

# 34th Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the United Nations

*Thirty-fourth report of the High Representative for Bosnia and Herzegovina*

*1 April-31 October 2008*

## *Summary*

This report covers the period from 1 April to 31 October 2008. During the last

seven months Bosnia and Herzegovina has taken an important step forward in its

efforts to move towards the European Union (EU) when it adopted police reform

legislation in mid-April. The adoption of these laws enabled the country to sign on

16 June a Stabilization and Association Agreement (and an accompanying Interim

Agreement) with the EU, the first contractual relationship with the EU necessary to

achieve candidate status and possible accession to the Union.

Regrettably, this important step has not led to a change in the way politics are

conducted in Bosnia and Herzegovina. Instead, nationalist, anti-Dayton rhetoric

challenging the sovereignty, territorial integrity and constitutional order of Bosnia

and Herzegovina, as well as the authority of the High Representative and the

Steering Board of the Peace Implementation Council, have continued to dominate

politics in Bosnia and Herzegovina. Of particular note are the ongoing attacks by the

Republika Srpska government against State institutions, competencies and laws.

Together with provocative statements from the Bosniak side questioning the right of

the Republika Srpska to exist, this has served to further undermine inter-ethnic trust,

creating a cycle where it is more and more difficult for the country's political leaders

to meet each other half way so that they may make the decisions needed to take the

country forward.

After making some welcome initial progress between April and June towards

delivering on the five objectives and two conditions<sup>1</sup> set by the Steering Board of the

Peace Implementation Council, particularly objectives 2, 4 and 5 and the first

condition, in February 2008 for the transition of the Office of the High

Representative to a stand-alone EU Special Representative, the authorities in Bosnia

and Herzegovina have hardened their positions since July on the two substantial and

crucial objectives regarding State property and completion of the Brcko District

Final Award.

The Steering Board declaration of 25 June 2008 may be found on the website of

the Office of the High Representative  
([https://www.ohr.int/pic/default.asp?](https://www.ohr.int/pic/default.asp?content_id=41874)

[content\\_id=41874](https://www.ohr.int/pic/default.asp?content_id=41874)). Four months after its adoption, given the continued attacks on

Bosnia and Herzegovina and its institutions, it continues to reflect the justified

concern of the international community about the overall political situation in Bosnia

and Herzegovina.

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<sup>1</sup> Most notably on Objective 2 — Movable Defence Property, Objective 4 — Fiscal Sustainability

and Objective 5 — Entrenching the Rule of Law, and the First Condition (met when the

Stabilization and Association Agreement was signed on 16

June).

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The European Union military mission in Bosnia and Herzegovina (EUFOR)

continues to contribute to a safe and secure environment in Bosnia and Herzegovina.

EUFOR is as an important factor of stability in Bosnia and Herzegovina at a time

when the political situation is far from stable. For these reasons, the mandate of

EUFOR should be extended. I have also recommended its extension to the EU and its

member States.

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## I. Introduction

1. This is my third report to the Secretary-General since assuming the Office of

High Representative for Bosnia and Herzegovina and EU Special Representative on

1 July 2007. In keeping with past practice, the present report assesses progress made

towards attaining the goals outlined in previous reports, reviews developments

during the reporting period, and provides my assessment of

mandate implementation

in the most important areas. Following the decision of the Steering Board of the

Peace Implementation Council in February 2008 to specify five objectives and two

conditions that must be achieved or met by the authorities of Bosnia and

Herzegovina before there can be a transition from the Office of the High

Representative to an office of the EU Special Representative, the focus of my efforts

has been on facilitating progress on this front, although much of my time has been

focused on addressing negative developments, in particular anti-Dayton rhetoric

challenging the sovereignty, territorial integrity, and constitutional order of the

country as well as related attacks on Bosnia and Herzegovina State institutions.

## II. Political update

General political environment

2. In April, two police reform laws were adopted by the Parliamentary Assembly

of Bosnia and Herzegovina. These laws came into force on 14 May. This

long-awaited progress opened the way for Bosnia and Herzegovina to sign a

Stabilization and Association Agreement and Stabilization and Association

Agreement Interim Agreement with the EU on 16 June. The Interim Agreement

entered into force on 1 July 2008. The Bosnia and Herzegovina Parliamentary

Assembly ratified the Stabilization and Association Agreement in October, but it

still awaits a ratifying signature by the presidency of Bosnia and Herzegovina.

3. Despite the negative political atmosphere, an agreement was reached in May

on voter rights for voters from Srebrenica. Amendments to the Election Law of

Bosnia and Herzegovina were adopted that month, which allowed all who were

residents in Srebrenica in 1991 to have the option of casting votes for that

municipality (irrespective of their displaced person status) in the 2008 municipal

elections only.

4. Regrettably, these positive developments were short-lived. Nationalist rhetoric

continued to dominate politics at all levels throughout the reporting period. The

municipal election campaign provided for a further hardening of positions on all

sides, with the Prime Minister of the Republika Srpska, Milorad Dodik, and the then

Chair of the Bosnia and Herzegovina Presidency, Haris Silajdzic, continuing to

undermine the political situation through their public statements after the elections.

The increase of Republika Srpska political and legal attacks on the State and its

institutions in the field of transfer of competencies or in the form of legislative

initiatives has also been a major concern.

5. In July, the nationalist rhetoric was met with a response from Federation-based

parties when a senior member of the Party of Democratic Action (SDA), Bakir

Izetbegović, stated that it would be much better for the international community to

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react to Dodik's anti-Daytonism, "to sanction such attempts [than for] Bosniaks to

have to fight for Bosnia and Herzegovina in our own ways".<sup>2</sup>

6. In this political situation, the six parties in the coalition at the State level met

on 23 August. Not surprisingly, they were unable to make any headway on the

reform agenda. Given the prevailing political situation, the fact that the leaders had

avoided a confrontation only a few months before the election was seen as a positive

sign. The single new issue on their agenda was the census, upon which the

Republika Srpska has been insisting that ethnic and religious affiliation be included

even though it is not an EU requirement to include such elements. The issue also fell

victim to rhetoric, with the Republika Srpska threatening to hold its own "census" if

Bosnia and Herzegovina authorities fail to do so. A Serbian Democratic Party (SDS)

initiative on an ethnically based census was defeated in the House of Peoples of

Bosnia and Herzegovina on 27 October.

7. On 20 September, the SDA Main Board adopted a declaration that contains a

call for a return to the Constitution of the Republic of Bosnia and Herzegovina, if

the Office of the High Representative is closed before the full implementation of the

Dayton Peace Agreement. The SDA assertion is based upon a decision of the

Republic of Bosnia and Herzegovina Parliamentary Assembly of 12 December 1995

accepting the new Dayton constitution with that proviso, prior to signing the Dayton



Peace Agreement in Paris on 14 December 1995. Such a call constitutes a threat of

unilateral change to the Constitution of Bosnia and Herzegovina, which is contained

in annex 4 of the Dayton Peace Agreement, and is therefore unacceptable.

