture

Support to capacity building in agriculture shall be provided to allow the acquisition of additional know-how and skills required for improved, economically viable farm management through the organization of special forms of education and training of farmers and production reorientation.

Special forms of education and training may be organized by the institutions authorized by the Federal Ministry of Agriculture.

The method of the organization of special forms of education and training of farmers, as well as the eligibility criteria for institutions regarding the implementation of the said activities shall be laid down by the Federal Minister of Agriculture.

Article 22

Support to enhancement of gender and age structure of farmers

Support to strengthening of gender and age structure among farmers shall be implemented with a view to enhancing gender, age and educational structure of farmers on family farms, improving their economic opportunities, and establishing the young people and women as agricultural producers, holders of family farms and stakeholders in the achievement of strategic developmental objectives in agriculture.

Support as referred to in paragraph 1 of this Article shall be implemented through the granting of special exemptions and incentives for investments in rural areas, which shall be defined in a program of the Federation Government for each budget year, following the proposal by the Federal Ministry of Agriculture.

Article 23

Support to the development of agriculture and specific agricultural sectors in certain agro-ecological regions

Support to the development of agriculture and specific agricultural sectors in certain agro-ecological regions shall be provided with a view to promoting certain agricultural production in regions with favorable agro-ecological conditions and appropriate production competitiveness.

Detailed criteria with the list of agricultural products having production competitiveness in certain regions shall be established in the annual operative program for the implementation of the agricultural Strategy, as referred to in paragraph 5 of Article 5 of this Law, not later than 31 March of a given year.

Article 24

Support for off-farm activities

Support for off-farm activities within agricultural holdings shall aim at promoting the traditional rural production, the development of rural tourism and eco-rural tourism, the processing of primary agricultural products into products of higher added value, as well as direct sale of agricultural products and other activities providing higher and alternative sources of income on a farm.

Article 25

Structural policy measures shall be implemented according to the Primary Agricultural Production Support Law (*Official Gazette of the Federation BiH*, No 28/04) and other relevant programs of the Federation Government.

Article 26

Cantons and local self-governance units may establish additional structural policy measures for a certain field in line with the implementation part of the agriculture strategy and cantonal agricultural development strategies.

Support as related to paragraph 1 of this Article shall be provided for in the budget of the canton and the local self-governance unit concerned.

3. Land policy measures

Article 27

Land policy measures shall be a set of measures promoting sound and rational management of agricultural land as a property of interest to the Federation in line with current regulations and taking account of systematic environmental protection.

Land policy measures shall be:

1. Granting of the right to use (concession and lease) and the sale of the state-owned agricultural land to agricultural holdings for agricultural activity purposes;
2. Improvement of agricultural land management including grouping of the lands of agricultural holdings into bigger and more regular parcels and the construction of supporting infrastructure (roads, hydro-technical, hydro-amelioration and agro-amelioration works within land improvement);
3. Protection of agricultural land against unsustainable use, infections, contamination, degradation and destruction;
4. Protection of land against erosion;
5. Determining the intended use and suitability with regard to agricultural land (to transform very steep plow lands into pastures or afforest them) or changing the methods of use of these lands;
6. Establishment of soil fertility control system;
7. Adoption of agricultural land improvement program (drainage, irrigation, consolidation etc.);
8. Introducing land monitoring with a view to observing the status and changes on the land and in the soil;
9. Other measures as appropriate.

Agricultural Land Law (*Official Gazette of the Federation*, No 1/98) provides a detailed specification of these measures.

Acting upon the proposal by the Federal Minister of Agriculture, Federal Minister of Justice, Federal Minister of Physical Planning, Director of Federal Institute of Agropedology and Director of the Federal Geodetic Administration, the Federation Government shall adopt a program of activities required for the improvement of

agricultural land management as referred to in points 2, 7 and 8 of paragraph 2 of this Article.

4. Financial support measures in agriculture

Article 28

Financial support measures in agriculture shall be the Federation budget resources allocated to support agricultural production and rural development.

Agricultural support measures shall be implemented in line with the agricultural strategy and this Law up to the amount covered by the appropriations in the budget for a fiscal year concerned.

The selection of priorities for granting support to eligible beneficiaries – agricultural holdings, the amounts for certain types of support and eligibility conditions shall be laid down in the Primary Agricultural Production Support Law and/or cantonal financial support laws.

III BENEFICIARIES – CLIENTS

Article 29

Beneficiaries of entitlements and other types of support in agriculture, or clients (hereinafter: beneficiaries – clients) may be legal persons based in the Federation and physical persons residing in the Federation who shall be registered for agricultural production and be entered as agricultural producers in the Farm Register and the Client Register, provided that they produce for the market or provide services on the market and meet all other conditions as laid down by the Federal Minister of Agriculture in specific regulations under the Primary Agriculture Production Support Law.

Beneficiaries – clients shall be granted support upon submission of an application and they shall use the granted funds for the purpose designated.

The details regarding the intended use of granted funds shall be laid down in financial support laws of the Federation and cantons.

Beneficiary – client shall reimburse the funds if they have been granted on the basis of incorrect data and/or in case the funds granted have been spent for purposes other than designated, including the default interests in the amount as laid down by law, not later than 30 days from the date of the official decision by the agricultural inspector ordering the beneficiary – client concerned to reimburse the support granted.

In the case referred to in paragraph 4 of this Article, the beneficiary-client may submit a new application for entitlements as referred to in the first paragraph of this Article only after two years have passed from the date of the reimbursement of funds, including the full payment of default interests on the basis of the official decision by the agricultural inspector ordering the beneficiary-client the reimbursement of funds.

Beneficiaries-clients shall keep the documentation on the basis of which they have been granted support for 5 years from the date of granting of support.

