PROPOSAL FOR A NEW MECHANISM OF FINANCING PROTECTION AND RESCUE/CIVIL PROTECTION IN THE REPUBLIC OF SRPSKA

Professional paper

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Abstract: *The issue of developing and improving the system of protection and rescue in the Republic of Srpska is the topic that initiates constant discussions, especially after the floods in 2014. One of the most significant issues raised is financing the system of protection and rescue. The aim of this paper is to propose a new approach and a new model of financing the protection and rescue system in the Republic of Srpska. The idea is to form the Fund for protection and rescue that would basically be funded by interbank transactions in the Republic of Srpska and funds raised from games of chance.*

Key words: *protection and rescue, civil protection, protection and rescue fund, the Republic of Srpska*

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INTRODUCTION

After the homeland war in 1990s, one of many fields that were supposed to go through reorganisation in the new state was civil protection (CP). The attempts to modernise it and establish it as a fully functional system have not been completely successful so far. In most cases, the greatest challenge, both for the Republic Administration for Civil Protection (RACP) and local communities, was finance, i.e. the manner of financing civil protection – the system of protection and rescue. Through the Law on protection and rescue in emergency situations adopted in 2012, an attempt was made to establish the financing system, primarily at the level of the units of local self-government. In accordance with Article 153 of the aforementioned Law, the units of local self-government are obliged to plan and allocate funds in the amount of 2% of their total budget: 50% of these funds would be used for prevention activities, whereas 50% would be used for equipment and education of protection and rescue structures. In accordance with the provisions of the Law, the Republic Administration for Civil Protection obtained money through grant funds from the Republic of Srpska budget. Unfortunately, the allocations at the level of units of local-self government in the amout of 2% of their total budget for CP have never been realised nor have their been any mechanisms established within the Law with the aim of forcing the self-government units to allocate those funds for CP. Additionally, when it comes to underdeveloped local communities, the amount of 2% of the budget for CP, even if it is realised, it is not a significant amount that could be used to obtain some equipment for protection and rescue forces.

Considering the problems related to financing the protection and rescue system, in addition to some other that were also identified, in the middle of 2018, the Republic Administration for Civil Protection presented a predraftof the new Law on protection and rescue. While discussing the aforementioned predraft of the Law at the topic round table where the representatives of all government institutions and NGOs were present, it became clear that the solutions proposed cannot solve the issue of sustainable financing of the protection and rescue system in the Republic of Srpska. After comparative analysis of existing models in the countries in the region

as well as some ideas resulting from research activities at global level, a new and innovative system and manner of financing the protection and rescue system was offered. It would refer to both the level of the Republic of Srpska, as an addition to budget allocations, and the units of local self-government as an addition to those 2% foreseen by the Law on protection and rescue in emergency situations adopted in 2012, which should remain a part of the new Law on protection and rescue.

CURRENT CONCEPTS FOR FINANCING PROTECTION AND RESCUE

The issue of financing the protection and rescue system is primarily the issue of entities and their protection and rescue system. At the level of Bosnia and Herzegovina, there is the Sector for protection and rescue as a part of the Ministry of Security whose role is primarily to coordinate, and it is financed from the budget of BIH. Since the rescue and protection issues are in the competence of entities, the manners of financing differ between the Federation of BIH and the Republic of Srpska, because they above all depend on the internal structure of the entities.

Financing protection and rescue in the Republic of Srpska

In accordance with the Law on protection and rescue in emergency situations[2] the Republic of Srpska Government, in the field of protection and rescue, provides building and development of the protection and rescue system as well as planned connection of parts of the system and tasks in a unique whole. Additionally, as a part of it, the Government provides the necessary funds in the budget of the Republic of Srpska for financing the activities of protection and rescue. In accordance with Chapter IX of the aforementioned Law (on financing protection and rescue), the protection and rescue system is funded from:

- the Republic of Srpska budget,
- municipality/city budget,

2 Official Gazette of the Republic of Srpska, no. 121/12

- donations and presents,

- international aid, and

- other sources in accordance with the law.

