Opening Remarks of Brcko Supervisor and Deputy High Representative Raffi Gregorian at a Press Conference held in the Brcko Supervisor's Office

A warm welcome to members of the media.

I want to first and foremost reassure Brcko District residents of the commitment that the Peace Implementation Council Steering Board and especially theUnited States has to ensuring the durability and sustainability of the District. My presence is an indication of that commitment, as the US Government decided it was more important for me to come to Brcko than it was to go to what was supposed to be my next assignment as a member of coalition forces in Baghdad.

I wish to thank Brcko District (BD) residents and officials who have so far extended me such a warm welcome. Thanks also to previous Supervisors, local officials, and people of Brcko District who have worked so hard to take the District from a war-torn, post-conflict flash point to a relatively prosperous, harmonious, and stable place. A place where reforms first flourished in Bosnia and Herzegovina (BiH) and which has since served as a model for other reforms both in this country and in the region.

The previous Supervisors established the institutions of government necessary to fulfil the requirements of the Final Award. As the last Supervisor of Brcko District, my job is make sure those institutions are functioning effectively and apparently permanently and that the District will endure after

the Supervisor regime is ended.

To do this, I will focus on two major tasks. The first is to deal with issues related to Brcko District's external relations. This means resolving the issue of allocation of VAT revenues and establishing for the first time an institutional relationship between the District and the executive, legislative, and judiciary bodies of the state of Bosnia and Herzegovina.

The development of the state institutions of Bosnia and Herzegovina over the past few years means the District can no longer exist in splendid isolation, but neither can it wait for it to be formally incorporated into the constitution of BiH, whose reform has not yet begun.

Thus working with stakeholders on the development and adoption of a state-level Law on Brcko District will be my main priority over the coming months. Party leaders in Brcko District with whom I have so far met have all indicated they support such legislation in principle and will work with their party presidencies to support its adoption by the BiH Parliamentary Assembly.

A technical draft is under development now that would give Brcko District representation in BiH ministries; provide for a presence in the Parliamentary Assembly, establish a consultative mechanism on major laws that affect the District, involve the District in any future discussions by the State on transfer of competencies, and confirm a process for the District to present cases to the BiH Constitutional Court.

On the matter of revenue allocation, processes are underway now to resolve the short- and long-term problems that led to the current situation. I hope that with good will on all sides solutions will be found that will forego the need for the District to take the issue before the Tribunal, which has already determined that it can hear the case and which has

asked for the District's written submission on October 30th.

The second major task is to make sure that the Brcko District government and bureaucracy are functioning effectively. The Mayor has expressed his desire for his coalition government to take on more responsibility in this area. I welcome this request because I do not wish to be put into a position where further Supervisory Orders (SOs) imposing new laws and obligations are necessary to fulfill the requirements of the Final Award. I will look at issuing Supervisory Orders needed to update laws and other legal instruments to reflect developments within Brcko District and in BiH so that they are in harmony before I depart.

However, I will use my powers to make sure that laws are obeyed, Supervisory Orders are fulfilled and that government departments and divisions are doing their jobs in service to the citizens. This is not always the case today. For example, by law, the spatial plan was supposed to have been completed two years ago but remains unfinished. Requests for permits languish for months and sometimes years. Legalization of structures built before 2003 is proceeding at a pace that will take at least 10 years to complete. And citizens that pay taxes deserve better than that.

This is unacceptable. Brcko District has everything in abundance except responsibility. It is the one place in BiH where there are funds to do things, but projects languish because of inertia, lack of action, and coordination. That must change, and I look forward to working with Mayor, Deputy Major, Speaker, Deputy Speaker, Department Heads and councilors to make that change happen as soon as possible. I am hopeful that public administration reform efforts which this government has undertaken will be completed swiftly and lead to improved services to District citizens, who today feel dissatisfied and alienated from government.

During my mandate I also plan to use the prestige of the

office to help promote Brcko District in economic and cultural Privatization must move forward. It is a necessary condition for economic development, but it is not sufficient. It is the growth of small and medium enterprises that lift economies into sustainable transition prosperity. Government's job is to develop and maintain the conditions and infrastructure necessary to foster that growth, and provide education and health services that provide an attractive pool of employees. In this regard I plan to engage the Sava River Commission to at last move forward on marking the navigation route on the Sava and proceed with dredging the river as previously agreed.

I also look forward to working with members of civil society in the District to enhance its role here in improving the quality of life in the District.

In closing, let me just say it is a daunting task to be responsible for ensuring that the District is functioning effectively and apparently permanently. There is no time or room for being idle or slipping backwards in any way, and as an impatient American I will work hard to fulfill the conditions of the Final Award as soon as possible. But this is your District. I am not the Government — I am a Supervisor. District government and residents must all play their respective roles to create and sustain the conditions for the District's secure and prosperous future. I will do my best to make sure that is possible.

Thank you.