The Federal Ministry of Agriculture shall in cooperation with cantonal ministries responsible for agriculture keep the Federation Client Register.

All the data entered in the Federation Client Register shall be submitted by the Federal Ministry of Agriculture to the line authority at the level of Bosnia and Herzegovina with a view to entering these data in the Central Client Register.

Article 30

Organizational unit for payments

In order to ensure progressive approximation of the payment system to the EU system, a separate organizational unit for payments shall be established within the Federal Ministry of Agriculture to ensure the operative implementation of the market and structural policy measures and support entitlements.

This unit shall harmonize its activities and actively cooperate with the Payment System Harmonization Administration of Bosnia and Herzegovina or an appropriate agency for agricultural markets, rural development and payments in Bosnia and Herzegovina upon the establishment of such agency in line with the country-level Agriculture, Food and Rural Development Law.

Federal Minister of Agriculture shall lay down a detailed composition, organization and terms of reference for this organizational unit as referred to in the first paragraph of this Article.

IV FAMILY FARM

Article 31

Family farm as defined in Article 3 of this Law is the basic form of organization in agriculture.

Depending on its economic strength, a family farm can be:

- a) Commercial family farm;

b) Noncommercial family farm.

Family farms shall be eligible for support provided that they are entered into the Farm Register.

Article 32

Commercial family farms with regard to using payment entitlements shall be placed into target groups according to the following criteria:

1. Agricultural area used;
2. Gender and age structure of the persons active in agriculture (ownership and management by one or more members, or employment of the members of household on the farm);
3. The type of agricultural production;
4. Availability of capital resources;
5. Value of annual sales of agricultural products;
6. Farm income.

Detailed determination of the criteria as referred to in the first paragraph of this Article and the classification of family farms shall be laid down by the Federal Minister of Agriculture in a specific regulation.

V FARMER

Article 33

Farmer as defined in Article 3 of this Law can only carry out an agricultural activity: as the main activity or an additional activity.

The farmer who produces for the market or provides services on the market shall be eligible for support.

In order to be eligible for support as laid down in Primary Agricultural Production Support Law and claim other entitlements according to the provisions of this Law, a farmer shall be registered in the Farm Register and the Client Register, and meet other conditions in line with the provisions of this Law, upon which s/he shall be issued a farmer/farm holder card.

The appearance and contents of the farmer/farm holder card as referred to in paragraph 3 of this Article shall be laid down by the Federal Minister of Agriculture in a separate regulation.

Article 34

A farmer shall be entitled to an old age pension and medical insurance in line with the Old Age and Disability Pension Insurance Law (*Official Gazette of the Federation of BiH*, No 29/98 and 49/00) and the Medical Insurance Law (*Official Gazette of the Federation of BiH*, No 30/97 and 7/02).

If s/he complies with the requirements set out in legislation as referred to in paragraph 1 of this Article, the farmer is obliged to insure him/herself and the members of his/her family households.

In cases when farmers are not covered by obligatory pension and disability insurance, they can take out voluntary old age and disability pension insurance for themselves and their family members in line with the requirements and scope laid down in legislation governing this field.

VI INSTITUTIONAL SUPPORT

Article 35

Administrative organizations for agriculture service delivery

Institutional support shall encompass activities of the state, Federation and cantonal authorities, local self-governance units and various forms of technical and interest-related association of agricultural holdings in the field of agriculture.

Administrative organizations – institutes and agencies for agriculture service delivery carry out technical and administrative activities relating to agricultural advisory service, selection and breeding and reproduction activities in livestock production, seeds and propagating material production, plant protection, grape production and viticulture, fruit and vegetable production, agricultural land and mechanization, agricultural bookkeeping etc.

Administrative organizations as referred to in paragraph 2 of this Article shall be established by the Federation Government and cantonal governments in separate laws.

Article 36

Chamber of Agronomy

With a view to promoting, improving and protecting the interests of agricultural profession, graduate agricultural engineers/agronomists join the Chamber of Agronomy of the Federation of Bosnia and Herzegovina (hereinafter: the Chamber).

The Chamber shall be an independent professional organization run by the president of the Chamber who shall be nominated by the Chamber Assembly.

The Chamber shall have the following tasks:

- creating the conditions required to meet professional needs of agricultural experts;
- organizing a joint approach of agricultural experts towards authorities, institutions and organizations in the field of agriculture;
- planning, following up and organizing capacity building and training of graduate agricultural engineers/agronomists;
- providing technical support for the preparation of legislation in the field of agriculture;
- cooperating in the development of technical training and capacity building programs;
- providing opinions to the Federal Ministry of Agriculture in the process of registration of physical and legal persons for delivering of private agricultural advisory services;
- participating in the activities of the Federal Council for Agriculture and Rural Areas and the Council for Research in Agriculture and Rural Areas;
- Carrying out other tasks as laid down in the Statute.

Article 37

The Mission Statement of the Chamber of Agronomy shall lay down a detailed organization, scope, management and financing, membership and other issues pertinent for the Chamber and its work.

Federal Ministry of Agriculture shall grant its approval to the Mission Statement of the Chamber.

Article 38

Agricultural advisory service

The main task of the agricultural advisory service shall be the technical and technological improvement of family farms and delivering technical assistance to farmers in order to increase incomes from farm and off-farm activities.

Agricultural advisory activities shall be carried out by public and private agricultural advisory services.

Pending the adoption of a separate law on agricultural advisory services, the public agricultural advisory service shall be coordinated by the Federal Ministry of Agriculture and carried out by the federal institutes of agriculture, cantonal agricultural advisory services, cantonal institutes of agriculture and competent municipal services.

