

Pursuant to Articles 5(1)(h) and 19(1)(c) of the Law on the Federation of Bosnia and Herzegovina Banking Agency ("Official Gazette of the Federation of BIH", number: 75/17), Articles 7(1)(h) and 12(d) of the Statute of the Federation of Bosnia and Herzegovina Banking Agency ("Official Gazette of the Federation of BIH", number: 03/18), Articles 80(5) and 81(14) of the Banking Law ("Official Gazette of the Federation of BIH", number: 27/17), the Management Board of the Federation of Bosnia and Herzegovina Banking Agency passed, at its session that was held on May 28<sup>th</sup>, 2020, the following

**A D E C I S I O N**  
**ON THE SUPPLEMENTS TO THE DECISION ON CREDIT RISK MANAGEMENT AND DETERMINATION OF EXPECTED CREDIT LOSSES**

**Article 1**

- (1) In the Decision on Credit Risk Management and Determination of Expected Credit Losses („Official Gazette of the Federation of BIH“, number: 44/19), in Article 18(2)(c), a new Subparagraph (d) shall be added to read as follows:  
„(d) newly approved exposures classified by the bank into credit risk level 1, which were approved in the April 01<sup>st</sup>, 2020 to June 01<sup>st</sup>, 2021 period in the function of economic growth and whose repayment term is not under one year and which meet one of the following objectives:
- 1) entrepreneurship development,
  - 2) maintaining the same or increasing the overall staffing level of a legal entity,
  - 3) implementation of the strategi or infrastructure projects in the country,
  - 4) fostering innovation and starting new business activities,
  - 5) investment in energy efficiency or renewable energy sources,
  - 6) supporting production, export companies and tourism development,
  - 7) otherwise affecting economic growth and development and employment reduction in the country.“
- (2) After Paragraph (3), new Paragraphs (4) and (5) shall be added to read as follows:  
„(4) For exposures from Paragraph (2)(d) of this Article, the bank shall document meeting of the objectives specified in indents (1) to (7).  
(5) The bank may, for exposure from Paragraph (2)(d) of this Article, use the minimum expected credit loss rate from Article 23(1)(a) of this Decision, if it approved the exposure at an effective interest rate that does not exceed 2.8% and while such exposure is classified into credit risk level 1. “

**Article 2**

This Decision shall enter into force on the eighth day from the date of its gazetting in the „Official Gazette of the Federation of BIH“.

**Number: U.O.-45-03/20**  
**Sarajevo, May 28<sup>th</sup>, 2020**

**CHAIRWOMAN OF**  
**THE MANAGEMENT BOARD**

**Ljerka Maric, MS, BSc (Econ.), sgd**