Articles 154 and 155 of the aforementioned Law define what is financed from the budget of the Republic of Srpska, and what is funded by the units of local self-government. Therefore, the Republic of Srpska funds the following aspects:

- organisation, equipping and activities of the Republic Administration for Civil Protection,

- preparing, equipping, training and the activites of the Republic headquarters (HQ) for emergency situations and specialised units for protection and rescue in the Republic as well as the expenses of participation in implementing the protection and rescue measures,

- providing material support to the protection and rescue forces in implementing protection and rescue measures, obtaining specialised equipment as well as training its members to use the equipment,

- providing material support with the aim of removing the consequences of natural disasters and other accidents, preventing further damage and providing basic conditions for life on endangered area in accordance with their possibilities and the decision of the competent body of the Republic, and

- other needs of protection and rescue in accordance with this Law and other regualtions'[3]

Regarding the units of local self-government, municipalities and cities plan to allocate 2% of special funds within their budget – 50% of those funds is used for undertaking prevention activities, whereas the other 50% is used for equipping and training the structures for protection and rescue. Finally, they inform the Ministry on the allocated and spent funds.

Using the aforementioned funds, a municipality or a city funds the following aspects of protection and rescue:

- 'preparing, equipping, training and activities of emergency situations HQs, CP units and teams as well as commissioners of municipalities

3 Article 154, Law on protection and rescue in emergency situations

and cities and costs of their participation in implementing the rescue and protection measures,

- adapting and maintaining shelters and other protection facilities,

- training population in the field of protection and rescue,

- dealing with a part of damage caused by natural disasters and other accidents in accordance with financial abilities and the decision of the competent municipality or city body, and

- other needs for protection and rescue in accordance with this Law and other regulations.'[4]

It should be pointed out here that 'other financing sources for protection and rescue' include various projects and funds obtained from the EU and other sources with the aim of improving the system.

Having all this in mind, as well as the situation on the field, one can conclude that the manner of financing the protection and rescue system in the Republic of Srpska does not provide sufficient funds planned and comprehensive development of protection and rescue system in the Republic of Srpska. The budget funds of the Republic of Srpska allocated for Republic Administration for CP are just enough for personal costs of the employees and do not provide a framework for further system improvement. At the level of the units of local self-government, the situation is also worrying. The percentage that should be allocated according to the Law, in municipalities with large budget (such as Banja Luka, Trebinje, etc.) may cover the needs of protection and rescue, whereas in most of the municipalities in the Republic, which are underdeveloped, the amount of these funds is small and therefore insufficient for development and improvement of the protection and rescue at local level.

Financing protection and rescue in the Federation of BIH

When it comes to financing protection and rescue system in the FBIH, the Law on the protection and rescue of persons and material goods from natural and other disasters[5] regulates the following:

4 Article 155, Law on protection and rescue in emergency situations

5 Official Gazette of the FBIH, no.39/03, 22/06 and 43/10

- the Government of the FBIH shall ensure the necessary funds in the Federation Budget for financing the needs for protection and rescue in the competence of the Federation;

- cantons shall solve the issues of financing protection and rescue in the competence of the cantons;

- municipalities or cities shall plan and define the funding sources for protection and rescue activities in the competence of municipalities, or cities.

In the aforementioned Law, Chapter XII is dedicated to financing the protection and rescue system. Accordingly, the rescue and protection system is financed from the following sources:

- the budgets of FBIH, cantons and municipalities,
- funds of legal persons,
- insurance,
- donations,
- international aid – grant funds, and
- other sources defined by this and other laws.

It is visible that the main, most important and safest funding sources for protection and rescue are the budgets of the FBIH, cantons and municipalities. The amount of those funds is more concretely presented in the Vulnerability evaluation of the FBIH[6]in a way that it defines that the minimal amount of the allocated funds for that purpose are the following:

- for the FBIH, 0.1% of the amount of gross domestic product,
- for a canton, 0.5% of the amount of annual canton budget,
- for a municipality, 1% of the total amount of annual municipality budget.