Public agricultural advisory service shall be financed from the Federation Budget, cantonal budgets and municipal budgets. Pending the adoption of the separate law, the Federal Minister of Agriculture shall issue a regulation on the financing method for private agricultural advisory service.

Private agricultural advisory services can be delivered by physical and legal persons that comply with the requirements laid down by the Federal Minister of Agriculture and with the prior opinion of the Chamber of Agronomy.

Physical and legal person complying with the requirement set out in paragraph 5 of this Article shall be entered into the Register of Private Agricultural Advisory Services kept by the Federal Ministry of Agriculture.

Directive on conditions, methods of registration, keeping and deleting of data from the Register of Private Agricultural Advisory Services shall be issued by the Federal Minister of Agriculture.

Agricultural advisory activities shall include:

1. Delivering technical agricultural advice with regard to conventional and organic production;
2. Providing technical assistance to agricultural holdings for the purpose of realizing their support entitlements;
3. Presenting new technologies and techniques;
4. The application of scientific developments in practice;
5. The development of economic land use program;
6. Capacity building in bookkeeping and accountancy with regard to the production volume on family farms;
7. Protection of the environmental balance;
8. The improvement of rural tourism and off-farm activities;

9. Providing assistance in establishing various forms of farmer association;
10. Mainstreaming rural development and the overall rural areas etc.

Article 39

The Federal Ministry of Agriculture in line with the provisions of paragraph 3 of Article 38 of this Law shall carry out the following tasks:

- Proposing and implementing of the agricultural advisory service policy;
- Development of agricultural advisory strategy for the Federation;
- Coordination of the activities of services and monitoring;
- Preparation and planning of annual advisory programs and activities for the Federation including monitoring of their implementation and impact analysis;
- Establishment and development of the advisory modules including training programs;
- Coordinating and following up on the activities of the international and local organizations engaged in the implementation of projects in the field of agricultural advisory services;
- As appropriate, carrying out other tasks related to the coordination of activities of public and private agricultural advisory services.

Detailed organization, tasks and financing of the agricultural advisory service shall be laid down in a separate legislation.

Article 40

Council for Research in Agriculture and Rural Areas

For the purpose of defining the agriculture policy and financing requirements for applied research in agriculture, the Federal Ministry of Agriculture shall establish the Council for Research in Agriculture and Rural areas (hereinafter: the Council).

The Council shall have 15 members including the representatives of:

1. The Federal Ministry of Agriculture (2 members)
2. High education institutions and research institutes (5 members)
3. Agricultural holdings/farms (4 members)
4. The Chamber of Agronomy (1 member)
5. The Chamber of Commerce of the Federation (1 member)

6. Processing industry (1 member)

7. Farmers' Association of the Federation (1 member)

The Federal Minister of Agriculture shall by way of official decision appoint the Council for a four year term. The members of the Council shall receive compensation for services provided and the compensation amount shall be determined by the Federal Minister of Agriculture in line with the provisions of the relevant legislation.

Appointment of the Council by the Federal Minister of Agriculture shall take account of the gender and age structure of the members.

Financial resources for the operation of the Council shall be provided from the Federation Budget.

The Council shall operate and act in line with the adopted Rules of Procedure which shall be approved by the Federal Minister of Agriculture.

Article 41

Protection and Representation of the Interests of Farms

Improvement, protection and representation of interests of farms and agricultural producers shall be implemented within the associations and groups established in the Chamber of Commerce of the Federation, as well as other unions, associations and groups established by agricultural producers and processors on the territory of the Federation, canton and municipality.

Article 42

Agricultural Information Center

Agricultural Information Center is an information system of the Federal Ministry of Agriculture with the following tasks:

1. Collecting and systemizing of data, information and records, as appropriate, within the scope of state, Federation and cantonal authorities, as well as local self-governance units, institutions etc, which are of importance for agriculture;
2. Collecting market information in the sector;
3. Collecting and processing of data and information for the purpose of providing information on agriculture which shall be determined by the Federal Minister of Agriculture or agricultural policy makers;

4. Collecting and publishing general data and all sorts of information on agriculture making it available to the public;
5. Exchange of data and information with relevant international institutions, agencies and services in agriculture.

The activities of the Agricultural Information System as referred to in paragraph 1 of this Article shall not include the activities within the scope of the Federal Statistics Institute.

Article 43

Federal Council for Agriculture and Rural Areas

The Federation Government shall establish the Federal Council for Agriculture and Rural Areas (hereinafter: the Agriculture Council) as a technical and advisory body of the Federation Government.

Agriculture Council shall carry out the following tasks:

1. Monitoring of the development and implementation of the agricultural strategy;
2. Monitoring of the development of and reviewing of the green report on the status of agriculture;
3. Providing opinion on the proposed state-level and Federation legislation and international agreements in the field of agriculture.

The Agriculture Council shall have 11 members including the representatives of:

1. The Chamber of Agronomy (2 members);
2. The Federal Cooperative Union (1 member);
3. The Farmers' Association (2 members);
4. High education institutions and research institutions and institutes engaged in agriculture and rural areas (4 members);
5. The Chamber of Commerce of the Federation (2 members).

Acting upon the proposal by the Federal Minister of Agriculture, the Federation Government shall appoint the members to the Agriculture Council taking account of the gender and age structure of the Council.

The term of office of the Agriculture Council members shall be four years.

Financial resources required for the operation of the Agriculture Council shall be provided from the Federation Budget.