8. Also in September, President Silajdzic embarked on a round of unilateral

addresses, giving speeches to the United Nations General Assembly and to the

Parliamentary Assembly of the Council of Europe, which had not been cleared with

the other two members of the Bosnia and Herzegovina Presidency. Silajdzic's

speeches caused considerable controversy in the Republika Srpska because of their

emphasis on the genocide committed in Srebrenica in 1995. In response to the

speeches, the Republika Srpska organized a special session of its National

Assembly.

9. Croat political players were not immune from commenting on the country's

constitutional order, although they did so mostly in the context of presumed

constitutional reform discussions. In July, the leaders of both the Croatian

Democratic Union of Bosnia and Herzegovina (HDZ BiH) and HDZ 1990, Dragan

Covic and Bozo Ljubic, respectively, made the almost identical comment that a

(presumably Croat-dominated) third entity was an option. They stated, however, that

that could only be the case as a result of agreement between all three constituent

peoples.

10. Republika Srpska officials also took noteworthy positions on the status of the

Republika Srpska and the High Representative. Although the Republika Srpska

Prime Minister, in an interview in late June, was very careful not to answer directly

a question on Republika Srpska independence, because of a stated fear of removal,

he did say that the Republika Srpska “would remain [a] sovereign State”.<sup>3</sup>

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<sup>2</sup> *Dnevni Avaz*, 14 July 2008.

<sup>3</sup> See Slovak newspaper *Hospodarske Noviny*, 30 June 2008.

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11. On a more positive note, the 5 October municipal and Brcko District elections

took place without major incidents. Overall, the election outcome did not hold any

major surprises, although it is notable that the parties whose leaders had been most

active against constitutional reform measures in April 2006 lost the most votes

compared to their results in 2006 (general elections), while nationalist parties that

espoused anti-Dayton rhetoric, while remaining central, did lose absolute numbers

of voters.

12. On 15 October, the Republika Srpska National Assembly held a special session

in response to President Silajdzic's speeches to the United Nations and the Council

of Europe. At that session, it reaffirmed its conclusions of 22 February, wherein it

considered that it has the right to a referendum on Republika Srpska independence,

and adopted the "information" document of the President of the Republika Srpska

that attributes "sovereignty" to the Republika Srpska and the "right" to hold a

referendum on independence.

13. The characterization of the Republika Srpska as a State is anti-Dayton, not

least because it runs counter to the ruling of the

Constitutional Court of Bosnia and

Herzegovina, which states that the Constitution of Bosnia and Herzegovina does not

afford the entities sovereignty or indeed the right to “self-organization” on the basis

of territorial separation. The latter characterization of Bosnia and Herzegovina as a

common or joint State has not, surprisingly, raised concerns about the fact that the

Republika Srpska believes it has the right to withdraw from Bosnia and Herzegovina

and could continue to exist outside of Bosnia and Herzegovina. I clearly warned, in

advance, against the anti-Dayton nature of the claim as well as any competence for

this body to formulate such a claim.

14. While there has been negative rhetoric from all quarters as outlined above,

Republika Srpska representatives have directly challenged the State through

legislative initiatives. A number of concrete examples exist in the field of transfer of

competencies, including the Missing Persons Institute, the Electricity Transmission

Company (TRANSCO) and the Independent System Operator in Bosnia and

Herzegovina, the Central Bank, the Indirect Tax Authority and

the State

Ombudsman, which are detailed below.

15. Throughout the reporting period Republika Srpska Prime Minister Dodik

repeatedly claimed falsely that a large but indeterminate number of entity

competencies had been “stolen” from the Republika Srpska and “imposed” at the

State level by the Peace Implementation Council. In late June, he stated that, “under

pressure”, the Republika Srpska authorities transferred competencies to the State

and that “we are no longer willing to give up on further authorities. On the contrary,

we are considering which of these authorities we want back”.<sup>4</sup>

That statement of

intent runs counter to the Peace Implementation Council declaration of October

2007,<sup>5</sup> and has served to undermine State building efforts undertaken thus far. It is

worth noting that the statement marks a distinct change of policy on the part of

Dodik’s ruling party Alliance of Independent Social Democrats (SNSD), which

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<sup>4</sup> See Slovak newspaper *Hospodarske Noviny*, 30 June 2008.

<sup>5</sup> “The Steering Board also re-emphasizes its concern regarding suggestions that certain reforms

could be reversed unilaterally by entity decisions retrieving competencies previously transferred

to the State. An entity cannot withdraw unilaterally from a previously agreed reform. The

consolidation of the State level institutions must continue.”

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voted for all previous transfer agreements,<sup>6</sup> both while in opposition and in government.

16. The readiness of the Republika Srpska to meet these obligations was further

called into question on 27 October when Prime Minister Dodik wrote to the High

Representative informing him that he had hired a United States law firm to represent

him in relation to the implementation of the Dayton Peace Agreement and the

activities of the Office of the High Representative. The High Representative replied

on 29 October “that the mandate and the work of the High Representative is a matter

for the Peace Implementation Council and its Steering Board, as well as the United

Nations Security Council. It is not a matter for a private entity.” He further

underlined that the Republika Srpska has the obligation in relation to the Dayton

Peace Agreement to cooperate fully with the High Representative and his staff. The

action of the Republika Srpska is yet another retrograde step and reflects the

growing difficulties the Office of the High Representative is encountering from the

Republika Srpska when it comes to meeting its obligations to cooperate with the

High Representative under annex 10 of the Dayton Peace Agreement.

17. Public statements continued to be made on the issue of State competencies,

culminating with a speech by Republika Srpska Prime Minister Dodik (wherein it

was stated that the number of contested but unspecified competencies exceeded 60)

and new conclusions stemming from the extraordinary session of the Republika

Srpska National Assembly on 15 October. Ostensibly, the conclusions restated an

SNSD election promise to regulate the transfer of competencies from entity to the

State. However, they also subtly shifted and expanded the scope. Regulation by the

Republika Srpska National Assembly on Republika Srpska to State transfers is

acceptable. However, the Constitution of Bosnia and Herzegovina assigns no role to

the Republika Srpska in regulating the competencies of the State.

18. On 29 October, the Minister for Foreign Affairs of France, Bernard Kouchner,

representing the EU Presidency, the Secretary-General of the European Council,

Javier Solana, and the European Commissioner, Olli Rehn, addressed a letter to the

three members of the Bosnia and Herzegovina Presidency and the Prime Ministers

of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina and the

Republika Srpska. In the letter they stressed the responsibilities deriving from the

stated priority of Bosnia and Herzegovina of moving closer to the EU (and of

signing the Stabilization and Association Agreement), warned against statements

and acts challenging the structure of the State as defined by the Dayton Peace

Agreement, and urged the addressees to demonstrate through acts and compromise

their commitment to the country's future in the EU.

