

## **Chapter VI**

# **EXCHANGE RATE POLICY, INTERNATIONAL RESERVE AND EXCHANGE CONTROL**

### **Article 48. Exchange control**

1. The Convertible Marka shall be freely convertible into foreign currency throughout Bosnia and Herzegovina .
2. No restrictions shall be imposed by the Central Bank or other authorities on the making of payments and transfers for international transactions, unless the Central Bank determines that such restrictions are required in the performance of an obligation of Bosnia and Herzegovina under international law. All the decisions on these matters have to be taken unanimously by the Governing Board.

### **Article 49. Clearing and payments agreements**

The Central Bank may, either for its own account or for the account and by order of Bosnia and Herzegovina, enter into clearing and payments agreements or any other contracts for the same purpose with public and private central clearing institutions domiciled abroad.

### **Article 50. Foreign exchange reserve**

1. The Central Bank shall establish and maintain an adequate foreign exchange reserve which shall consist of all or any of the assets of the Central Bank listed in Article 31, Section 2.
2. The Central Bank shall invest its foreign exchange assets in accordance with sound investment principles and practices, and only in liquid debt securities issued by the government or the central bank of the country in whose currency the securities are denominated.

### **Article 51. Reporting of foreign exchange transactions**

Banks may be required by the Governing Board of the Central Bank through its organizational units to report periodically to the Central Bank their open foreign exchange positions on an aggregate basis; the Central Bank shall prescribe the reporting forms and supporting documents that must be submitted.