Article 180 of the Law on protection and rescue defines that the special fee for financing tasks in the field of protection and rescue in the amount of 0.5% of the sum of all net salaries of all the employees, and those funds are paid to one transaction account for protection and rescue. The

6 file:///C:/Users/Korisnik/Desktop/_download_procjenesteta_procjenabos.pdf , pp.153, visited on 19 December 2018

amount is calculated and paid by the employer simultaneously with paying the net salaries. This fee is also calculated and paid for the revenueof other independent scope of activities and temporary independent employment in the amount 0f 0.5% to the sum amount of paid net salaries. The fee is a regular and safe source of one part of funds necessary for funding the protection and rescue. The Law on protection and rescue as well as the Instruction on the manner of calculating and paying the special fee for protection from natural and other disasters issued by the Federal Ministry of Finance, the obligations of all taxpayers are regulated and the proportion of belonging of these funds is confirmed:

- 15 % belongs to the FBIH,
- 25 % belongs to a canton,
- 60 % belongs to a municipality in which those funds were obtained.

The funds at the transaction account do not disappear at the end of the calendar year – they are accumulated with the funds raised in the following year. Since the special fee for the protection from natural and other disasters is the second most significant source of funds (budget being the first), as defined by the Law on protection and rescue, several regulations defining the manner of collecting and using these funds were adopted.

It should be pointed out that, the Law on protection and rescue defines that every legal person and every association of citizens provides for their own funds for financing their own tasks in the field of protection and rescue from natural and other disasters. The funds are provided for financing the following tasks: civil protection forces financed by legal persons and associations of citizens (HQs, units and commisioners of civil protection), training those forces, obtaining equipment and means necessary for implementing the joint protection of employees, and obtaining the equipment and means necessary for implementing the protection and rescue measures within a legal person and other needs. The responsibility for providing those funds and their purposeful use belongs to the manager and the managing body within a legal person.

FINANCING PROTECTION AND RESCUE I N THE COUNTRIES IN THE REGION

Financing protection and rescue in the Republic of Serbia

According to the Law on emeregency situations[7]in the Republic of Serbia, Chapter IX, these are the manners of financing protection and rescue systems:

- the budget of the Republic of Serbia,

- the budget of the units of territorial autonomy and the budget of the units of local self-government;

- Emergency situations fund;

- otherrevenues in accordance with the Law.

In accordance with the aforementioned law, the autonomous province and the units of local self-government fund the following aspects of protection and rescue:

- preparing, equipping and training HQs for emeregency situations, civil protection units, commissioners and deputy commissioners as well as the costs of implementing the measures of protection and rescue;

- costs of engaging the trained legal persons in accordance with the contract for performing the tasks of protection and rescue;

- building alert system on their territory;

- adapting underground facilities (underground passages, tunnels, etc.) for removal and their maintenance, as well as the maintenance of other protection facilities in accordance with law;

- training population in the field of protection and rescue;

- fixing the damage caused by natural and other disasters in accordance with financial abilities;

- other needs for protection and rescue, in accordance with the Law and other regulations.

7 Official Gazette of the Republic of Serbia no. 111/2009, 92/2011, 93/2012

In accordance with the same Law, the Republic of Serbia provides funds for equipping and training of the following:

- the Republic HQ and county HQs for emergency situations;

- the Republic and county units of civil protection and covers the costs of participation in implementing the tasks of protection and rescue;

- building and maintaining 112 operation centres;

- building and maintaining the remote control of the alert system;

- building and maintaining telecommunication-information system for protection and rescue;

- building, maintenance and the activites of the State and regional training centres for protection and rescue;

- costs of engaging the authorised and trained legal persons for performing the tasks of protection and rescue that are significant for the Republic of Serbia;

- completing the management, professional and other tasks in the field of protection and rescue.

In addition to these budget costs covering the needs of functioning the protection and rescue system at all levels, it is necessary to point out the existence of the Budget fund for emergency situations, described in Chapter X of the Law on emergency situation.[8]This Fund was established as a budget fund for the purpose of providing additional funds for financing the preparation, implementation and programme development, as well as projects and other activities in the field of risk reduction, management and reacting in emergency situations, in accordance with special regulations. The Fund was established for an indefinite period and it is managed by the Minister or a person appointed by him. After closing the Fund, the rights and obligations of the Fund are managed by the Ministry of the Interior.