### III. European Partnership requirements

19. Following the long-awaited adoption of two police reform laws in mid-April,

Bosnia and Herzegovina signed the Stabilization and



Association Agreement and the

Stabilization and Association Agreement Interim Agreement with the EU on

16 June. Beyond this, progress has been slow in adopting and implementing the EU

legislative agenda. The Bosnia and Herzegovina Council of Ministers adopted an

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6 Agreements in the areas of defence, the Indirect Tax Authority, the Missing Persons Institute,

and the High Judicial and Prosecutorial Council.

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incomplete European Partnership Action Plan, after serious delays, only in October.

The work of the Bosnia and Herzegovina Parliamentary Assembly continues to

reflect the inability of political leaders to meet each other halfway so that they may

take the decisions required to ensure the country's progress towards EU

membership. This is in danger of becoming a medium-term problem. In the first two

years of its mandate, the Parliamentary Assembly adopted a total of 22 laws.<sup>7</sup> By

comparison, it adopted 80 new laws in the same period in the previous mandate.<sup>8</sup> In

this respect it is worth noting that it has been almost three years since the Bonn

Powers were used to enact a new reform.

20. Overall, the Bonn Powers have been used on nine occasions during the

reporting period, overwhelmingly in relation to non-cooperation with the

International Criminal Tribunal for the former Yugoslavia and the extension of the

State property process.

Police restructuring

21. The two police reform laws needed to clear the way for the Stabilization and

Association Agreement were adopted in mid-April: they are the Law on a

Directorate for Coordination of Police Bodies and Agencies for Support to Police

Structure of Bosnia and Herzegovina, which defines separately the competencies of

the Directorate for Coordination, the Forensics Agency, the Agency for Education

and Training and the Agency for Police Support, which are new State agencies to

provide coordination and support to State-level police bodies. The Law on

Independent and Supervisory Bodies of Police Structure of Bosnia and Herzegovina

establishes an Independent Board for selecting the heads and deputy heads of

State-level police agencies, a Board for Complaints of Police Officials and a Public

Complaints Board.

22. The police reform laws set a deadline of August 2008 for appointments to the

above-mentioned agencies and boards. The Bosnia and Herzegovina authorities

failed to make any appointments before the August deadline, although the Bosnia

and Herzegovina Council of Ministers appointed members of the Board for

Complaints of Police Officials on 7 October 2008. In relation to the other

outstanding appointments, Bosnia and Herzegovina authorities have undertaken

initial activities, as described below.

23. In June 2008, the Bosnia and Herzegovina Parliamentary Assembly formed an

ad hoc commission to conduct the selection process for members of the Public

Complaints Board and the Independent Board in line with the police reform laws.

The Office of the High Representative/EU Special Representative, the European

Union Police Mission and the United States

Government/International Criminal

Investigative Training Assistance Programme have been monitoring its work. In

September 2008, the ad hoc commission organized the publication of vacancy

announcements for these posts and is expected to interview candidates in November.

24. In July 2008, the Ministry of Security of Bosnia and Herzegovina formed a

commission to carry out the selection procedure for the directors and deputy

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7 The total number of enacted legislation (i.e., new laws and amendments to laws) in this period

was 78, including 23 amendments to laws previously enacted by the High Representative.

8 The total number of enacted legislation (i.e., new laws and amendments to laws) in this period

was 176, including 26 previously enacted by the High Representative.

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directors of the new Forensics Agency, the Agency for Education and Training, and

the Agency for Police Support. The Office of the High Representative/EU Special

Representative, the European Union Police Mission and the United States

## Government/International Criminal Investigation Training Assistance Programme

representatives monitored the work of the commission. At the end of July, the

commission completed its mandate and forwarded a ranked list of candidates to the

Ministry of Security.

25. The transitional provisions of the Law on the Directorate for Coordination of

Police Bodies and Agencies for Support to Police Structure of Bosnia and

Herzegovina also required that the Bosnia and Herzegovina authorities harmonize

existing legislation with the police reform laws by mid-November 2008. In July

2008, the Ministry of Security of Bosnia and Herzegovina had established a

commission for this purpose. In September 2008, the commission forwarded to the

Ministry of Security draft amendments to the Law on Ministries and Other Bodies

of Administration of Bosnia and Herzegovina, the Law on the State Investigation

and Protection Agency, the Law on Border Police of Bosnia and Herzegovina, and

the Law on Police Officials of Bosnia and Herzegovina. As of October 2008, the

necessary legislation had not yet entered the Bosnia and Herzegovina Council of

Ministers or parliamentary procedure.

#### IV. Entrenching the rule of law

26. The Office of the High Representative oversaw concrete progress by the

authorities to deliver the fifth objective for the Office of the High

Representative/EU Special Representative transition, “entrenchment of the rule of

law”. That progress was achieved despite serious attempts by political leaders

elsewhere to undermine the independence of the judiciary and the mandate of State

law enforcement agencies.

27. Positive outcomes were achieved with the adoption in April 2008 of the Bosnia

and Herzegovina Law on Stay and Movement of Aliens and Asylum and the national

justice sector reform strategy in June 2008. Development of the war crimes strategy

is well under way. A more detailed examination of these ongoing efforts follows.

War crimes prosecution strategy

28. While well under way, the process of drafting a national strategy for

addressing war crimes has yet to result in a final draft.

Initiated 15 months ago, the

process only very recently picked up momentum through the establishment of a

strategy working group, established by the Ministry of Justice of Bosnia and

Herzegovina and chaired by the chief prosecutor. A deadline of mid-November has

been set for delivery of a draft strategy.

29. Unquestionably, there is a need for a strong national strategy for addressing

war crimes, given the huge domestic caseload in Bosnia and Herzegovina and the

planned closure of the International Criminal Tribunal for the former Yugoslavia by

the end of 2010. A clear, well-articulated document will also provide substantial

assurance to the Bosnia and Herzegovina public that all serious war crimes-related

cases will receive appropriate and timely attention. It will also reassure the

international community that the work of the Tribunal will continue under the

responsible leadership of Bosnia and Herzegovina following its closure.

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30. The Office of the High Representative will continue to

support the efforts of

Bosnia and Herzegovina in the development of an effective and relevant strategy

and, where necessary, provide appropriate mediation to ensure its adoption by the

competent authorities.