VII REPORTING IN AGRICULTURE AND THE KEEPING OF REGISTERS

Article 44

Registers and records

The Federal Ministry of Agriculture and cantonal ministries competent for agriculture in line with the provisions of this Law shall establish and keep the following registers and records:

1. Farm Register;
2. Client Register;
3. Private Agricultural Advisory Service Register;
4. Register of Permanent Plantations (orchards, vineyards, etc);
5. Register of Producers of Seeds and Propagating Material;
6. Tobacco Producer Register;
7. Animal Producer Register;
8. Register of Integrated Agricultural Producers;
9. Register of Organic Producers;
10. Records on Support in Agriculture;
11. Records on Agricultural Land Use;
12. Records on Less-Favored Areas;
13. Soil Databases.

The entering of data in registers and records as referred to in paragraph 1 of this Article shall be carried out following the directives to be adopted by the Federal Minister of Agriculture.

Article 45

Besides the registers and records as referred to in paragraph 1 of Article 44 of this Law, the Federal Ministry of Agriculture, or administrative organizations referred to in paragraph 2 of Article 35 of this Law, can establish and keep other registers and records, if this is provided for in this Law or other laws.

Personal identification number shall be the basis in keeping of registers and records and their correlation.

Article 46

Farm Register Entries

The farms (enterprises, cooperatives, craftsmen, family farms and farmers) shall be entered in the register, as referred to in point 1 of paragraph 1 of Article 44 of this Law, at the Federal Ministry of Agriculture which shall ensure technical implementation and operation of the registers with a view to harmonizing and integrating registers at the country level.

Cantonal ministries competent for agriculture in cooperation with municipalities shall collect the required data, provide technical assistance to registrants within their respective territories and submit the data to the Federal Ministry of Agriculture which shall issue an official decision approving the registration or an official decision rejecting the registration, as appropriate, not later than 15 days after the date of properly submitted application for registration.

A regulation covering conditions, methods of registration, application forms, keeping and deleting of the data from registers shall be adopted by the Federal Minister of Agriculture.

The regulation as referred to in paragraph 3 of this Article must comply with the Decision on Harmonized Farm and Client Registers in Bosnia and Herzegovina.

Article 47

Farm registration shall be obligatory for family farms that:

1. sell their own products on the market;
2. submit applications for financial support and other types of support in agriculture;
3. should be entered in other registers as laid down in this Law.

The sale as referred to in point 1 of paragraph 1 of this Article shall include:

- Selling to registered physical and legal persons who directly purchase products for processing or further sale;
- Direct sale.

Article 48

Farm registration shall also be obligatory for legal persons (enterprises, cooperatives) registered with the competent court for carrying out agricultural activities as well as craftsmen registered with the competent authority for carrying out agricultural activities in cases when:

1. they submit applications for financial support and other forms of support in agriculture;
2. they should be entered in other registers as laid down by this Law.

Article 49

Client Register

Clients for the purposes of this Law shall be physical and legal persons who wish to claim agriculture and rural development support in the Federation and who as such shall be entered in the Client Register.

Agricultural support payments can be made only to persons entered in the Client Register.

The Federal Ministry of Agriculture shall ensure technical implementation and operation of the Client Register with a view to harmonizing and integrating registers at the country level.

A regulation covering conditions, methods of registration, application forms, keeping and deleting of the data from the Client Register shall be adopted by the Federal Minister of Agriculture.

The regulation as referred to in paragraph 4 of this Article must comply with the Decision on Harmonized Farm and Client Registers in Bosnia and Herzegovina.

Article 50

Farm Accountancy

The Federal Ministry of Agriculture shall organize the Farm Accountancy Data Network (hereinafter: Farm Accountancy) with a view to monitoring changes and levels of agricultural incomes of farms, assessing the economic performance of agricultural production and analyzing agricultural policy measures.

The Federal Ministry of Agriculture shall be responsible for the organization of farm accountancy, while technical assistance with regard to the establishment of farm accountancy at family farms shall be provided by the institutions and institutes as referred to in Article 35 of this Law.

The kind, volume and method of accountancy data collection shall be determined by the Federal Minister of Agriculture.

Article 51

Family Farm Survey

To ensure systemic monitoring of the status and changes in socio-economic and regional characteristics of family farms, the Federal Ministry of Agriculture, i.e. a legal person authorized by the said Ministry, shall conduct a family farm survey each year (hereinafter: the Survey).

The kind, volume and method of data collection as referred in paragraph 1 shall be laid down by the Federal Minister of Agriculture with the prior opinion by the Federal Office of Statistics.

Article 52

Green Report

The annual report on the status of agriculture in the previous calendar year (hereinafter: the Green Report) shall be drawn up by the Federal Ministry of Agriculture, in cooperation with cantonal ministries competent for agriculture, and submitted to the Federation Government for final definition not later than 15th March of a given year, after which the Federation Government shall submit the Report to the Parliament of the Federation for approval not later than 30th June of a given year.

The Green Report shall include the examination of the status and the economic position of agriculture and the proposal and method of implementation of agricultural policy measures for the following period.

The Federal Ministry of Agriculture can delegate the activities pertaining to the development of the Green Report as referred to in paragraph 1 of this Article to a technical institution, or an authorized legal person, in line with the rules adopted by the Federal Minister of Agriculture.

The Green Report shall be published in the "Official Gazette of the Federation BiH".

VIII ADMINISTRATIVE AND INSPECTION SUPERVISION

Article 53

Administrative supervision

The Federal Ministry of Agriculture shall carry out the administrative supervision of the implementation of this Law, and regulations to be adopted on the basis of this Law falling under the competence of the Federation as defined by this Law, as well as the administrative supervision over the institutions, agencies and organizations with regard to the activities as defined by this Law that constitute the exercise of public powers.