According to the Law, the Fund revenue is realised through the following:

- appropriations provided within the budget for the current year;

8 The Republic of Serbia Government adopted a Decision on establishing the Budget Fund for emergencz situations, 'Official Gazette of the Republic of Serbia', no. 92 from 5 December 2010.

- inteded budget revenue, defined as intended revenue of the Fund, and especially:

○funds realised based on the allocations of the competent body for the affairs of civil aviation intended for the needs of the service for search and rescue in case of accidents of aircraft;

○paid fines for the minor offences defined by the Law on protection and rescue and laws defining the fields of fire protection, explosive and dangerous substances;

- donations, presents and aid;

- other sources in accordance with the Law on protection and rescue and other regulations.

The funds of the Fund are used for financing equipment, implementation and programme development, projects and other activities in the field of prevention, risk reduction, management and reacting in emergency situations, and especiall for the following:

- obtaining equipment and funds for management and reacing in emergency situations;

- building facilities for the needs of reacting in emergency situations;

- professional training and specialisation of protection and rescue forces;

- encouraging educational, research and development studies, programmes, projects and other activities, including demonstration activities;

- co-financing prevention and intervention measures in emergency situations;

- financing the improvement of the activities of firefighting associations and voluntary firefighting associations.

The funds of the Fund are allocated based on an internal competition published by the Fund. The Decision on establishing the Fund defines the conditions that have to be met by the users of the Fund, conditions and the manner of awarding its funds, criteria and measurements for the assessment of project proosals or requests for awarding funds, the manner of monitoring purposeful use of funds and arranged rights and obligations, as well as other issues significant for awarding and using the means of the Fund.

At the end of the current year, the unused Fund resources are transferred to the following year. It should be pointed out that this is a temporary Fund.

Financing the protection and rescue in the Republic of Croatia

The Law on civil protection system[9], in its Chapter XIII defines the manners of financing the system of civil protection from the following sources:

- State budget of the Republic of Croatia,
- budget units of local and field (regional) self-government,
- donations and
- other sources.

The State budget of the Republic of Croatia provides funds for the following aspects:

- developing and equipping the civil protection system on state level,
- implementing the measures and activities in the civil protection system at state level,
- providing support to and receiving aid from other states in accordance with the obligations that the Republic of Croatia assumed by signing international agreements,
- other costs in civil protection system at state level.

According to the same Law, in the budgets of the units of local and field (regional) self-government, the funds are provided for calling, deploying, filling, equipping, training, activating, mobilisation and activities of operational forces of the system of civil protection in accordance with the guidelines and civil protection system development plan.

What should be especially pointed out is that this Law foresees the establishment of an extrabudgetary fund for civil protection. The Fund is established based on a special law for the purpose of providing funds for protection and rescue in great disasters and catastrophes. In addition to this

9 Official Gazette of the Republic of Croatia,no: 82/2015

extrabudgetary fund, it is possible for the units of local and field (regional) self-government to establish similar funds for civil protection based on the special law with the aim of providing funds for protection and rescue in case of great disasters. Despite being planned, this type of fund has not yet been established in the Republic of Croatia.

In addition to the Law on civil protection in Croatia, there is also the Law on protection and rescue[10]. This Law defined that the units of local and field (regional) self-government, within their rights and obligations defined by the Constitution and lae, define and plan, organise, finance and implement protection and rescue. The units of local and field (regional) self-government define the sources and the manner of financing the system of protection and rescue on their territory.

In Chapter XII of the Law on protection and rescue, it is prescribed that, in the budget of the Republic of Croatian the funds are provided for the following:

- activities of the State administration for protection and rescue,
- providing aid to other states affected by disasters,
- covering the costs of actions with the aim for providing protection and rescue ordered or directly managed by the State administration for protection and rescue,
- other costs in accordance with this Law.

It is visible that, in Croatia, the funding of protection and rescue system, and civil protection as its most important part, rests on the State budget and the budgets of the units of local and field self-government.