Passage of the Law on Stay and Movement of Aliens and Asylum

31. The Parliamentary Assembly of Bosnia and Herzegovina adopted the Law on

Stay and Movement of Aliens and Asylum in April 2008, which came into force on

14 May 2008. The Office of the High Representative has continued to closely

monitor the implementation of the provisions of the Law through participation in

working groups, drafting the necessary rulebooks to ensure that the law is fully

implemented.

National justice sector reform strategy

32. With strong support from the Peace Implementation Council Steering Board at

its February 2008 session, in close coordination with all key international agencies

and donors involved in the Bosnia and Herzegovina justice sector, and in

collaboration with the Ministry of Justice of Bosnia and Herzegovina, the Office of



the High Representative successfully mediated a compromise that allowed for the

adoption of the national justice sector reform strategy in June. The strategy, which

addresses the key elements of a functional justice sector, will be reviewed and

improved over the next five years. Action plans to implement the five objectives of

the strategy are due to be endorsed in December.

33. The final version of the strategy incorporated amended comments from the

Ministry of Justice of the Republika Srpska, as well as additional amendments,

supported by the Ministry of Justice of Bosnia and Herzegovina. These amendments

were deemed necessary to prevent past reforms from being reopened and to

promote, to the extent possible, the harmonization of laws between the State of

Bosnia and Herzegovina, the entities and Brcko District. A number of essential

reforms designed to create an effective and sustainable justice sector were

ultimately omitted from the strategy owing to lack of consensus. For this reason, the

strategy obliges the signatories to find a solution to these issues before or through

the process of constitutional reform. The outstanding issues include the

establishment of a Supreme Court of Bosnia and Herzegovina, the development of a

single funding mechanism for the judiciary, and the adoption of single criminal and

civil substantive and procedural legislation.

Other rule of law issues

34. The Office of the High Representative remains active in supporting the State

judicial institutions of Bosnia and Herzegovina and specific projects that are

deemed important to reinforce the independence, functionality and professionalism

of the judiciary. One of these projects relates to the maintenance of international

judges and prosecutors in the Bosnia and Herzegovina State Court and the Bosnia

and Herzegovina Prosecutor's Office past the deadline for the completion of the

transition period, in December 2009.

35. The recent reopening of a discussion on salaries and compensations to the

judiciary, despite the fact that the issue was resolved in December 2005 through a

decision of the High Representative, demonstrates the risk of local authorities

rolling back reforms already achieved. The risk of continued political interference in upholding the rule of law was also seen in the recent decision of the government of the Republika Srpska to refuse to cooperate with the State Investigation and Protection Agency and the Bosnia and Herzegovina Prosecutor's Office, by instructing the Republika Srpska Tax Administration to ignore a Bosnia and Herzegovina Prosecutor's order to hand over the tax returns of two private companies and financial reports of several of its ministries. Those actions violated several fundamental State laws and constituted explicit political interference with the independence of the judiciary and in operational policing.

36. The process of transition of the Bosnia and Herzegovina State Court Registry to full domestic ownership has faced recent delays in relation to the common services (maintenance, security, information technology, and telecommunications) owing to a lack of involvement by the competent State institutions, bringing into

question the effective support on which the State judiciary will be able to rely in the future.

## V. Cooperation with the International Criminal Tribunal for the former Yugoslavia

37. The arrest of Radovan Karadzic was an important event in Bosnia and

Herzegovina. Although reactions to the arrest did not materially affect the physical

security situation in Bosnia and Herzegovina, statements and actions by both Serb

and Bosniak political leaders contributed to the worsening of the political climate.

Certain Bosniak politicians asserted that a conviction of Karadzic would provide the

legal basis for abolishing the Republika Srpska. In reaction, the Republika Srpska

government promised support to Karadzic and his family members involved in his

support network. While public discussion about the Karadzic case has waned

somewhat, the trial process nevertheless promises to be a psycho-social irritant for

as long as it continues. The continued support of the international community to The

Hague and its judicial instruments remains essential to ensure that the Karadzic case

is fully resolved.

38. The role of the Bosnia and Herzegovina Intelligence and Security Agency is to

be commended for its excellent groundwork, which helped lead to the arrest of

Tribunal fugitives Stojan Zupljanin and Radovan Karadzic. The combined efforts of

the Office of the High Representative, the North Atlantic Treaty Organization,

EUFOR, the International Criminal Tribunal for the former Yugoslavia, the Bosnia

and Herzegovina Intelligence and Security Agency, and the Republika Srpska

police, all of which contributed to locating both fugitives, were critically facilitated

by the various sanctions of the Office of the High Representative, the EU and the

United States, and Bosnia and Herzegovina sanctions against members of the

Persons Indicted For War Crimes support network.

39. The Tribunal fugitives Goran Hadzic and Ratko Mladic remain a priority for

the Office of the High Representative, which will continue to play a coordinating

role in Bosnia and Herzegovina with all agencies concerned with Tribunal

initiatives.

40. Following the transfer of Radovan Karadzic to The Hague on 30 July, the High

Representative repealed his orders to seize travel documents from family members

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of Radovan Karadzic. That enabled Bosnia and Herzegovina authorities to return

travel documents to Radovan Karadzic's wife, Ljiljana Zelen-Karadzic, daughter,

Sonja Karadzic-Jovicevic, son, Aleksandar Karadzic, and son-in-law, Branislav

Jovicevic. The Republika Srpska Centre for Public Safety East Sarajevo officially

returned the documents to the Karadzic family on 31 July.

41. On 3 July, the International Criminal Tribunal for the former Yugoslavia

acquitted Naser Oric, whose first instance sentence of two and a half years was

overturned by the Appeal Chamber. Bosnian Serb and Serbian politicians

condemned the Court decision, which nonetheless stated that war crimes against

Serbs did undoubtedly occur in the area in which Oric's troops operated.<sup>9</sup> The

lenient sentence of the Tribunal against former Army Commander of the Republic of

Bosnia and Herzegovina Rasim Delic for failure to prevent war crimes of the

Mujahedeen Brigade and his acquittal on three other counts was criticized by both

Croat and Serb leaders.

42. In October, the State Prosecutor's Office ordered the arrest of four persons in

the Prijedor area, who were suspected of participating in the murder of over 200

Bosniaks and Croats at Koricanske Stijene at Mount Vlasic in the summer of 1992.

43. At the urging of the Office of the High Representative, Federation Prime

Minister Nedžad Branković set up an inter-agency working group to follow up on

outstanding Human Rights Chamber and Constitutional Court decisions related to

Serbs who went missing in Sarajevo. The Office of the High Representative will

also continue to work with local authorities to locate the remains of Colonel Avdo

Palic. Colonel Palic's widow, Esma Palic, is awaiting the outcome of her lawsuit

filed in the European Court of Human Rights. The lawsuit against Bosnia and

Herzegovina for the non-implementation of the Human Rights Chamber decision

obliged the Republika Srpska to locate the remains and establish the circumstances

around the disappearance of her husband.

