

CENTRALNA BANKA
BOSNE I HERCEGOVINE



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INFO CBBH



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GOVERNOR SOFTIĆ
AT THE SUMMIT OF
THE GOVERNORS,
FINANCE MINISTERS
AND DIRECTORS OF TAX
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ŽELIMIRA RASPUDIĆ APPOINTED AS THE CBBH VICE GOVERNOR



At its eight session in 2017, held on May 29, 2017 in Banja Luka, the Governing Board of the Central Bank of Bosnia and Herzegovina (CBBH), appointed Želimira Raspudić the CBBH Vice Governor

The appointment is made at four years term of office, starting from July 1, 2017.

The newly appointed Vice Governor will be in charge of the Sector for Statistics, External Debt Servicing, EU Integrations and Payments Systems.

Mrs. Raspudić has extensive experience in banking, especially in finance and international business, and auditing. She also has large experience in managing various projects in banking (introduction of SWIFT, EBRD Twinning Program, introduction of EURO, bank mergers...). She has worked on a number of management positions both in and outside the banking sector, and also holds the title of Certified Internal Auditor.

PREPARATIONS FOR MARKING THE 20TH ANNIVERSARY OF THE CBBH CONTINUED



The Governing Board of the CBBH also approved the proposed structure and the content of the monograph, which is to be issued on the occasion of marking the anniversary.

As part of the preparations for organizing a numismatic exhibition named „Trail of Money“, which will officially be opened on August 11, 2017, at the National Museum of Bosnia and Herzegovina, a setting that will include the currencies in the territory of Bosnia and Herzegovina from IV century B.C. until today was defined.

During May and June, the preparations for marking the 20th anniversary of the Central Bank of Bosnia and Herzegovina (CBBH) continued. After the CBBH Governing Board approved the International Conference Program, which will be held in Sarajevo on September 22, 2017, named „20 Years of Stability“, the activities of the defining of specific conference assignments were launched.

In the evening of the same day, video mapping under the sign of „20 years of stability“ will be set on the facade of the CBBH building in Sarajevo. The visual identity of marking of the anniversary of the CBBH was established, and it was decided to have a corporate video about the establishment of the CBBH and its 20 years.

15 YEARS SINCE KM 200 BANKNOTE WAS PUT INTO CIRCULATION



(CBBH), and approved by the then Presidency of Bosnia and Herzegovina.

“This is also a banknote with strong links to the euro. This is very appropriate for BH as Europe is where the future of BH lays“, said the then Governor Peter Nicholl, and added: „The first link is, of course, that its value is tied to the euro through the Currency Board arrangement. It is worth euro 102,25. The second link with the euro is a bridge on the reverse side, like on all euro banknotes. I think this is a banknote of which BH can feel proud“.

15 years ago, on May 15, 2002, KM 200 banknote was promoted and put into circulation. It is the banknote with the highest denomination, and its characteristic is one version of the design, only one for the whole country, unlike all the other banknotes of lower denominations which have two designs, one for Republika Srpska and one for the Federation of BH.

KM 200 banknote was printed by the Austrian Company Oesterreichische Banknoten und Sicherheitsdruck GmbH (OeBS), and the banknote was designed by Robert Kalina, a man that also designed euro banknotes.

Ivo Andrić, the famous writer and the Nobel Prize winner is featured on the face of this BH banknote, while the bridge on the River Drina in Višegrad, the theme from his novel “Bridge on the River Drina“, is featured on the reverse side of the banknote. Latin and Cyrillic alphabets are equally used in this banknote. The design of the KM 200 banknote was decided by the then Governing Board of the Central Bank of Bosnia and Herzegovina

Kalina said that the KM 200 banknote is almost equal in terms of security features compared to the euro notes, so it is one of the most sophisticated and secure banknotes on the market. „I was able to create important parts of the note following not only the artistic point of view, but also the secure one. Therefore, this banknote is not only nice to look at, but even so, hard to forge - even with the most sophisticated equipment“, said Kalina during the promotion in, the now distant, 2002.

GOVERNOR SOFTIĆ ATTENDED THE ECONOMIC AND FINANCIAL DIALOGUE OF THE EU AND THE COUNTRIES OF WESTERN BALKANS AND TURKEY IN BRUSSELS



Governor of the Central Bank of Bosnia and Herzegovina (CBBH) Senad Softić, Ph.D., attended in May, in Brussels, the meeting of ministers on regular annual Economic and Financial Dialogue of the European Union and the countries of Western Balkans and Turkey. This meeting in Brussels represented the completion of the consultation and supervision process of the implementation of the three year programs of economic reforms. The process enabled the candidate countries and potential candidate countries from the Western Balkans and Turkey to have dialogue and joint conclusions with the EU institutions on economic, fiscal and structural measures in a very similar manner which is used in the case of the EU member countries (the so-called European Semester). The countries of Western Balkans and Turkey were represented by the finance ministers and the central bank governors, while the EU was represented by the finance minister of Malta, the chair of the EU Council at the moment, and by two other ministers from countries which will chair the EU Council in the future (Estonia and Bulgaria).