Financing the protection and rescue in the Republic of Montenegro

In accordance with the Law on protection and rescue[11]in the Republic of Montenegro, the protection and rescue is financed from the following sources:

10 Official Gazette of the Republic of Croatia,no:174/04, 79/07, 38/09, 127/10

11 Official Gazette of Montenegro, no: 013/07, 005/08, 086/09, 032/11, 054/16

- Montenegro budget;
- budget of municipalities;
- protection and rescue Fund (hereinafter: Fund);
- voluntary contributions;
- international aid;
- funds of companies, other legal persons and entrepreneurs;
- other sources.

The aforementioned Fund is a records account within the main treasury record and is maintained for the purpose of providing intended funds for preparing, implementing and developing programmes, projects and other activities in the field of reducing risk from catastrophes, natural and other disasters.

According to Article 116 of the Law on protection and rescue, the Fund revenue is realised from the following sources:

- budget for the current year;
- dedicated budget revenue defined as dedicated Fund revenue as follows:

○funding realised based on the allocations from insurance companies in the amount of 5% of the paid insurance premium for fire and other dangers;

○funding realised based on the allocations from insurance companies in the amount of 5% of the paid obligatory insurance for transporting dangerous substances in road, railroad and air traffic;

○funding obtained from annual payments of companies, other legal persons and entrepreneurs dealing with production, sale, procurement, storage and the use of explosive substances as well as sale, storage and keeping flammable liquids and gases based on the total installation capacities of the storage as follows:

- 0.5% of the retail price per 1 kg of explosive substance in storage;
- 0.5% of the retail price per 1 l of flammable liquid and gas in storage;
- funding obtained by renting a storage;
- other revenues according to the Law.

The funds of this Fund are intended for financing the projects for:

- obtaining equipment and means for protection and rescue;

- building facilities for the needs of protection and rescue;

- professional training and specialisation, or training and specialisation of the members of operational units;

- encouraging educational, research and development studies, programmes, projects and other activities;

- co-financing prevention and operational activities and proceedings within protection and rescue;

- other purposes.

Within the Law on protection and rescue of Montenegro, other issues related to the Fund are regulated as well:

- who may use it and how,

- what a submitted project requesting the funding from the Fund should look like,

- the manner of announcing the public competition for awarding the funding from the Fund,

- the content of the public competition for awarding the funding,

- the content and work organisation of the commission for the selection of projects ot be financed from the Fund,

- the manner of applying for the competition and the necessary information to be submitted;

- the manner of evaluating the project by the commission and the criteria for the selection of projects,

- the manner of awarding points to the projects applied for the competition,

- appeal procedure,

- conflict of interest,

- the manner of signing contract in the case if awarding the funding from the Fund,

- control and revision of spending the awarded funding and spending

the funds approved for projects,

- the manner of submitting the final report.

This year, the Ministry of the Interior of the Republic of Montenegro announced a public competition[12]for allocating the funding of the Fund for protection and rescue.[13]

Financing the protection and rescue in the Republic of Slovenia

In the Republic of Slovenia, in accordance with the Law on protection from natural and other disasters[14]the financing of protection from natural and other disasters is performed through the following sources:

- the budget of the Republic of Slovenia;
- the budget of local communities;
- insurance;
- voluntary contributions;
- international aid;
- property of associations, institutions and other organisations;
- other sources.

The budget of the Republic of Slovenia provides the funding for financing the administrative, technical, control and other functions of protections from natural and other disasters under the state jurisdiction. The local communities provide funding for financing their tasks in the field of protection from natural and other disasters from their budgets.

12 http://www.gov.me/pretraga/193895/Javni-konkurs-za-raspodjelu-sredstava-fonda-sredstava-za-zastitu-i-spasavanje.html, visited on 19 December 2018

13 The amount of funding obtained in this manner to be used this year for protection and rescue is € 94,000.

14 Official Gazette of the Republic of Slovenia, no: 51/06, 97/10 and 21/18

THE PROPOSAL FOR FINANCING THE RESCUE AND PROTECTION SYSTEM IN THE REPUBLIC OF SRPSKA

Given the conditions regarding financing protection and rescue in the Republic of Srpska, and bearing in mind the conclusions from the panel-session organised on the occasion of discussing Draft Law on Protection and Rescue in the Republic of Srpska, the issue of financing this system presents one of the greatest challenges. So far, the existing model has proved inadequate to meet the requirements, and it does not enable the development of the protection and rescue system, especially at the level of units of local self-government. Taking into consideration the elements of a comparative analysis concerning ways of financing the aforementioned system in the region of former Yugoslavia, certain solutions at the global level, and the current state of affairs, a concept of supplementary financing of the system was proposed.