44. It is also important to note the escape of Tribunal transfer case and war crimes

convict Radovan Stankovic from the Republika Srpska prison in Foca in May 2007.

The Republika Srpska has returned to duty the prison guards and prison director

working at the time of the escape, and appears to have taken no serious efforts to

apprehend this fugitive, who has sent threatening letters to Bosnia and Herzegovina

officials from Serbia. The Republika Srpska suspended certain persons only after the

State Prosecutor's Office launched its own investigation.

45. A similar problem has been identified in the Federation's Zenica prison, where

Abdulhadim Maktouf, the first person convicted by the Bosnia and Herzegovina

War Crimes Chamber, has been repeatedly granted furloughs from prison in

violation of State law. Despite repeated inquiries and demands for remedial action

by the Office of the High Representative, to date Federation officials have failed to

take any meaningful action, and the case is now being



investigated by the

Federation Prosecutor.

46. The Stankovic and Maktouf incidents reinforce the continued need for the

construction of a State prison staffed with professionally trained personnel. This

project is currently under discussion between international donors and the Ministry

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9 As an aside, Federation police arrested Naser Oric in October on extortion charges.

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of Justice. The Ministry has shown leadership on the issue, since assuming control

of the project from the Bosnia and Herzegovina State Court Registry.

47. The mandates of the international judges and prosecutors at the War Crimes

Chamber of the Court of Bosnia and Herzegovina are scheduled to expire and the

positions taken over by domestic judges and prosecutors by the end of 2009. Bosnia

and Herzegovina judicial institutions have approached the Office of the High

Representative with the request to support the extension of the international

presence beyond 2009. The International Criminal Tribunal for the Former

Yugoslavia President Fausto Pocar and key donor organizations fully support this

request.

## VI. Reforming the economy

48. Economic trends in the first half of 2008 have indicated challenges to

economic growth. Due to growing food and energy prices, inflation reached 9.9 per

cent in July, the highest rate in the past 10 years. The trade deficit of Bosnia and

Herzegovina in the first eight months of the present year was 3.2 billion euros, with

exports increasing by 17 per cent and imports increasing by 21.8 per cent on an

annual basis. The average monthly net wage in Bosnia and Herzegovina also

increased by 19 per cent, amounting to 376 euros. There was better news on the

employment front, with the unemployment rate down by nearly 6 per cent compared

to last year.<sup>10</sup> It is now estimated at 23.4 per cent.

49. The reporting period has witnessed a number of developments with regard to

the economic reform agenda. On the fiscal side, the establishment of the Bosnia and

Herzegovina Fiscal Council, aimed at facilitating better coordination between the

State and the entities on fiscal policies to ensure overall fiscal sustainability and

macroeconomic stability, took a major step forward when the requisite law was

adopted by the Bosnia and Herzegovina Parliamentary Assembly on 23 July. The

Fiscal Council held its first meeting on 11 September and, at its session on

28 October, adopted its rules of procedure.

50. Elsewhere, the Governing Board of the Indirect Taxation Authority met on

24 June and agreed on a permanent methodology for allocation of indirect taxes and

the appointment of the Bosnia and Herzegovina Minister of Finance and Treasury as

the new Indirect Taxation Authority Governing Board Chairman as of 1 July. The

Governing Board has held three meetings since then, but it has failed to tackle its

agenda because of the persistent non-attendance of the Minister of Finance of the

Republika Srpska.

51. Budget preparations for 2009 are under way at all levels of government.

Unlike the entity budgets, the draft State budget, which is

currently awaiting

consideration by the Bosnia and Herzegovina Council of Ministers, is likely to

encounter difficulties as the Republika Srpska has already announced its opposition

to the proposed budget increase of 28 per cent compared to the 2008 budget. Serious

efforts will be required to ensure that a satisfactory State budget sufficient to ensure

the unimpeded functioning of the State institutions is adopted on time.

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<sup>10</sup> See 2008 Labour Force Survey, Agency for Statistics of Bosnia and Herzegovina.

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<sup>15</sup> 08-59485

52. The Federation has been faced with serious challenges to its financial stability

in the reporting period. Several factors have contributed to this, primarily unrealistic

planning for 2008 and a significant increase in allocations for social support and the

veteran population. The Federation will need to amend social and veterans'

legislation, introducing a proper revision of its beneficiaries and establishing a

single database of beneficiaries to prevent fraud, if it is to tackle the issue.

Expenditures will also need to be reduced. The Federation War Veterans Ministry

has initiated a new review of beneficiaries of war veterans and disability benefits as

the first phase of its overall review. This should eventually result in a decrease in

budgetary allocations to veterans.

53. A major step towards creating a single pharmaceutical market in Bosnia and

Herzegovina was taken with the adoption of the Bosnia and Herzegovina Law on

Pharmaceuticals and Medical Devices in June. On a far less positive note, the

energy sector faced a serious challenge when the Republika Srpska government

adopted a conclusion on 11 September announcing its unilateral withdrawal from

TRANSCO. TRANSCO is the cornerstone of the Bosnia and Herzegovina energy

sector reform, ensuring a continuous supply of electricity at defined quality

standards and facilitating the creation of an electric energy market in Bosnia and

Herzegovina and its integration into regional energy markets and development

activities. Its existence is foreseen and required by the Bosnia and Herzegovina

legislation, Peace Implementation Council declarations and European integration

processes. Following a strong and united reaction from the international community,

the Republika Srpska government replaced its original conclusion with a new text

that did not go beyond legislation in force. The Office of the High Representative,

the European Commission and the United States continue to work towards an

agreement that will be satisfactory to both entities.

54. In addition to attempting to undermine TRANSCO, the Republika Srpska also

attempted to amend the Bosnia and Herzegovina Central Bank Law. The amendment

sought to determine the Republika Srpska share in the founding capital of the

Central Bank and the method of distribution of its profit. The proposal was in

violation of the Central Bank's independence as stipulated by the Constitution of

Bosnia and Herzegovina and, as such, it was rejected on the grounds of lacking a

constitutional basis.

55. With regard to other single economic space reforms, no progress was made on

any issue requiring a transfer of competence, owing to ongoing

opposition by the

Republika Srpska to any transfers of competence to the Bosnia and Herzegovina

institutions. These reforms include the establishment of a State-level banking

supervision system. Although the impact of the global credit crisis on Bosnia and

Herzegovina is yet to be seen, the Central Bank has taken a proactive approach, first

providing 200 million euros in cash and then reducing the required reserve rate from

18 per cent to 14 per cent to provide additional liquidity to the banking sector.