In carrying out administrative supervision of the activities relating to the exercise of public powers as referred to in paragraph 1 of this Article, the Federal Ministry of Agriculture shall have direct access to and control in the process; carry out the review of the official records and documents issued by the institutions and administrative organizations concerned in the process of carrying out of public powers; provide instructions and directives on the execution of activities and demand data and communications on the implementation of activities related to the exercise of public powers.

The Federal Ministry of Agriculture shall carry out the supervision of cantonal authorities competent for agriculture concerning the implementation of the Federation policy as well as the implementation of agricultural measures of interest for the Federation as a whole.

The administrative supervision of the cantonal authorities and institutions exercising public powers shall be carried in appeal procedure and through the authorization of the second instance authority and ex officio.

Cantonal authority competent for agriculture shall carry out the administrative supervision of the implementation of this Law and regulations to be adopted on the basis of this Law that under this Law come within the competence of the canton concerned.

Article 54

Inspection Supervision

Inspection supervision of the implementation of this Law and regulations to be adopted on the basis of this Law shall be carried out by the Federal Agricultural Inspection as organized within the Federal Inspection Administration, and cantonal agricultural inspections organized within their respective cantonal inspection administrations.

Inspection supervision shall be carried out in line with the Law on Organization of Government Bodies in the Federation of Bosnia and Herzegovina ("Official Gazette of

the Federation of BiH, No 35/05) and Law on Inspections in the Federation of Bosnia and Herzegovina ("Official Gazette of the Federation BiH, No 69/05) – (hereinafter: Law on Inspection).

Article 55

Inspection supervision of the application of this Law shall be directly carried out by the federal and cantonal agricultural inspectors in the capacity of civil servants with special powers and responsibilities (hereinafter: agricultural inspection).

Article 56

Aside from powers and responsibilities defined by the Law on Inspections, agricultural inspection shall have the authority and responsibility to:

1. supervise the implementation and application of this Law and secondary legislation adopted on the basis of this Law;
2. carry out the inspection supervision of the implementation of market and price policy measures;
3. supervise the application and implementation of regulations relating to the disbursement and use of support entitlements in agriculture, and establish the cases of illegally granted support or use of granted agricultural support for purposes other than designated;
4. order the beneficiary – client the reimbursement of funds in case of illegally granted support or the use of granted support for purposes other than designated;
5. carry out inspection supervision of the government organizations – institutes and agencies providing technical services in agriculture in regard to the activities relating to agricultural advisory services, selection, breeding and reproduction in livestock, seeds and propagating material, plant protection, grape production and viticulture, fruit and vegetable growing, agricultural land and mechanization, farm accountancy, etc.
6. carry out inspection supervision of the work of physical and legal persons carrying out private agricultural advisory services;
7. carry out inspection supervision with a view to reviewing data submitted by agricultural holdings upon their registration in the Farm Register, the Client Register and Registers of Private Agricultural Advisory Services and Registers of Permanent Plantations;
8. submit a request for the initiation of offence procedure in case of infringement of the provisions of this Law and regulations adopted on the basis of this Law.
9. carry out other inspection activities related to the application of this Law and regulations adopted on the basis of this Law.

Article 57

The agricultural inspection shall in line with the provisions of Article 27 of the Law on Inspections adopt annual work program and monthly work plans of the inspection supervision.

Concerning the development of annual work programs the Federal Agricultural Inspection shall request the opinion of the Federal Ministry of Agriculture and cantonal agricultural inspections shall request the opinion of the cantonal ministries competent for agriculture.

Chief Federal Agricultural Inspector shall submit monthly reports on inspections carried out in the field of agriculture to the Federal Ministry of Agriculture.

Chief cantonal agricultural inspectors shall submit monthly reports to the cantonal ministry competent for agriculture with regard to the inspections carried out in the field of agriculture.

Article 58

An official decision issued by a federal agricultural inspector on the administrative measures to be applied on the basis of this Law can be appealed within 8 days from the day of the receipt of the official decision concerned.

The appeal shall be decided by the Federal Ministry of Agriculture.

The appeal against an official decision issued by a federal agricultural inspector regarding the administrative measures shall not stay the implementation of the official decision concerned.

The provisions of paragraphs from 1 to 3 of this Article shall also be applicable to a conclusion issued by a federal inspector which can be appealed.

Article 59

An official decision issued by a cantonal agricultural inspector on the administrative measures to be applied on the basis of this Law can be appealed within 8 days from the day of the receipt of the official decision concerned.

The appeal shall be decided by the Director of the Federal Inspection Administration.

The appeal against an official decision issued by a cantonal agricultural inspector regarding the administrative measures shall not stay the implementation of the official decision concerned.

The provisions of paragraphs from 1 to 3 of this Article shall also be applicable to a conclusion issued by a federal inspector which can be appealed.

Article 60

The appeal against an official decision and a conclusion issued by federal and cantonal agricultural inspectors during inspections under the provisions of this Law shall be decided by the competent second instance organs as referred to in Article 58 and 59 of this Law within 15 days from the day of receipt of the appeal. The resulting official decision is a final administrative decision and administrative litigation may be initiated against it before the competent court.

IX PENALTY CLAUSES

Article 61

A legal person-beneficiary-client (agricultural holding – enterprise and cooperative) shall be fined 3 000 KM up to 15 000 KM for an offence if:

1. when buying the agricultural products, they don't purchase the products at prescribed minimum purchase prices (paragraph 4 of Article 9);
2. they use the granted payment entitlements for purposes other than designated (paragraph 4 of Article 29);
3. with a view to obtaining payment entitlements and other types of support as provided for in this Law, they provide incorrect data upon submitting a request for farm or client registration (Article 44 (1) points 1 and 2);
4. they fail to enable the implementation of supervision by agricultural inspectors in accordance with the method and deadline provided for in the Law on Inspections.