While discussing the reform process, Governor Softić, Ph.D. welcomed the continuation of dialogue between the BH authorities and the EU representatives, stressing that BH has strong economic and financial relations with the EU and that the further integration of the country will depend on the coordination and understanding of economic policies and structural reforms. He stated that in the previous period the authorities had undertaken a number of activities aiming to maintain macroeconomic stability and improve the business environment in the country.

„We should highlight the implementation of the Reform Agenda, which includes a number of activities with the final aim to improve

the business environment, to solve the problems regarding the labor market and create the framework for sustainable public finance. There were also activities on arranging and implementation of economic measures within the framework of the new program with the International Monetary Fund (IMF), which are also directed towards public finance sustainability and financial stability; we need to add that BH authorities are in the process of responding to the EU Questionnaire, which is, to a large extent, dedicated to economic policies“, Governor said, adding that all the stated activities were undertaken in accordance with the recommendations stated in the Economic and Financial Dialogue and he expressed hope that, despite a large number and volume of tasks, those activities will be completed successfully and relatively soon.

During his speech, Governor Softić also commented on the economic trends in the previous period and stated that BH economy shows the signs of recovery. Considering the positive trends in the neighboring countries, it is expected that economic growth and investments will keep the upward trend in 2017, with a low inflation, as well as with the Currency Board Arrangement, which remains the pillar of stability in our country. The financial sector has remained stable. The banking sector shows a higher level of capitalization and profitability level, with the latest indicators showing higher credit expansion, which is especially encouraging. It is expected that a number of structural reforms, through the creation of new jobs and improvement in business environment, will influence the unemployment reduction.

Governor added that the CBBH, in accordance with its mandate, will continue to provide the institutional framework for the maintenance of monetary and financial stability, working on the strengthening of banking coordination and the role of the Standing Committee for Financial Stability; it will continue to improve the payment system operations as well as Single registries, provide timely and detailed statistical data, and the active role of the institution in the EU integrations process will continue.

Governor Softić concluded his remarks by thanking the EU institutions for their continuous support in the expectation that the dialogue with the EU institutions will continue to have the key role in the process of defining of economic policies and legal and institutional reforms with the goal to achieve the harmonization in the country.

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GOVERNOR SOFTIĆ AT THE SUMMIT OF THE GOVERNORS, FINANCE MINISTERS AND DIRECTORS OF TAX AUTHORITIES FROM THE REGION



The CBBH Governor, Senad Softić, Ph.D. participated in the Summit of Governors, Ministers of Finance and Directors of the Tax Authorities of the region, held in Bečići, Montenegro. The theme of the Summit was "Financial stability of the region in the new global environment".

The Governor was a panelist in the session entitled „Monetary policy of the countries in the region - between the US Federal Reserve and the European Central Bank“.

During his speech, the Governor especially emphasized the need for coordination between monetary and fiscal policies, and the importance of the presence of the IMF in terms of BH.

„In the conditions of the Currency Board, monetary policy is ineffective in stimulating the economic activities. However, there is no doubt that, from the standpoint of financial stability, the coordination of monetary and fiscal policies is necessary“, stressed Governor Softić.

He also explained to the participants the principle of formal cooperation among the relevant institutions in BH in the field of preserving financial stability through the Standing Committee for Financial Stability (SOFS). SOFS is the main forum for the assessment of threats to financial stability, where the CBBH and the Banking Agencies are responsible for assessing the systemic character of the financial crisis.

With regard to the presence of the IMF in Bosnia and Herzegovina, the Governor explained the basic characteristics of the current arrangement with the Fund. The Governor said: „The servicing of the existing amount of the foreign debt is unquestionable with or without the arrangement with the Fund, but without the structural reforms decided by the Government, in long term perspective, BH economy would be in a worse position as a result of the slow-down of the growth of potential output. In addition, the arrangement with the Fund is currently seen by the international community and rating agencies as a stabilizing factor in Bosnia and Herzegovina, and it is the condition for arrangements with other international institutions. Thus, even without the Fund, BH would be able to finance its liabilities, but we would have much less fiscal space to stimulate economic growth through government investment and consumption. Consequently, without the implementation of the reforms to which we are committed through the Letter of Intent, we would stay at the approximate level of development where we are now“.