Additionally, on 23 October, the Bosnia and Herzegovina Council of Ministers

adopted and forwarded amendments to the Law on Deposit Insurance in Banks of

Bosnia and Herzegovina to the Bosnia and Herzegovina Parliamentary Assembly for

adoption under urgent procedure. The amendment would raise the deposit insurance

to 10,000 euros for physical persons.

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## VII. Public administration reform

56. The public administration reform continues to be a very slow and uneven

process. The Federation and the Republika Srpska governments have proposed

amendments to legislation that would change the status of civil servants and run

contrary to the public administration reform strategy in Bosnia and Herzegovina,

which was adopted by all levels of government in 2006.<sup>11</sup> In effect, these proposed

changes would make civil servants political appointees and open the door to

nepotism and political influence throughout the civil service administration in both

entities. The Office of the High Representative, together with the European

Commission, has reacted to these draft laws.

## VIII. Defence reform

57. Little progress was made towards reaching an agreement on immovable

defence property that will continue to serve defence purposes. In order to invigorate

the process, in July, NATO Headquarters Sarajevo developed a “concept paper”

outlining the key issues that should be regulated by a transfer agreement on

immovable property. In September initial steps were undertaken to make a large

survey of representative defence sites across Bosnia and



Herzegovina. The survey

provided sufficient information to begin the drafting process. Owing to local

inactivity, NATO Headquarters Sarajevo began to develop its own draft transfer

agreement as a catalyst for the Bosnia and Herzegovina Ministry of Defence to

undertake its responsibilities.

58. The intensified dialogue programme was offered by NATO in large part

because of progress made earlier in the year on the transfer of movable defence

property to the State. Following the NATO summit in April, Bosnia and

Herzegovina submitted an initial discussion paper as a first step in the intensified

dialogue programme in July. NATO considered the paper at the first intensified

dialogue meeting in early September.

59. Overall, Bosnia and Herzegovina worked hard to achieve progress within the

NATO Partnership for Peace Programme. However, since it became necessary to

develop and implement detailed action plans on a multiagency basis, the lack of

staff capacity in Bosnia and Herzegovina ministries has begun to impose friction on

Bosnia and Herzegovina's hitherto rapid progress through the various stages of the

Partnership for Peace Programme.

## IX. Intelligence reform

### 60. The functioning of the Bosnia and Herzegovina Intelligence and Security

Agency continues to be consolidated through various donor capacity/institution

building projects. Operational work in the field of counter-intelligence was further

developed and the results of a policy of continuous cooperation with regional

partners and police bore fruit with high profile arrests in the fields of counterterrorism,

war crimes and organized crime. Increased cooperation between key State

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11 Letter to the Federation authorities on 25 April and to the Republika Srpska authorities on

6 October.

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actors is being facilitated through their efforts to establish a Bosnia and

Herzegovina secret data protection system in line with Euro-Atlantic standards.

## X. European Union military mission in Bosnia and Herzegovina

61. EUFOR continued to provide a military force of some 2,200 personnel and retained the capability to bring in over-the-horizon reserves. The EUFOR headquarters and peace enforcement capability remained based in the Sarajevo area, but liaison and observation teams (known on the ground as LOT teams) were present throughout the country. The presence of EUFOR on the ground provided the crucial reassurance that the population in general feel is necessary. Given the difficult political environment, it is important that EUFOR retain the capacity to deploy troops throughout Bosnia and Herzegovina at short notice. EUFOR continued to work closely with the Armed Forces of Bosnia and Herzegovina, especially in terms of handing over the additional military functions to the Bosnia and Herzegovina authorities.

62. EUFOR continues to play a key role in contributing to a safe and secure environment in Bosnia and Herzegovina, which additionally helps enable the Office of the High Representative and other international organizations to fulfil their

respective mandates. As such, EUFOR continues to serve as an important factor of

stability in Bosnia and Herzegovina at a time when the political situation is far from

stable. For this reason, an extension of the mandate of EUFOR in its current

configuration is important.

## XI. Return of refugees and displaced persons

63. According to the latest figures from the Bosnia and Herzegovina Ministry for

Refugees and Human Rights, there are 120,000 displaced persons in Bosnia and

Herzegovina who have expressed their wish to return to their pre-war homes. Many

practical barriers to return remain, including the absence of employment

opportunities, inadequate funds for rebuilding, and difficulties in accessing health

and social services in their former places of residence.

64. The Bosnia and Herzegovina Ministry for Refugees and Human Rights has

completed its revision of the current strategy for the implementation of annex 7 of

the Dayton Peace Agreement. Annex 7 guarantees refugees and displaced persons

the right to return home.

65. The strategy, forwarded to the Council of Ministers for

adoption, emphasizes

the need to sustain the return of those people who have already returned. The Office

of the United Nations High Commissioner for Refugees (UNHCR) has been actively

involved in the drafting of a new strategy, together with the Office of the High

Representative and other international stakeholders. UNHCR will remain the

international lead agency in this field. The Ministry has led this exercise in a

commendable way, ensuring the participation of all domestic and international

stakeholders, and equally important, an active participation of the relevant civil

society actors.

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## XII. Mostar

66. The recent local elections in Mostar passed without incident. However, the

election results were surprising, in which the party Narodna Stranka – Radom za

Boljitak (Peoples' Party – Working for Prosperity) won seven seats in the city

elections, mainly at the expense of the Croat-prefix parties (HDZ Bosnia and

Herzegovina, HDZ 1990). The emergence of Radom za Boljitak – a party

dominated by Croats, but with cross-ethnic membership, and which does not

identify itself as an “ethnicity based” party – along with significant gains by the

Bosniak-dominated SDA could lead to the election in the City Council of a Bosniak

as the mayor of Mostar. The position is currently held by a Croat from HDZ Bosnia

and Herzegovina.

67. Successful implementation of the Mostar Statute has thus far hinged on a

delicate balance of power between the main national parties, SDA and HDZ Bosnia

and Herzegovina. With the Croat national parties diminished in the City Council

(although HDZ Bosnia and Herzegovina maintains considerable political and

economic influence in the Croat-majority areas of the city), the balance has shifted,

creating a volatile political situation in Mostar, at least in the short term.

68. Such unpredictable circumstances may further delay the adoption of the

Mostar Statute by the City Council, which is a key goal in the unification process.

The Office of the High Representative remains the primary guarantor of the Statute until its adoption.

69. Meanwhile, the government of Herzegovina-Neretva Canton, based in Mostar,

remained deadlocked through most of the summer over two issues: the financing of

the long-suffering Croat-dominated Herzegovina Radio-Television (which the city

of Mostar wrote off its own books in 2007), and the appointment of a Bosniak

candidate as Police Commissioner. A Police Commissioner was appointed

immediately after the local elections on 9 October, although questions still exist

about whether he meets all legally defined requirements. On 29 October, in a

surprise development, the Federation government passed a decision allocating

150,000 euros (75,000 euros each) to Hercegovacka Radio-Television and Radio

Herceg Bosna.

