

# Remarks by High Representative and EU Special Representative Valentin Inzko Alpbach Political Symposium



## **Bosnia and Herzegovina: where do we stand 15 years after Dayton?**

Ladies and Gentlemen,

When I spoke at the Alpbach Symposium last year, on the twentieth anniversary of the Year of Revolutions, I noted that in 1989 many politicians and diplomats were slow to understand the nature of the change that was taking place in the Eastern bloc. I pointed out that the West Europeans acted “with caution and, in the beginning, with a distinct lack of imagination and flexibility”.

Today we are able to see very positive new developments in the diplomatic and political architecture of the Western Balkans, and for the most part, I believe it is fair to say that the European Union is attempting to respond quickly and constructively to these developments.

It is crucial that we maintain this open approach, because a fundamental change is underway, and it can – if encouraged and sustained – deliver enormous benefits, not just to the people of the Western Balkans but to the people of Europe as a whole.

Until now, because of domestic political circumstances, Bosnia and Herzegovina has not been able to take full advantage of the opportunities raised by the improving regional climate – but this too can change. While the pace of reform and progress in Bosnia and Herzegovina has slowed – and this should be of concern – there are sound prospects for successful developments ahead.

### **Domestic political squalls**

By 2006 Bosnia and Herzegovina's post-war recovery had reached a point where the Peace Implementation Council felt the time was ripe to begin normalising the international engagement in the country.

By 2006, Bosnia and Herzegovina had passed a series of milestones, which seemed to make this normalization possible. For several years, the overarching goal of the international community had been to help the country equip itself to take part in Euro-Atlantic integration and, in particular, to establish contractual relationships with the European Union and NATO. For instance, six state-level ministries – including the Ministries of Justice, Finance and Defence – were added to the only two that were agreed on at Dayton.

Just before the tenth anniversary of the Dayton Peace Agreement, Bosnia and Herzegovina had fulfilled conditions for opening negotiations with the EU on a Stabilisation and Association Agreement. A year later, in late November 2006, NATO member states invited Bosnia and Herzegovina to join its Partnership-for-Peace Programme in recognition of the progress the country had made in defence reform.

Back then, the international community made clear that building the rule of law would be its over-riding objective and strategy in Bosnia and Herzegovina. This meant addressing deficiencies in the full range of institutions dealing with

the rule of law – from police to judiciary to the prison system. It also meant dealing with broader threats to the rule of law, by reforming Bosnia and Herzegovina's defence and intelligence structures, and creating a reliable tax authority for the State and a single customs service. It also meant ensuring that law enforcement and justice were insulated from politics, so they could no longer be employed as political tools.

Among the most important reforms were the following:

- Judicial reform: Bosnia and Herzegovina's criminal codes and criminal procedure codes became compatible with the European Convention for Human Rights.
- The High Judicial and Prosecutorial Council was established.
- The State Court was established initially showing that it was capable of trying once high-ranking and influential politicians.
- The State Investigation and Protection Agency (SIPA), a police force under the jurisdiction of the state court, was established.
- The State Border Service (SBS) was established in 2000 and continues to contribute to the rule of law through surveillance and control of the borders and the detection, prevention and investigation of cross-border crime.
- Intelligence reform has also seen remarkable progress over the last few years. Before 2003, the two intelligence services in Bosnia and Herzegovina were heavily politicised, making this reform all the more challenging, and necessary.
- Parliamentary oversight mechanisms in the security spheres have been established helping the citizens to remain democratically in control of the sector.

So, on paper at least, Bosnia and Herzegovina appeared to be increasingly capable of undertaking responsibility for the

full spectrum of its needs as a state.

Unfortunately, just as it seemed possible to begin normalising the international engagement in the country, a new political configuration emerged which produced deadlock and inability, or unwillingness by Bosnian leaders and parliamentarians to fulfil the conditions that had been laid down by the international community for OHR's closure.

Apart from the milestones achieved by BiH that I listed before, some progress has also been made in fulfilling the five key objectives and two conditions. However, the broad effort has run aground amid a series of domestic political squalls. In the past years, we have seen a deteriorated political climate and less support for the Bosnian state institutions.

It is important that everyone understands that there are no insurmountable technical or operational obstacles. The problems have been purely political. Let me illustrate: the inventory of state property, which local institutions were unable to deliver for many months, my Office achieved in just several weeks.

There has been a damaging retreat from the pragmatic consensus that delivered steady economic growth and rising living standards after 2000. Instead, the last two years have been characterised by a sharp spike in unemployment throughout the country, together with growing public unease about crime – and political and parliamentary gridlock have prevented a coherent or effective response to these problems.

