Declaration by the Steering Board of the Peace Implementation Council

Political Directors of the Peace Implementation Council Steering Board met in Brussels on 26 and 27 February 2008. The Presidency of BiH, the Chairman of the Council of Ministers as well as leaders of the governing coalition were present during parts of the meeting.

The PIC SB noted that, since October, BiH has made progress with regard to the SAA. The PIC SB welcomes the initialling of the SAA that took place on 4 December 2007. The signing of the SAA is finally in reach as soon as the necessary conditions are met.

However, important underlying problems, which gave rise to recent crises, remain in BiH. There have been attempts to weaken progressively the institutions and legitimacy of the state. There have been renewed tensions between political actors over the future constitutional make-up of the country as well as the role and competencies of the state. The limited degree of cooperation among BiH actors shown in late 2007 has deteriorated. There have also been unacceptable challenges to the Dayton Peace Agreement.

The PIC SB expresses deep concern with regard to official calls for secession. The PIC SB strongly emphasizes that under the Dayton Peace Agreement an Entity has no right to secede from Bosnia and Herzegovina.

As previously stated, the PIC SB is also concerned by statements calling the existence of Entities into question.

The Steering Board underlines once again that BiH is a recognised sovereign state whose territorial integrity is guaranteed by the Dayton Peace Agreement. The Steering Board recalls that the Constitution of Bosnia and Herzegovina recognises that Bosnia and Herzegovina consists of two entities and that Bosniaks, Croats and Serbs are constituent peoples. The Steering Board remains fully committed to the Dayton Peace Agreement.

The PIC Steering Board reiterates that BiH politicians must end the practice of threatening unilateral changes to the constitutional structure of the country. All parties must comply fully with the Dayton Peace Agreement. The Steering Board underlines that the International Community retains the necessary instruments to counter destructive tendencies and that it will not allow attempts to undermine the Dayton Peace Agreement, whether from inside or outside the country. All signatories and parties are obliged under Annex 10 of the Dayton Peace Agreement to cooperate fully with the High Representative and his staff. Decisions of the High Representative must be fully respected and promptly implemented.

With regard to police reform, the PIC SB encouraged BiH actors to take forward the debate in the Parliamentary Assembly and to adopt police reform legislation in line with the Mostar Declaration and the subsequent Action Plan and consistent with EU requirements as a matter of urgency.

The PIC SB encourages the BiH Council of Ministers to continue to move forward on the reform agenda with determination, and to adopt an action plan as a response to the European Partnership.

The PIC SB welcomes the adoption of the Platform for Action and the progress made towards realising some of its objectives, including fiscal coordination. However, much more needs to be done.

The PIC SB notes that political party leaders have had initial discussions on constitutional reform and that this issue is also reflected in the Mostar Declaration and the Action Plan. The Steering Board reaffirmed its view that constitutional reform will be necessary in order to equip Bosnia and Herzegovina to meet the requirements of a modern European state.

The PIC SB underlines the importance of freedom of expression, including a free and independent media, and notes that the Dayton Peace Agreement obliges BiH including both Entities to ensure the highest level of internationally recognised human rights and fundamental freedoms. In this regard the PIC SB welcomes the visit of the OSCE Representative for Freedom of the Media to BiH.

In line with the decision taken at its October 2007 meeting, the PIC Steering Board reviewed the situation. It

endorsed the following recommendations of the High Representative regarding the future of OHR.

Having assessed developments in BiH over the past months, the PIC SB reiterated that transition and ownership remain the goals. It is for BiH actors, in the first place, to create the conditions for transition to occur, which should happen in the shortest possible time. The PIC SB and the broader International Community stand ready to support BiH actors in creating the necessary conditions.

Bosnia and Herzegovina as a "peaceful, viable state irreversibly on course for European integration" has been the longstanding objective of the PIC Steering Board and achieving this objective has been the focus of OHR's work.

The OHR Work Plan approved by the PIC Steering Board in April 2007, contains a number of longstanding objectives that the PIC Steering Board considers to be essential for the creation of such a peaceful, viable state. For this reason, the PIC Steering Board has decided that the most critical issues contained in the OHR Work Plan be considered objectives that need to be achieved by the BiH authorities prior to transition. These objectives are well established, approved by the PIC SB and have all been previously recognized by BiH authorities as obligations.

The objectives that will need to be delivered by the BiH authorities prior to transition are:

- Acceptable and Sustainable Resolution of the Issue of Apportionment of Property between State and other levels of government
- Acceptable and Sustainable Resolution of Defence Property
- Completion of the Brcko Final Award
- Fiscal Sustainability (promoted through an Agreement on a Permanent ITA Co-efficient methodology and establishment of a National Fiscal Council)
- Entrenchment of the Rule of Law (demonstrated through Adoption of National War Crimes Strategy, passage of Law on Aliens and Asylum, and adoption of National Justice Sector Reform Strategy).

In addition to the objectives listed above, the PIC Steering Board agrees that two conditions need to be fulfilled prior to transition: Signing of the SAA and a positive assessment of the situation in BiH by the PIC SB based on full compliance with the Dayton Peace Agreement.

The signing of the SAA is not part of OHR's Work Plan. However, it is an important requirement for transition and necessary to demonstrate Bosnia and Herzegovina's progress towards membership of the European Union.

The situation in BiH has previously been defined by the PIC SB as a criterion for decision-making on OHR closure and transition. It remains crucial that BiH political leaders fully comply with the Dayton Peace Agreement avoiding any rhetoric or action that would threaten or violate the Peace Agreement.

The achievement of the above mentioned objectives and fulfilment of the conditions will facilitate transition. The PIC Steering Board urges the authorities in BiH to achieve these objectives and contribute to fulfilling these conditions as soon as possible. The High Representative stands ready to advise and work with BiH institutions in this regard.

The PIC SB underscores its full support for the HR to facilitate accomplishment of these objectives in a manner consistent with the overall goal of entrenching reform and ensuring BiH meets its commitments for Euro-Atlantic integration. The PIC SB requests the HR to undertake all appropriate measures to ensure that the above objectives are met.

OHR will remain in place and continue to carry out its mandate under the Dayton Peace Agreement, ensuring full respect of the Peace Agreement.

The PIC SB reiterated the view that a reinforced EUSR Office would constitute an important part of the EU's comprehensive engagement after OHR. The Steering Board looked forward to a renewed exchange of information on the respective planning processes.

The PIC SB calls upon Serbia, a Dayton signatory, as well as the authorities in Bosnia and Herzegovina, especially those in Republika Srpska, to abide by their obligations under international law to cooperate fully with the

International Criminal Tribunal for the Former Yugoslavia (ICTY), playing a proactive role in apprehending all remaining indictees, including Radovan Karadzic and Ratko Mladic, without further delay, dismantling the networks offering support to such fugitives, and ensuring they are transferred to the ICTY.

The PIC SB reminded all authorities in BiH of the fundamental principle of the inviolability of diplomatic missions and their obligations in that regard. The PIC SB deplores the damage inflicted upon diplomatic offices in Banja Luka. It expects the authorities in BiH, in particular the RS, to live up fully to their obligations and to maintain public order.

The OHR will monitor progress against objectives and conditions and the PIC Steering Board will keep the situation under constant review. The next meeting of Political Directors will take place in Sarajevo on 24 and 25 June 2008.