A responsible person within the legal person concerned shall be fined 500 KM up to 2 000 KM for an offence as referred to in this Article.

Article 62

A legal person-beneficiary-client (agricultural holding – enterprise and cooperative) shall be fined 1 000 KM up to 10 000 KM for an offence if:

1. they fail to keep the documentation on the basis of which they have obtained support entitlements for the specified period of time (Article 29(6) of this Law).

A responsible person within the legal person shall also be fined 500 KM up to 1 000 KM for the offence as referred to in this Article.

Article 63

A beneficiary-client-physical person as a farm holder and a craftsman shall be fined 300 KM up to 1 500 KM for an offence if:

1. with a view to obtaining payment entitlements and other types of support as provided for in this Law, they provide incorrect data upon submitting a request for farm or client registration (Article 44 (1) points 1 and 2);
2. they use the granted payment entitlements for purposes other than designated (paragraph 4 of Article 29);
3. fail to keep the documentation in line with provisions of paragraph 6 of Article 29 of this Law;
4. they fail to enable the implementation of supervision by agricultural inspectors in accordance with the method and deadline provided for in the Law on Inspections.

Article 64

A legal person carrying out the activities of private agricultural advisory service shall be fined 1 000 KM up to 10 000 KM for an offence if:

1. without authorization and without having been registered as referred to in paragraph 5 of Article 38 of this Law, they carry out the private agricultural advisory service activities;
2. they fail to enable the implementation of supervision by agricultural inspectors in accordance with the method and deadline provided for in the Law on Inspections.

A responsible person within the legal person shall also be fined 500 KM up to 1 000 KM for the offence as referred to in this Article.

Article 65

A physical person carrying out the activities of private agricultural advisory service shall be fined 300 KM up to 1 500 KM for an offence if:

1. without authorization and without having been registered as referred to in paragraph 6 of Article 38 of this Law, they carry out the private agricultural advisory service activities;
2. they fail to enable the implementation of supervision by agricultural inspectors in accordance with the method and deadline provided for in the Law on Inspections.

X TRANSITIONAL AND FINAL PROVISIONS

Article 66

Regulations to be adopted by the Federation Government under this Law shall be adopted not later than one year following the date of entry into force of this Law.

Article 67

Regulations to be adopted by the Federal Minister of Agriculture under this Law shall be adopted not later than one year from the date of entry into force of this Law.

Article 68

The Federal Ministry of Agriculture shall issue an official decision on the appointment of the Council for Research in Agriculture and Rural Areas on the basis of paragraph 3 of Article 40 of this Law within 90 days from the date of entry into force of this Law.

Article 69

The Federal Ministry of Agriculture shall establish the Farm Register and the Client Register under Article 44(1) points 1 and 2 of this Law not later than 3 years from the date of entry into force of this Law.

Article 70

The Federation Government shall establish the Federal Council for Agriculture and Rural Areas in line with paragraph 4 of Article 43 of this Law within 90 days from the date of entry into force of this Law.

Article 71

The Federal Ministry of Agriculture shall organize the Farm Accountancy Data Network under Article 50 of this Law as well as the implementation of Family Farm Survey under Article 51 of this Law within 2 years from the date of entry into force of this Law.

Article 72

Other noncompliant legislation and regulations in force in the field of agriculture in the Federation shall be harmonized with the provisions of this Law not later than one year from the date of entry into force of this Law on the territory of the Federation.

Until the completion of the harmonization process, in case of different solutions provided for in other legislation in the field of agriculture, the provisions of this Law shall apply.

Article 73

This Law shall enter into force on the next day following that of its publication in the "Official Gazette of the Federation BiH".

Speaker of the House of Peoples
Parliament of the Federation of Bosnia and Herzegovina
Stjepan Krešić
signed

Speaker of the House of Representatives
Parliament of the Federation of Bosnia and Herzegovina
Safet Softić
signed

ANNEX I

The list of agricultural products

Chapter on customs tariffs under the Law on Customs Tariff	NAME
CHAPTER 1	LIVE ANIMALS
CHAPTER 2	MEAT AND EDIBLE MEAT OFFAL
CHAPTER 3	FISH, CRUSTACEANS AND MOLLUSKS AND OTHER AQUATIC INVERTEBRATES
CHAPTER 4	MILK AND MILK PRODUCTS; POULTRY EGGS AND BIRDS' EGGS; NATURAL HONEY; EDIBLE PRODUCTS OF ANIMAL ORIGIN NOT MENTIONED OR INCLUDED ELSEWHERE
CHAPTER 5	PRODUCTS OF ANIMAL ORIGIN NOT MENTIONED OR INCLUDED ELSEWHERE
05 04	Animal guts, bladders and stomachs (other than fish), whole or pieces thereof, fresh, chilled, frozen, salted, brined, dried or smoked
CHAPTER 6	LIVE TREES AND OTHER PLANTS; BULBS, ROOTS AND THE LIKE, CUT AND ORNAMENTAL FOLIAGE
CHAPTER 7	Edible vegetables, roots and tubers
CHAPTER 8	EDIBLE FRUIT AND NUTS; CITRUS FRUIT AND MELON PEELS
CHAPTER 9	COFFEE, TEA, MATÉ AND SPICES
CHAPTER 10	CEREALS
CHAPTER 11	PRODUCTS OF THE MILLING INDUSTRY; MALT; STARCHES; INULIN; WHEAT GLUTEN;
CHAPTER 12	OIL SEEDS AND FRUIT; MISCELLANEOUS GRAINS, SEEDS AND FRUIT; INDUSTRIAL MEDICINAL PLANTS; STRAW AND FODDER
CHAPTER 13	SHELLAC, RUBBER, GUMS AND OTHER VEGETABLE SAPS AND EXTRACTS
13.02.20	Pectic substances, pectinates, pectates
CHAPTER 15	FATS AND OILS OF ANIMAL OR VEGETABLE ORIGIN; THEIR CLEAVAGE PRODUCTS; PREPARED EDIBLE FATS; ANIMAL AND VEGETABLE WAXES
15.01	Pig fat (including lard) and poultry fat
15.02	fats of bovine cattle, sheep or goats
15.03	Stearin from pig fat, oil from pig fat; oleostearin, oleo-oil and tallow oil, not emulsified or mixed or prepared in any way
15.04	Fats and oil and their fractions of fish or marine mammals, whether or not refined but not chemically modified
15.07	Soya oil and its fractions, whether or not refined, but not chemically modified
15.08	Peanut oil and its fractions, whether or not refined, but not chemically modified
15.09	Olive oil (produced mechanically) and its fractions, whether or not refined, but not chemically modified