#### XIII. Brcko District

70. Politics in Brcko District remained relatively stable over the reporting period.

While developments within the District, with the exception of implementation of the

2008 elections results, are nearing the state where closure of Supervision is possible,

a key issue remains unresolved. The provision of guarantees for the status of the

District after Supervision, through modest additions to the Constitution of Bosnia

and Herzegovina reached a stalemate when the Party for Bosnia and Herzegovina

(SBiH), SNSD, Party of Democratic Progress (PDP) and HDZ 1990 each decided to

support a law to the exclusion of the constitutional additions required by the

Supervisor.

Constitutional amendments and law on Brcko District

71. In late 2007, the Brcko Supervisor consulted with the President of the Arbitral

Tribunal for the Former Yugoslavia and concluded that a package of modest and

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limited constitutional amendments and a minimalistic law would be the best way

forward, by which the Constitutional Court of Bosnia and Herzegovina could

replace the Arbitral Tribunal for disputes between the District and the entities, and

thus create the conditions for ending Supervision. Initial



consultations showed

support in principle from a sufficient number of governing and opposition parties in

the Bosnia and Herzegovina Parliamentary Assembly to assure comfortable passage

of the additions.

72. By June 2008 draft amendments had been prepared and all key party leaders

appeared to be in agreement. SBiH President Silajdzic, however, disavowed his

earlier support, stating that he would accept only full constitutional reform, and that

“only a law” was needed. In July, when invited to a meeting to sign an agreement on

the text of the two small Constitution additions, SNSD asked that the process be

postponed until after the October elections. Since that time, SNSD has adopted an

official position that “only a law” is needed and that it will not support amendments.

Further, SNSD also stated that Brcko needs to “return” to the Republika Srpska, a

clear violation of annex 2 of the Dayton Peace Agreement, which stipulated that the

Tribunal’s award would be final and binding on all parties. Since the shift in the

SNSD position, both HDZ 1990 and PDP, led by Mladen Ivanic,

have also said that

they see no need for constitutional amendments.

73. The closure of the Supervisory Regime goes hand-in-hand with the closure of

the Tribunal. As such, the determination that the District works “effectively and

apparently permanently” requires the Supervisor to ensure that the District has ways

to protect its rights under the Tribunal’s awards. The disputes over the last few years

indicate that there is no such remedy available to the District except the Tribunal

itself. This is not a sustainable arrangement. Only a constitutional amendment could

give the District access to the domestic dispute resolution forum: the Constitutional

Court of Bosnia and Herzegovina. Without it, the Supervisor will not be in a

position to notify that the conditions for ending Supervision have been created.

74. The Supervisor has attempted to re-engage key parties on returning to the

agreement reached earlier this year. However, SNSD maintains that it will not

discuss the matter any more, despite its stated desire to be part of the government in

Brcko District, which it officially does not recognize.

## Brcko District institutions

75. With the Supervisory Order of 18 July, the Supervisor regulated finally the

status of the Brcko District Election Commission, which the District Assembly

failed to do for a year and a half. Even then, the Assembly failed to select and

appoint two new members of the Commission following its extension under the law

to seven members. On 18 September, the Supervisor issued a Supervisory Order

appointing the seventh member of the Commission and fined councillors of the

Assembly for their misconduct. By way of the Order, the Supervisor enabled the

Commission to properly prepare and conduct the elections in full composition.

76. Much of the future functioning of District institutions will depend on the new

bodies of governance emerging from the October elections. Essential for the

Supervisor will be that the new bodies of Government are expressly committed to

the Dayton Peace Agreement, the awards of the Arbitral Tribunal and the status of

the District as a democratic, multi-ethnic unit of self-governance under the

sovereignty of the State and committed to protecting the status of the District after

Supervision ends.

#### XIV. Bosnia and Herzegovina and the region

77. Compared to the previous reporting period, this one has been a relatively quiet

time concerning regional issues. Unlike the Government of Montenegro and the

Government of Macedonia,<sup>12</sup> which recognized Kosovo's independence in October,

Bosnia and Herzegovina has continued to withhold its recognition.

78. There has been no progress during the period in sorting out border demarcation

issues with Serbia or Croatia, which have not yet signed border treaties

with Bosnia and Herzegovina. On a positive note, a dispute in June with Serbia over

its plans to seize and sell real estate and plants owned by Bosnia and Herzegovina

companies in Serbia was resolved when the new Serbian government revoked the

previous government's decision. Another positive development was the

announcement of the Croatian Government that, following the escape of a convicted

fraudster from Croatia to Bosnia and Herzegovina, it might be ready to amend its

Constitution to permit the extradition of its citizens to foreign countries. Bosnia and

Herzegovina would only have to change a law to establish reciprocity in such

matters. Such a step would be a welcome development, and the parties are

encouraged to address it. The reported detention and pursuit in Bosnia and

Herzegovina of suspects connected to the recent murder of two Croatian journalists

in Zagreb may also contribute to this positive change.

79. A lesser stir followed after Serbia announced that the projected Southern

Stream natural gas pipeline could also serve the Republika Srpska. There are

reportedly also plans to integrate the Republika Srpska and Serbian electricity

industries.

#### XV. European Union Police Mission

80. As foreseen in its mandate, the strategic priorities of the European Union

Police Mission remain the fight against organized crime and corruption, the

attainment of police reform and the improvement of police accountability. As for the

first priority, the Mission took the lead in coordinating the policing aspects of

international efforts and ensured, in particular, closely targeted EU attention to

major crime cases across Bosnia and Herzegovina through the EU Coordination

Board for support in the fight against organized crime. The Mission advised on key

operations and on the development of technical capabilities, including special

investigative measures. Essential technical capabilities provided through the

Community Assistance for Reconstruction, Development and Stabilization

Programme were made operational during the reporting period. Through its

Criminal Justice Unit, and in close coordination with my office, the Mission

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12 Some members of the Peace Implementation Council Steering Board recognize the former

Yugoslav Republic of Macedonia by its constitutional name, and others do not. The Office of the

High Representative takes no position on the issue and refers only to the Government of

Macedonia, a body with which even States that do not recognize it by its constitutional name

have signed agreements.

promoted better relations between police and prosecutors and closely cooperated

with the High Judicial and Prosecutorial Council.

81. In the area of police reform, the European Union Police Mission, together with

the Office of the High Representative/European Union Special Representative, has

provided advice to the Bosnia and Herzegovina authorities on the implementation of

the two police reform laws, adopted by the Parliamentary Assembly of Bosnia and

Herzegovina in April 2008.