Inthefirstplace, the solution proposed is based upon establishing the Fundfor Protection and Rescue (Fund), which would be regulated through the introduction of the Law on Fund for Protection and Rescue. Its task would be to provide additional funds for financing the preparation, implementation, and development of programmes, projects, and other activities with regard to reducing risk, managing, and reacting in emergency situations, both at the level of the Republic of Srpska (Republic Administration of Civil Protection) and the level of units of local self-government, which would be major beneficiaries of the Fund. These funds would be especially used for the following purposes:

- obtaining equipment and means for managing and reacting in emergency situationsна;

- building objects for the purpose of reacting in emergency situations;

- professional training of the protection and rescues taff;

- encouraginge ducational, research, and development studies, programmes, projects, and other activities, including demonstration activities;

- co-financingofpre-emptive and intervention measures in emergency situations;

- financing ther projects of units of local self-government from the

field of protectionan drescue.

The funds from the Fund would be used by units of local self-government through submitting applications at public competitions announced by the carrier of the Fund, in accordance with requirements that beneficiarie soft he Fund have to meet. The conditions and procedures regarding the allocation of the funds, the criteria and standards for assessing project proposals, that is, requests for funds, the ways of monitoring whether the funds are put to the right use and in accordance with the provisions of a contract, as well as other issues of significance regarding the allocation and usage of the funds are going to be regulated by the Law on Fund for Protection and Rescue.

The allocation of funds for the aforementioned projects and other activities would be executed up to the amount of funds at disposal of the Fund, with liabilities defined within the realistically planned influx. The future law should also stipulate that unused funds be allocated to the next year. Similarly, the funds should not be lent or donated to any subject outside the protection and rescue system. Furthermore, it would be necessary, upon approving any instance of funds allocation, to take into consideration equal representation of all units of local self-government, as well as equal territorial representation, which must be defined as one of the criteria for approving projects financed by the Fund.

The existence of the Fund could be time-limited, as is the case with similar institutions in the neighbouring countries, but this period must not be shorter than 10 years, since it is a realistic time frame for such a system to be properly organised.

The required funds could come from three basic sources:

- allocation of 0.02% of all inter-bank fund transfers realised by the banks operating on the territory of the Republic of Srpska,

- allocation of 5% of the revenue made from organising hazardous games,

- contributions, donations, gifts, and international aid.

Out of these, the primary source would be allocation of 0.02% of all inter-bank funds transfers[15]realised by the banks operating on the territory

15 Inter-bank funds transfer is a transfer made from the account of the remitter in

of the Republic of Srpska, whereas additional funds would be raised from the revenue made from organising hazardous games.

In terms of the former, it should be emphasised that this is an innovative proposal that has not been recorded in any of the neighbouring countries. Currently, there are 8 banks in the Republic of Srpska whose headquarters are in this entity, and 7 of them whose seats are in the entity of the Federation BIH, with 163 branch offices combined on the territory of the Republic of Srpska.Over the past three years, according to the Banking Agency of the Republic of Srpska[16], these banks have realised interbank funds transfers in the amount of BAM 70 billion, with exact annual amounts as follows::

- 2015 - BAM 23.7 billion,
- 2016 – BAM 22.5 billion, and
- 2017. – BAM 24.48 billion.

Given the aforementioned, allocation of mere 0.02% of these funds would provide over BAM 4 million to the Fund annually, with the future Law on Fund regulating all issues concerning the payment of these funds and their subsequent usage.

