



PDHR/Brcko District Supervisor's Address to the Brcko District Assembly on 25 September 2019

Speaker Kadric, Deputy Speaker Filipovic, thank you for inviting me to address the distinguished members of the Brcko District Assembly and, via internet, the citizens of Brcko District.

Since February, I have had the distinct pleasure of visiting Brcko District every month and in doing so I have gotten to know many of the wonderful people of this lovely community. Today I want to talk to you about the Brcko that could be; indeed, the Brcko the people here want versus the Brcko that I have come to know the last six months.

The District is strategically positioned on key transportation arteries; it has the unique freedom to make decisions; and it has the highest per capita budget in Bosnia & Herzegovina. I am also regularly reminded by your citizens that Brcko use to be the vibrant economic center of this corner of BiH. But today despite not having the same unique factors I just mentioned, Bijeljina has a population that is growing and a downtown that is vibrant, Orasje has a lovely waterfront area. Conversely, Brcko – despite its advantages – has an outflow of people, no vibrant downtown area, no waterfront, and indeed, no new large private sector investments. The list of things it does not have is long.

This is not just my perception of Brcko District. For the last six months this is what I have heard from people, businesses owners, religious leaders and indeed many of you sitting in this room today.

Regrettably, this is not just about missed opportunities, it is about a lack of focus on reforms; indeed, even a seeming lack of readiness to reform. Over the last few years this has not only led to a rolling back of many of the District's earlier achievements, but more disconcertingly, it has quashed a sense of hope for the future among its residents. Your voters, your neighbors, your friends are giving up on believing that Brcko has a prosperous future; they are voting with their feet; they are leaving, and most tragically the next generation in Brcko is at the forefront of the outflow of people from the District. Why is this happening given all the advantages the District has?

Many of you here have shared with me what is not working. Hundreds of amendments adopted each year to the budget are defined by vested interests and not the needs of the community. Personal gain is seen as more important than public benefit and public institutions are associated with patronage and red-tape versus merit-based employment and efficiency of services. This is why people are leaving, this is why private sector investments are not coming, and this is why donor projects are not progressing.

We all know this, we have talked about this individually and in groups. What has given me heart is your stated commitment to rapidly reverse this negative trend through legislative actions this fall to advance good governance, infrastructure development and private sector growth. These actions will foster the needed political dynamic to quickly reorient the development of the Brcko District towards a brighter future, and these actions will demonstrate that you are part of the solution.

Let me articulate the solutions we have discussed for the benefit of the viewing audience, the voters of this community who will make their judgement on you in the 2020 fall elections.

In terms of **good governance**, first and foremost it is the new Budget Law. It will improve fiscal discipline, transparency and responsibility in spending, thus addressing the most commonly heard and fully justified criticism of non-targeted use of budget funds. The Law was adopted by the Government on 18 September and it is awaiting your consideration for its use with the 2020 budget process. Failure to proceed on it can only be interpreted as an unwillingness to break with non-transparent budget practice of the past.

The second is a new Law on Foundations and Associations that would work towards the same goal of ensuring transparent, equitable, merit-based support to the non-governmental sector. I trust the ability of the Government and the Assembly to finalize and adopt this legislation with the needed efficiency.

The Port modernization project is vital for advancing **infrastructure development**. It will contribute to business expansion and create new jobs, and it will open the door to international support for other infrastructure projects such as clean water supply, sewage and waste management that are vital for upgrading the quality of life in the District. Indeed, the port modernization should have already been completed, as it was launched two years ago, but local political infighting stalled it. I would expect all parties in this Assembly – as this is a project of common interest – to work towards the smooth implementation of the Port modernization project so it will be completed at the end of 2020 as now planned. This will also reassure the donors that there is reason to engage in the District. It is simple, projects go to where progress is possible.

There are two other infrastructure issues requiring your action. One is the Brcko-Gunja Bridge, a transport corridor and a border crossing, which requires a feasibility study as a starting point for reconstruction. I urge the Assembly to make this allocation; you have the opportunity to use your own resources to solve the District's problems. The other is electricity supply. The good news is we hope to see the signing of electricity contract before the end of the year, but work must continue on finding a long-term solution based on local generated clean energy, improved energy efficiency of buildings, and other measures that will strengthen Brcko's energy security.

Finally, **private sector growth** is central to Brcko's development and prosperity, which means the District must improve its investment legislation and business support processes in order to foster a pro-business environment. If the needed improvements are locked in this fall, BIMAL as we all heard from Mr. Studen will proceed with a half a billion KM investment in Brcko District over the next five years, with construction projects starting this spring. This would give a much-needed boost to Brcko's economy and I have no doubt a pro-business environment will attract other businesses as well.

In all these efforts, close cooperation and coordination of all stakeholders be it the Assembly, government, business community or non-government agencies is a must. I invite all to contribute to this goal.

The measures I have mentioned will promote a reform dynamic that will create an environment in which one success will lead to another and produce benefits for the entire community.

Let me underscore, the questions here is not whether the District Assembly has the power to carry out these reforms. It is whether the Assembly will choose to do so.

As I have said over the last six months to District officials, business owners, and citizens, the status of Brcko District will not change unless the terms of the award are violated, a point reaffirmed by the Presiding Arbiter Clint

Williamson during his visit this month to Brcko.

What is subject to change is the quality of life in Brcko, and that is your choice. You can embrace this fall the reforms I mentioned that will generate a vibrant economy with good-paying private sector jobs, excellent infrastructure and ensure a rich array of cultural, sport and entertainment activities in the District. Or you can continue with current practices that do not put the community first and ensures that the outflow of people accelerates, including your children when they have to face this choices about their own futures.

If you do your part, the international community will be your partner, but this fall is the time for your action.

Mr. Speaker, dear delegates, I wish to believe that we all share the same goal of improving the well-being of Brcko District and that the route to be taken this fall is clear to all of us. I will continue to visit every month the District to see if that indeed is the case, and I look forward to addressing you again in the spring and hopefully be in a position to congratulate you all on a job well done.

Thank you.