82. The European Union Police Mission also monitored police accountability and

supported the development of good practices. The commemoration ceremonies in

Srebrenica and eastern Bosnia and the aftermath of the arrest of Radovan Karadzic

provided it with an opportunity to evaluate the handling of the police of highly

sensitive public events. In both cases the Mission judged the performance of the

local police as positive. It likewise supported the strengthening of the main Statelevel

law enforcement agencies, the Border Police and the State

Investigation and

Protection Agency, in particular through co-location.

83. The European Union Police Mission is expected to maintain its current

strength and activities for the remainder of the Council Joint Action on the Mission,

which expires on 31 December 2009. A reorientation of the Mission may be required

following a decision by the Peace Implementation Council on the Office of the High

Representative/European Union Special Representative transition. The Head of

Mission Brigadier General Vincenzo Coppola (Italy) ended his tour of duty on

31 October. The Council appointed Police Commissioner Stefan Feller (Germany)

on 24 October 2008, effective as of 1 November 2008. I continue to work in close

cooperation with the European Union Police Mission Head of Mission, who

provides policing advice to my office, whereas I provide local political guidance to

the Mission.

XVI. Non-certification of police officers

84. During the reporting period, the Bosnia and Herzegovina authorities continued

to implement the provisions of the letter of April 2007 from



the President of the

Security Council to the Permanent Representative of Bosnia and Herzegovina to the

United Nations on former police officers denied certification by the International

Police Task Force. By the end of October 2008, model amendments prepared by the

Office of the High Representative/European Union Special Representative and

European Union Police Mission to bring domestic legislation in line with the letter

had been adopted in all jurisdictions except the Republika Srpska.

85. In June 2008, associations of police officers denied certification by the

International Police Task Force staged protests in front of the Office of the High

Representative/European Union Special Representative building in Sarajevo. The

associations later ended the protests after receiving assurances from Federation

authorities related to retirement and social entitlements.

## XVII. Media development

86. The media landscape continues to be fragmented with allegations of both

harassment and direct physical and verbal assaults on journalists by elected and

appointed officials and interference with independent regulators. This is reflected in

the drop in rank of Bosnia and Herzegovina from 19 to 36 on the press freedom

index in the most recent world report on press freedom of Reporters sans frontières.

87. On a more positive note, a long-awaited breakthrough on the reform of the

public broadcasting system was achieved with the adoption on 26 July of the

Federation's public broadcasting framework law. It followed a ruling on 10 June by

the Federation Constitutional Court that the law did not violate the vital national

interest of the Croat people. While a welcome development, which finally cleared

the way for the establishment of the country's public broadcasting corporation, the

law differs in a number of important areas from the other Public Broadcasting

Service laws that are already in place. For example, the Federation Parliament has

taken an excessive role in the appointment procedure of the Board of Governors,

with no other body except the Parliament itself advertising,

selecting and appointing

the Federation's members of the Board of Governors. The appointment of the Board

is expected to be finalized shortly, after which the three public broadcasters are

obliged to jointly streamline their activities by establishing the Corporation that will

manage property, technical resources, programme acquisitions, etc., on their behalf.

Croat political representatives continue to press for a channel that would broadcast

exclusively in the Croat language, with the Croat caucus in the Bosnia and

Herzegovina House of Peoples succeeding in having an initiative adopted that tasks

the Council of Ministers to look into the matter.

88. The independence and functioning of the Communications Regulatory Agency

has continued to be challenged. On 15 October, the Republika Srpska National

Assembly adopted a declaration claiming that the Communications Regulatory

Agency is for the second year in a row being run by an illegal body. The

appointment of a new director of the Communications Regulatory Agency continues

to be blocked by the ruling coalition, which, through its

representatives in the

Council of Ministers, continues to fail to meet its obligations to appoint a new

director. No resolution of the matter appears to be in sight, thereby encouraging

irresponsible political actors to challenge the legality of the decisions of the Agency.

#### XVIII. European Union Special Representative

89. In line with the mandate of the European Union Special Representative

(Council Joint Action 2007/427/CFSP), my Office continued to promote the

priorities listed in the European Partnership document of 2008. In addition to this,

the European Union Special Representative has continued to coordinate and ensure

the coherence of the EU presence in Bosnia and Herzegovina, in particular with

regard to the European Union Police Mission and EUFOR.

90. In line with the EU enlargement strategy of 2007-2008, calling for better

communication by the EU, the European Union Special Representative placed a

particular emphasis on promoting a public campaign aimed to stimulate domestic

support for EU integration. This has been done in close coordination with the

European Commission and other EU actors on the ground in Bosnia and Herzegovina.

91. This initiative plays an important role in establishing the primacy of the

European agenda and stimulating a dynamic reform process through which citizens

in Bosnia and Herzegovina will actively demand their political representatives to

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implement reforms required to improve their daily lives and to integrate the country

into the EU. During the spring, the European Union Special Representative, together

with a number of Bosnia and Herzegovina NGOs, visited 17 towns across Bosnia

and Herzegovina and spoke directly with over 3,000 citizens about the EU

integration process. These public discussions culminated in June with a nationwide

televised debate.

92. The EU campaign is being supported by an interactive website ([www.reci.ba](http://www.reci.ba)),

which has been used to develop the discussion on EU integration with citizens of

Bosnia and Herzegovina. So far the website has received over

52,000 visits and

5,000 comments.

## XIX. Future of the Office of the High Representative

93. The Peace Implementation Council Steering Board met on 24 and 25 June to

review the situation in Bosnia and Herzegovina. The Steering Board recognized the

progress that had been made by the authorities in Bosnia and Herzegovina to deliver

the objectives and conditions for the Office of the High Representative/European

Union Special Representative transition.<sup>13</sup> However, it also made clear that it had

serious concerns about the prevailing political situation in the country, including the

challenges to the country's sovereignty, territorial integrity and constitutional order,

as well as to its State-level institutions.

94. The Peace Implementation Council Steering Board is scheduled to hold its

next meeting in Brussels on 19 and 20 November, in order to review both the

situation in Bosnia and Herzegovina and progress made by the authorities in Bosnia

and Herzegovina to deliver the five objectives and two conditions for the Office of

the High Representative/European Union Special Representative

transition. At the

time of writing, and as covered in the detail in the report, it is clear that these

requirements will not be met by then. As a result, it is unlikely that the Peace

Implementation Council Steering Board will be in a position to take a decision on

the closure of the Office of the High Representative before its next meeting,

scheduled for March 2009.

## XX. Reporting schedule

95. In keeping with the proposals of my predecessor to submit regular reports for

onward transmission to the Security Council, as required by Security Council

resolution 1031 (1995), I herewith present my third regular report. Should the

Secretary-General or any Security Council member require information at any other

time, I should be pleased to provide an additional written update.

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13 See [www.ohr.int/pic/default.asp?contentid=41874](http://www.ohr.int/pic/default.asp?contentid=41874).