Does this unpromising scenario mean that, fifteen years after Dayton, Bosnia and Herzegovina's rehabilitation has failed?

No, it does not.

The country's recovery has stalled and in some cases gone in the wrong direction, but it has stalled because of political

shortcomings – not because it was bound to stall – and these shortcomings can be fixed. When this is done, Bosnia and Herzegovina *can* move forward rapidly, as its neighbours have done. It has demonstrated this capacity in the past, when it agreed to establish several crucial new state-level institutions, when it signed the Stabilisation and Association Agreement with the EU, and when it recently made decisive progress towards a liberalised visa regime with the Union.

On the other hand, we also need to have a continued and strong engagement from the European Union and the EU's partners to make sure that Bosnia and Herzegovina can emerge from the current gridlock. The new Lisbon Treaty provides the framework for such a reinforced presence which, in the case of Bosnia and Herzegovina, is being actively prepared in Brussels.

### **A dangerous and damaging political sleight of hand**

I referred to the need for BiH to address its political shortcomings. It is precisely this positive scenario, a scenario of change in the political climate, which Bosnia and Herzegovina's international partners must work to bring about.

One way of doing this is to clarify the nature of the country's relationship with Euro-Atlantic structures. This relationship has been obscured and distorted, particularly during the present election campaign

Every mainstream party leader in the country is publicly committed to the Euro-Atlantic path. This makes sense – since polls show that well above 80 percent of Bosnian citizens want their country to join the European Union. So, in public at least, politicians are simply reflecting the deeply-held conviction of their constituents.

However, the same political obstacles that are preventing fulfilment of the Peace Implementation Council's five

objectives are inconsistent with the overarching Euro-Atlantic trajectory.

In other words, to follow the Euro-Atlantic path that their constituents want them to follow, Bosnia and Herzegovina's political leadership must logically meet the required conditions, be they those for EU or NATO membership or those for OHR's closure.

Until now, domestic politicians have successfully obscured this fact – suggesting to the voters that they can one day enjoy all the social, political, travel, employment and welfare benefits of citizens in other parts of Europe – but without reforming Bosnia and Herzegovina in order to make it a normal, modern European state.

This is a dangerous and damaging political sleight of hand and it must be exposed.

When the BiH leadership resumes its focus on implementing the reforms that will deliver the Euro-Atlantic integration that most BiH citizens want, it will be possible to close the OHR and normalise the international community's engagement in the country. At the same time it will be possible to get Bosnia and Herzegovina back onto the high road – already being taken by its neighbours – to prosperity and stability.

It is imperative, therefore, that the international community makes this cause-and-effect clear to BiH politicians and to BiH citizens.

### **Ultimate Objective**

While addressing the self-destructive domestic political atmosphere, we must not lose sight of the ultimate objective.

Bosnia and Herzegovina remains a credible candidate for Euro-Atlantic integration. It can benefit from the regional

environment and the European Union can help it to do this.

To this end, the international community must constantly emphasise that Bosnia and Herzegovina can return to the path that leads to prosperity and stability. That road remains open – it is marked out in the detailed provisions of the Stabilisation and Association Agreement.

At the same time, we must ensure that we have the operational capacity to counter any threats to and attacks against the Dayton Peace Agreement and to the constitutional order of Bosnia itself and be ready to act effectively when the domestic political actors stray off course. To ensure this we must primarily agree to a strategy on where Bosnia should go and then help Bosnia get there. Only in this order is the completion of the preparations for an enhanced European Union presence in Bosnia and Herzegovina relevant.

### **A recovery of political will**

This year's Alpbach Symposium has focused on the relationship between political constructions and resulting realities. In this respect, the Dayton construction was meant to build and enforce peace in a war-torn society – through a State with two entities, and with guarantees of communal protection entrenched at various levels of government and administration. Today, 15 years onwards, the resulting reality is that this peace has been successfully enforced, but that this achievement has come at the high price of an inefficient and expensive system where political gridlock more often than not comes in the way of much needed reforms. This system needs to be carefully fixed within its existing parameters.

Constitutional provisions can be amended – they must be amended as part of the Euro-Atlantic integration process – by relevant BiH authorities, and this can be done when there is sufficient political will.

The international community must work coherently to *support* the recovery of that will among local political players, and it must act quickly and effectively to sustain progress once it is recovered. It has – especially the EU and the US jointly – repeatedly made clear the readiness to provide such support.

Thank you.