15.10	Other olive oils, produced by solvent extraction and its fractions, whether or not refined, but not chemically modified, including mixtures of these oils and fractions with oils
15.12	Oil of seeds of sunflower, safflower and cotton and its fractions, whether or not refined, but not chemically modified
15.13	Oil of coconut (copra oil), palm kernel oil or "babassu" oil and its fractions, whether or not refined, but not chemically modified
15.14	Rape oil or rapeseed oil and its fractions, whether or not refined, but not chemically modified
ex 15.15	Other vegetable oils and fats, non-evaporable (including jojoba oil) and its fractions, whether or not refined, but chemically unmodified/except refer. 1515.60 – jojoba oil and its fractions
15.16	Animal and vegetable fats and oils and their fractions, partly or wholly hydrogenised, esterificated, re-esterificated or elaidinised, whether or not refined, but not further prepared
15.17	Margarine, edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils and their fractions referred to in 15.16
15.18	Animal and vegetable fats and oils and their fractions, boiled, oxidized, dehydrated, sulphurised, blown, polymerized by heat in vacuum or in inert gas or otherwise chemically modified, inedible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter
15.22	De-grass, residues resulting from the treatment of fatty substances or animal or vegetable waxes
CHAPTER 16	PREPARATIONS OF MEAT, OF FISH, OF CRUSTACEANS, MOLLUSKS OR OTHER AQUATIC INVERTEBRATES
CHAPTER 17	SUGAR AND SUGAR PRODUCTS
17.01	Beet sugar and cane sugar and chemically pure sucrose in solid form
17.02	Other sugars, including chemically pure lactose, maltose, glucose and fructose in solid form, sugar syrups not containing added flavoring or coloring matter, artificial honey and mixtures of artificial and natural honey, caramel.
17.03	Molasses resulting from the extraction or refining of sugar
CHAPTER 18	COCOA AND COCOA PRODUCTS
18.01	Cocoa beans, whole or broken, raw or roasted
18.02	Cocoa shells, husks, skins and other cocoa waste
CHAPTER 20	PRODUCTS OF VEGETABLES, FRUIT, NUTS AND OTHER EDIBLE PARTS OF PLANTS
CHAPTER 22	BEVERAGES, ALCOHOLS AND VINEGAR
22.04	Wine of fresh grapes including fortified wines; grape must
22.06	Other fermented beverages (e.g. cider, perry, mead)
22.07	Undenaturated ethyl alcohol of an alcoholic strength by volume of 80% or stronger; ethyl alcohol and other alcohols, denaturated of any strength
22.08	Undenaturated ethyl alcohol of an alcoholic strength less than 80% of volume, spirits, liqueurs and other spirituous beverages

2208.20	Alcoholic beverages obtained by distilled grape wine or grape marc
22.09	Vinegar and substitutes for vinegar obtained by acetic acid
CHAPTER 23	FOOD INDUSTRY WASTE AND RESIDUES; PREPARED ANIMAL FODDER
CHAPTER 24 24.01	TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES Raw or unmanufactured tobacco; tobacco refuse
CHAPTER 45 45.01	CORK AND ARTICLES OF CORK Natural cork, unworked; waste cork; crushed, granulated or ground;
CHAPTER 53	OTHER VEGETABLE TEXTILE FIBERS; PAPER YARN AND WOVEN FABRICS OF PAPER YARN
53.01	Flax, raw or processed but not spun; flax tow and waste (including pulled or garnetted rags)
53.02	True hemp (<i>Cannabis sativa</i>), raw or processed but not spun; tow and waste of true hemp (including pulled or garnetted rags or ropes)

LAW
ON AMENDMENTS TO
THE LAW ON AGRICULTURE

Article 1

In the Law on Agriculture (Official Gazette of the Federation of Bosnia and Herzegovina, no. 88/07) Article 28 shall be amended as follows:

"The financial support measures in agriculture shall be the funds of the Federation Budget, including production support measures and payments within the structural policy measures.

Production support measures shall be implemented through the production support model, while payments within the structural policy measures shall be implemented through the income support model, capital investment model, rural development model and the model of other types of structural support.

Agricultural support measures shall be implemented in line with the Agricultural Strategy and this Law up to the level planned to be appropriated for this purpose in a budget for a fiscal year concerned.

Priorities, investment structure per models mentioned in paragraph 2 of this Article and requirements to be met by farms to be eligible for support shall be laid down in the Law on Support Payments in Agriculture and Rural Development of the Federation of Bosnia and Herzegovina and the laws on support payments in cantons".

