



### **Statement by the High Representative and EUSR, Valentin Inzko at the Press Conference in Sarajevo**

I have today enacted the Decision on Temporary Financing of the Federation of BiH (for the Period January-March 2011) to ensure that there are no interruptions in payments to pensioners, vulnerable citizens, and other budget beneficiaries in the Federation — particularly during the cold winter season.

This means that I have acted instead of the FBiH House of Peoples to put in force the Temporary Financing Decision proposed by the FBiH Government and passed by the FBiH House of Representatives. I made no changes or amendments to the decisions passed earlier by these institutions.

I have taken this decision in consultation with many local leaders and with the Steering Board of the Peace Implementation Council.

The PIC Steering Board shares my deep frustration and disappointment that political parties, as well as authorities in at least four cantons, have blocked the formation of the House of Peoples, and by extension, other governing institutions in the country

I am pleased to announce that my decision enjoys the full support of all members of the Steering Board Ambassadors.

I have taken the decision reluctantly, but with no hesitation; it has always been my strong preference that local institutions do their job without outside interference. Nevertheless, it has become clear to me that time has run out for the local institutions to ensure the continuation of payments to budget beneficiaries in the coming months.

My decision is based in significant part on my conversations with those whose income hardly allows them to survive. These people are concerned with how they will be able to buy their food tomorrow, to pay their bills – interestingly they told me that the politicians have never met with them. With the pension at 300 KM, for instance, it would be unconscionable for hundreds of thousands to suffer because of the political impasse.

I take the view that pensioners should not become beggars and that society should help those in greatest need to live their lives with dignity.

However, I wish to be crystal clear: My intervention is not an invitation for those who are responsible for obstructing the passage of the Temporary Financing Decision to continue their political power games recklessly fought out on the backs of the most vulnerable parts of society. With my announcement, this story does not end, quite the opposite.

As you will know, financing in the Federation is now secured for the Period 1 January – 31 March.

This means that the clock is now ticking; there are 9 weeks in which the FBiH legislative and executive must be formed and the 2011 budget agreed and adopted to ensure that all payments in the FBiH do not come to a grinding halt.

This means that the four Cantons who have failed to elect delegates to the House of Peoples must cease their blockade and fulfil their constitutional obligations. If they do not, the political leaders who stand behind the obstruction will have to carry full responsibility for any consequences that ensue.

It is the duty of those elected to implement the election outcomes and to ensure the well-being of their fellow citizens. More than 100 days have passed since the elections, and there are no longer any excuses for the failure of the politicians in these cantons to do the job to which they were elected.

Together with the Steering Board of the PIC, I will continuously review the situation in coming weeks. If the blockade continues, we will not exclude the possibility of additional measures to ensure that democratic institutions are allowed to function and that the parties and individuals obstructing the formation of those institutions are held fully accountable for their actions.