

**Annex III
to the Memorandum of Understanding**

BETWEEN

THE UK DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DFID)
Represented by the
Embassy of the United Kingdom to Bosnia and Herzegovina;

and

THE SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (Sida)
Represented by the
Embassy of Sweden to Bosnia and Herzegovina;

and

THE NETHERLANDS MINISTRY FOR DEVELOPMENT COOPERATION
Represented by the
Royal Netherlands Embassy to Bosnia and Herzegovina;

and

THE DELEGATION OF THE EUROPEAN COMMISSION
to Bosnia and Herzegovina
("The Donors")

and

THE COUNCIL OF MINISTERS OF BOSNIA AND HERZEGOVINA
THE GOVERNMENT OF THE FEDERATION OF BOSNIA AND HERZEGOVINA

THE GOVERNMENT OF THE REPUBLIC OF SRPSKA

THE GOVERNMENT OF THE BRČKO DISTRICT OF BiH

represented by the Prime Ministers

and

the Ministry of Finance and Treasury of BiH

***FOR ESTABLISHMENT OF THE PUBLIC ADMINISTRATION
REFORM FUND***

Paragraph 1

In the Memorandum of Understanding for Establishment of the Public Administration Reform Fund between the United Kingdom Department for International Development, the Swedish International Development Cooperation Agency, the Netherlands Ministry for Development Cooperation, the Delegation of the European Commission in BiH and the Council of Ministers of Bosnia and Herzegovina, the Government of the Federation of Bosnia and Herzegovina, the Government of the Republic of Srpska, the Government of the Brčko District of BiH and the Ministry of Finance and Treasury of BiH in the “introductory paragraphs: Considerations“, in the item 1, after the words: “the Netherlands Ministry for Development Cooperation” a comma shall be added and the words: “the Norwegian Ministry of Foreign Affairs”.

Paragraph 2

In the paragraph 1, in the item 9, at the end of the last sentence, the full stop shall be replaced by a comma and a text shall be added and shall read: “as well as on contributions of the Council of Ministers of Bosnia and Herzegovina, the Government of the Federation of Bosnia and Herzegovina, the Government of the Republic of Srpska and the Government of the Brčko District of BiH.”

Paragraph 3

In the paragraph 3, in the item 19, in the first sentence, the number 2011 shall be replaced by the number 2014. In the same item, in the second sentence at the end of the text, the full stop shall be replaced by a comma and a text shall be added which shall read: “while the Sida shall make additional investments in the amount of EUR 3 million on an annual basis, i.e. EUR 1 million for 2012, 2013 and 2014 respectively.” In the same item the third sentence shall be added and shall read: “The Norwegian Ministry of Foreign Affairs shall make an investment in the total amount of NOK 24 million (approximately EUR 3 million, according to the exchange rate on the day of transfer) on an annual basis, i.e. NOK 8 million for 2011, 2012 and 2013 respectively, and the rights and obligations thereof, related with membership and decision making in the Joint Management Board shall be conditioned by the first payment of funds in the PARF.” In the same item, a fourth sentence shall be added and shall read: “The Netherlands Ministry for European Affairs and International Cooperation and the Delegation of the European Union to BiH shall have a role of observer starting from January 1st, 2012”. In the same item, a fifth sentence shall be added and shall read: “The Council of Ministers of Bosnia and Herzegovina, the Government of the Federation of Bosnia and Herzegovina, the Government of the Republic of Srpska and the Government of the Brčko District of BiH shall provide annually from their budgets funds to finance the PARF, whose amount shall be set by their decisions.”

Paragraph 4

In the Paragraph 3 in the item 20, in the first sentence at the end of the text, the full stop shall be replaced by a comma and a text shall be added and shall read: “as well as

potential continuation of the technical assistance to the PARCO through the IPA programme”.

Paragraph 5

In the Paragraph 11 in the item 52, at the end of the text a sentence shall be added and shall read: “The donors will take necessary legal actions to stop, investigate and prosecute in accordance with applicable law any suspicion of misuse of resources or corruption.”

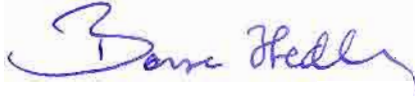
Paragraph 6

The Annex III to the MoU shall be in force for the given donor from the day that donor signs it, after it has been signed by the Council of Ministers of Bosnia and Herzegovina, the Government of the Federation of Bosnia and Herzegovina, the Government of the Republic of Srpska, the Government of the Brčko District BiH and the Ministry of Finance and Treasury of BiH.

THE FOREIGN AND COMMONWEALTH OFFICE, FCO
represented by
the Embassy of the United Kingdom in Bosnia and Herzegovina;



THE SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY, Sida
represented by the Embassy of Sweden in Bosnia and Herzegovina;



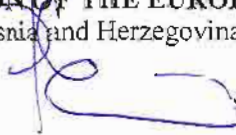
**THE NETHERLANDS MINISTRY FOR EUROPEAN AFFAIRS AND
INTERNATIONAL COOPERATION**
represented by the Royal Netherlands Embassy to Bosnia and Herzegovina



THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS
Represented by the Royal Norwegian Embassy to Bosnia and Herzegovina



THE DELEGATION OF THE EUROPEAN UNION
to Bosnia and Herzegovina



THE COUNCIL OF MINISTERS OF BOSNIA AND HERZEGOVINA
Chairman



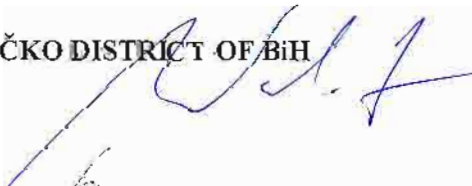
THE GOVERNMENT OF THE FEDERATION OF BOSNIA AND HERZEGOVINA
Prime Minister



THE GOVERNMENT OF THE REPUBLIC OF SRPSKA
Prime Minister



THE GOVERNMENT OF THE BRČKO DISTRICT OF BiH
Mayor



THE MINISTRY OF FINANCE AND TREASURY OF BIH
Minister

