

35th Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the United Nations

Thirty-fifth report of the High Representative for Bosnia and Herzegovina

1 November 2008-30 April 2009

Summary

This report covers the period from 1 November 2008 to 30 April 2009. During

the past six months Bosnia and Herzegovina has made limited progress on its reform

agenda. Nationalist, anti-Dayton rhetoric challenging the sovereignty, territorial

integrity and constitutional order of Bosnia and Herzegovina has played the

dominant role, despite an effort by three political leaders to open a process of

dialogue and compromise. Challenges to the authority of the High Representative

and the Steering Board of the Peace Implementation Council

have continued to

occur. Of particular note are the ongoing attacks by the Government of the Republika

Srpska against State institutions, competencies and laws.

Some progress has been made towards meeting the requirements set by the

Steering Board for transition from Office of the High Representative to the European

Union Special Representative, most notably the adoption of a constitutional

amendment incorporating the Brcko District into the Bosnia and Herzegovina

constitution and ensuring its access to the constitutional court. Bosnia and

Herzegovina also adopted a War Crimes Strategy and endorsed the implementation

action plans of the National Justice Sector Reform Strategy.

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 a key reassurance factor in Bosnia and Herzegovina at a time when the

political situation remains fragile.

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I. Introduction

1. This is my first report to the Secretary-General since assuming the post of

High Representative for Bosnia and Herzegovina (as well as that of European Union

Special Representative to Bosnia and Herzegovina) on 26 March. 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.

Considering the decision of the Steering Board of the Peace Implementation Council

in February 2008 specifying five objectives and two conditions that must be met by

the authorities of Bosnia and Herzegovina before transition from the Office of the

High Representative to the European Union Special Representative can be

concluded, I have focused my efforts on facilitating progress in these areas.

Nevertheless, my time has also been dedicated to 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 the State

institutions of Bosnia and Herzegovina.

II. Political update

General political environment

2. In the lead-up to the November meeting of the Peace Implementation Council

Steering Board, the leader of SNSD, Milorad Dodik, the leader of SDA, Sulejman

Tihic, and the leader of HDZ, Dragan Covic, signed the so-called Prud Agreement,

addressing constitutional reform, resolution of the State property objective for

transition from the Office of the High Representative to the European Union Special

Representative, implementation of annex 7 in connection with the organizing of a

census, a constitutional solution for Brcko's access to the Bosnia and Herzegovina

Constitutional Court, and Bosnia and Herzegovina Fiscal Council and budget issues.

The agreement, as well as subsequent meetings of the three leaders over the

following months, reflected their apparent willingness to compromise on and make

progress towards important political issues, including the remaining objectives and

condition for transition from the Office of the High Representative to the European

Union Special Representative.

3. On the positive side, those discussions contributed to ensuring the passage of

the 2009 State budget in January and agreement among the political leaders on an

amendment to the Constitution of Bosnia and Herzegovina ensuring the Brcko

District access to the Bosnia and Herzegovina Constitutional Court. On 26 March,

the Bosnia and Herzegovina Parliamentary Assembly adopted the Brcko

amendment, the first change to the Constitution since the Dayton Agreement was

signed, with the support of the vast majority of the parties in parliament.

4. Despite these positive achievements, divisive and nationalist rhetoric

challenging the sovereignty and constitutional order of Bosnia and Herzegovina

continued during the reporting period, along with actions and statements by Bosnia

and Herzegovina actors challenging the authority of the High Representative and the

Peace Implementation Council Steering Board. Ill-advised discussions on the future

territorial organization of the country as part of initial constitutional reform

consultations led to all sides falling back to their maximalist positions and in some

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cases going beyond what they had previously called for. This further limited the

room for compromise. In a number of areas, attempts to roll back previous reforms

and undermine existing State-level institutions continued.

5. During the reporting period, Republika Srpska officials and institutions took

steps and issued statements furthering the idea of eventual secession of the

Republika Srpska from Bosnia and Herzegovina. These steps included an official

Republika Srpska platform for constitutional change, foreseeing Bosnia and

Herzegovina as a "union of independent States" and alluding to the possibility of

citizens of the entity being consulted on the "State structure" or "constitutional

status" of the Republika Srpska. In February, the SNSD party of Milorad Dodik

adopted conclusions calling for discussions on the possibility for the citizens to

“express their will” on whether they “are for the existence of the Republika Srpska

within the Dayton territorial and political framework”. In the same month, the

President of SNSD presented his party’s proposal for constitutional reform in the

media. The platform was based on a number of “ultimatums”, which included the

right to hold a referendum on the independence of the Republika Srpska within three

years. In April, Dodik expressed the opinion to Radio Free Europe that someday the

conditions would be right for the Republika Srpska to follow Kosovo’s lead and

secede from Bosnia and Herzegovina.