The second part of our proposal requires a more detailed explanation, given the fact that there are funds allocated from the revenue made from organising hazardous games in the present, only they are not spent on the protection and rescue system. In 2013, the Government of the Republic of Srpska adopted the Decree on Criteria for Determining Beneficiaries and Ways of Distributing Funds Made from Hazardous Games, but the protection and rescue system was not among them[17]. The Law on Hazardous Games clearly defines that the distribution of funds made on this account is to be executed in accordance with the aforementioned Decision, which states the following areas as priority ones:

- projects regarding social security and humanitarian campaigns,

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one bank to the account of the beneficiary maintained with any other bank branch authorised for funds transfers within one country

16 https://www.abrs.ba/ , accessed on 15 September 2018

17 Official Gazette of the Republic of Srpska, issue 104/13

- projects dealing with the needs of disabled persons,
- projects concerning the domain of culture,
- life-long education and moral education of children and youth,
- sports activities,
- fighting drugs and other forms of addiction, and
- development of civil society.

Some of these projects undoubtedly cover the area of protection and rescue, such as development of civic society and life-long education and moral education of children and youth, which is defined by Article 5 of the Decision.

According to Article 3 of the Decree, 'fees made from hazardous games represent the revenue of the Republic of Srpska budget, out of which 95% are distributed by means of regular budget funding, with the remaining 5% being distributed in accordance with this Decision and general acts of the ministry competent for the area encompassing organisations, programmes, and projects to which the funds are allocated'. Thus, 95% of the funds made in such a way are directed towards the budget, and only 5% spent on the aforementioned projects. Apart from these 5% made from hazardous games, at least 50% of the profit of the Lottery of the Republic of Srpska, which belongs to the Share Fund of the Republic of Srpska, is paid into the budget. These funds are distributed in such a way that 80% belongs to the Miinstry of Health and Social Security, 10% to the Ministry of Education and Culture, and the remaining 10% to the Ministry of Family, Youth, and Sport.

Given the fact that Article 43, paragraph 2 of the Law on the Government of the Republic of Srpska (Official Gazette of the Republic of Srpska, issue 118/08) stipulates that a decree closely defines issues of significance for the implementation of a law, that it determines the principles of internal organisation of a ministry and other administrative bodies and forming of working bodies of the Government, the Government of the Republic of Srpska is entitled to and should change this Decree in that Article 3 should stipulate that 90% of the revenue made from organising hazardous games (instead of 95% at the present moment) be distributed by means of regular budget funding, with the remaining 10% being distributed in such a way

that one half is allocated as it is, and the rest intended for the Fund. All other provisions of the Decree would remain unchanged.

The amount collected on the account of the fee for organisers of hazardous games is BAM 25.15 million, which is 12% (BAM 2.62 million) higher in comparison to 2016[18]. In accordance with this proposal (5% from hazardous games) and revenues made in 2017, the Fund would be provided with the funds in the amount of BAM 1.25 million, with a rising tendency in the following period, given the increasing number of organisers and facilities. On top of that, this would not require amending any existing law, but only the aforementioned Decree, with the introduction of the Law on Fund for Protection and Rescue.

CONCLUSION

The issue of development and improvement of the protection and rescue system in the Republic of Srpska is a topic that is constantly initiated, with the issue of financing the aforementioned system remaining omnipresent but unresolved. The proposal presented in the paper features a pioneering approach to the matter, offering a viable model of financing.

The proposed Law on Protection and Rescue should envision the establishment of the Fund for Protection and Rescue, which would, apart from defining basic terms necessary for the functioning of the Fund, lay foundation for the introduction of the Law on Fund for Protection and Rescue to deal with allthe issues concerning the functioning of the Fund. The funds collected this way would exceed BAM 5 million, which is substantial in terms of the development of the protection and rescue system of the Republic of Srpska.

The Fund would provide additional funds for financing the preparation, implementation, and development of programmes, projects, and other activities in reducing risk, managing, and reacting in emergency

18 Report on the activities of the Tax Administration of the Republic of Srpska for 2017, https://www.poreskaupravars.org/Documents/Izvjestaji/Izvjestaj%20o%20radu%20PURS%20za%202017 %20godinu.pdf , accessed on 16 December 2018

situations, both at the level of the Republic of Srpska (Republic Administration of Civil Protection) and the level of units of local self-government, which would be major beneficiaries of its funds.

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