Article 2

In Article 29, paragraphs 4, 5, 6 and 7 are amended as follows:

"Beneficiaries – clients shall return the funds granted to them on the basis of incorrect data and/or in case the funds granted have been spent for other purposes other than designated, including default interests at the level as laid down by law within 30 days of the date of the

official decision determining the incorrect data provision or use of the granted funds for purposes other than designated.

In case of paragraph 4 of this Article, beneficiaries-clients may submit a new request to acquire the payment mentioned in paragraph 1 of this Article after the period of three years counting from the date of the return of support payments, including the total amount of the statutory default interests based on the official decision by the Federal Minister of Agriculture or an Agricultural Inspector on ordering the beneficiary – client to return the funds.

Beneficiaries–clients shall keep the documentation based on which support payments have been granted to them at least three years starting from the date of acquiring the support payment.

All beneficiaries-clients submitting the requests for support payments shall be registered as specified in Articles 46 and 49 of this Law."

Article 3

In Paragraph 3 of Article 36, after the fourth indent, a new indent is added as follows:

- " • issuing, extending and withdrawing approvals for independent work of its members (license)".

Previous indents 5, 6, 7 and 8 become indents 6, 7, 8 and 9 respectively.

Article 4

In Article 37, a new paragraph 3 is added as follows:

"Activities of the Chamber of Agronomy referred to in the second indent of Article 36 (3) shall be considered public powers.

Article 5

In Article 43(2) after item 2 a new item 3 is added as follows:

"3. monitoring the development and implementation of the rural development strategy protecting and promoting the interests of rural communities in the Federation of Bosnia and Herzegovina."

Previous Item 3 becomes Item 4.

Article 6

After Article 44 a new Article 44a is added as follows:

"Article 44a

For the purpose of creating a more favorable investment climate in agriculture and rural development, the Government of the Federation of Bosnia and Herzegovina hereby establishes a Guarantee Fund of the Federation of Bosnia and Herzegovina (hereinafter: Guarantee Fund).

The Guarantee Fund shall facilitate farms (legal and physical persons) in their investment endeavors in agriculture, food and rural development by issuing guarantees for the purpose of securing the whole or part of the loan granted by the Development Bank of the Federation of Bosnia and Herzegovina and other financial organizations in the Federation of Bosnia and Herzegovina to farms.

Scope, structure, tasks and means of funding of the Guarantee Fund shall be determined in a separate law."

Article 7

Title and Article 46 are modified as follows:

"Farm Register and Client Register

Federal Ministry of Agriculture, Water Management and Forestry shall ensure technical implementation and functioning of the Farm Register and Client Register in the Federation of Bosnia and Herzegovina as well as harmonization and integration of registers at the state level in accordance with the Decision on Harmonized Farm Registers and Client Registers of Bosnia and Herzegovina (Official Journal of BiH, no. 85/07), and allow access to register data in the Federation of Bosnia and Herzegovina to the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina.

Request for registration, modification or removal of data from the Register shall be submitted to a competent municipal service where an enterprise, cooperatives, other legal persons and businesses are headquartered, or where family farm holders and other physical persons reside, regardless of where they carry out their agricultural activities in Bosnia and Herzegovina.

The Register data are kept in electronic data base and shall be used for the implementation, control and harmonization of the system of managing agricultural and rural development support measures for the purpose of promoting the development of agricultural production and rural areas, as well as carrying out analyses and agricultural statistics within the territory of the Federation of Bosnia and Herzegovina.

Access to the Register data shall be allowed to cantonal ministries responsible for agriculture with regard to data pertinent for the territory of their canton.

A regulation on requirements, data entry, formats, recording and removing data from the farm and client registers shall be adopted by the Federal Minister of Agriculture, Water Management and Forestry.

The regulation mentioned in paragraph 5 of this Article shall be compliant with the Decision on harmonized farm registers and harmonized client registers in Bosnia and Herzegovina."

Article 8

In Article 47, the Article title is added as follows:

"Farm Registration"

Article 9

Article 49 is amended as follows:

"Clients, for the purposes of this Law, shall be physical and legal persons wishing to be eligible for support in agriculture and rural development within the territory of the Federation of Bosnia and Herzegovina and are as such entered into the Client Register.

Physical and legal persons not listed in the Farm Register may be listed in the Client Register as they do not cultivate or raise cattle, but are eligible for certain support measures for agriculture and rural development.

Only persons listed in the Client Register shall be eligible for support in agriculture and rural development.

The Client Register data shall be used for the purpose of providing contact details with regard to disbursement of payments in agriculture and rural development."

Article 10

This Law shall enter into force on the eighth day following the date of its publication in the Official Gazette of the Federation of Bosnia and Herzegovina.

Chairman
of the House of Peoples
of Parliament of the Federation of Bosnia and Herzegovina
Mr. Stjepan Krešić

Chairman of the House of Representatives
of Parliament of the Federation of Bosnia and Herzegovina
Mr. Safet Softić

Law on Addendum to the Law on Agriculture

Article 1

In the Law on Agriculture (Official Gazette of the Federation of BiH no. 88/07) in Article 37 a new paragraph is added as follows:

"Activities of the Chamber of Agronomy as referred to in line 2 of Article 36 (3) shall be considered public powers."

Article 2

In Article 37, after paragraph (2), a new paragraph is added as follows:

"The Chamber of Agronomy of the Federation of Bosnia and Herzegovina shall be registered with a competent court."

Article 3

This Law shall enter into force on the eighth day following the day of its publication in the Official Gazette of the Federation of Bosnia and Herzegovina.

Chairman of the House of Representatives
of Parliament of the Federation of Bosnia and Herzegovina

Fehim Škaljić

Chairman
of the House of Peoples
of Parliament of the Federation of Bosnia and Herzegovina

Radoje Vidović