6. The political situation was further complicated by authorities of the Republika

Srpska and ruling Republika Srpska parties challenging the legality and validity of

decisions of the High Representative. These moves included a letter sent by the

Government of the Republika Srpska in February 2009, bypassing State institutions,

to the Security Council, stating that “... there is no legal basis for the continued

exercise of these peremptory powers; moreover their use has violated the Bosnia

and Herzegovina Constitution, the Dayton Accords, other international treaties, and

general principles of international law". At a session of the Republika Srpska

National Assembly in April, in yet another attempt to divert attention from concrete

political issues and reforms, Prime Minister Dodik claimed that "the stability of

Bosnia and Herzegovina is most endangered by the long-term and illegal activity of

the Office of the High Representative" and repeated the assertion that decisions, acts

and removals by the Office of the High Representative had no basis in the Dayton

Peace Agreement or under international law. These steps were taken despite a clear

reminder of the Peace Implementation Council Steering Board in November and

then again in March to the parties to meet their obligations and ensure full

cooperation with the High Representative.

7. Developments in an ongoing investigation by the Bosnia and Herzegovina

State Prosecutor and State Investigation and Protection Agency into alleged criminal

offences of the Republika Srpska Prime Minister, Milorad Dodik, and others

prompted a visceral political response from Republika Srpska officials and

representatives from the Republika Srpska within State institutions, including

threats of unilateral withdrawal from Bosnia and Herzegovina State institutions.

These unacceptable reactions were prompted by the submission of an investigation

report from the State Investigation and Protection Agency to the prosecutor and no

formal charges have been raised.

8. These developments reduced the space for significant progress on the

legislative agenda, including reforms required for further progress towards the

European Union, visa liberalization, and agreed reforms stemming from the Prud

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Agreement. The Prud process highlighted divisions within Bosniak politics both

between SDA and the Party for Bosnia and Herzegovina, as well as divisions within

SDA. In December, the President of SDA, Sulejman Tihic, delivered a speech

calling for a shift in Bosniak politics, away from a philosophy of victimhood and

towards practical engagement with representatives of the other two constituent

peoples, in order to facilitate the compromises needed to move the country forward.

Through his ongoing support for the Prud process, Tihic exposed himself to attacks

from within and outside his party. In March and April, Bakir Izetbegovic, son of

SDA founder Alija Izetbegovic, and Adnan Terzic, former Chair of the Council of

Ministers, announced that they would challenge Tihic in the race for the post of

SDA President, which will be decided at the party congress late in May.

9. Beyond the ongoing political tension, the global economic crisis accelerated

the already difficult economic situation in the country. The Federation has been

hardest hit, because of its bloated administrative apparatus and unrealistic social

benefit commitments, especially towards the veteran population, bringing it close to

economic collapse. In March, the Government was forced to take several million

KM in commercial loans from a number of private banks. Media speculation about

the imminent financial collapse of the Federation was accompanied by repeated

reports of an impending vote of no confidence in the Government. In April, the

Prime Minister of the Federation, Nedžad Branković, of SDA, was indicted for

abuse of office by the Sarajevo Cantonal Court, leading for calls for his resignation,

including from his own party president. The President of HDZ, Dragan Čović, was

also indicted in April.

10. Political engagement between Tihic and Čović at the national level did not

translate into agreement between the two largest Bosniak and Croat parties on the

election of a new mayor in Mostar. At the end of the reporting period, six months

after the 2008 municipal elections, Mostar still had no mayor. With ongoing

constitutional reform discussions and media speculations about possible future

changes to the organization of Bosnia and Herzegovina and the Federation, the

continuing failure of the parties in Mostar to reach agreement is having a negative

impact on the situation in the city.

11. In April, an initial breakthrough was achieved in attempts at finding an

acceptable and sustainable resolution of the State property

apportionment issue,

whereby each level of government would receive the property needed to carry out

its competencies. An acceptable and sustainable resolution of State property is the

second of the five objectives set by the Peace Implementation Council Steering

Board for transition from the Office of the High Representative to the European

Union Special Representative. The breakthrough came when the Council of

Ministers finally took steps to initiate an inventory of State property, following

months of pressure from the international community.

12. As previously noted, the Prud Agreement of November and subsequent

meetings addressed the issues of constitutional reform. Discussions in November

and December initiated a process of discussing such reform through the Bosnia and

Herzegovina Parliamentary Assembly, with the three party presidents signing and

forwarding to the parliament an Initiative for Changes of the Constitution of Bosnia

and Herzegovina which proposed, inter alia, that their parties' caucuses, together

with other delegates, should prepare a draft decision on the

commencement of

reform talks for each house to endorse.

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13. Despite these initial positive first steps, the third meeting of the Prud leaders

in Banja Luka in January exposed deep divisions between the leaders in their

visions of the future organization of the country. The leaders agreed to reorganize

Bosnia and Herzegovina on the basis of four territorial units forming the “middle

level” of government, but soon revealed in the media wholly contradictory

understandings of what this formulation would mean in practice. The Banja Luka

agreement provoked a heated public debate and raised political tensions, setting

back discussions on constitutional reform. When the Prud leaders reconvened in the

middle of February in Mostar to exchange their respective platforms on

constitutional reform, the SNSD President served his colleagues with a series of

ultimatums and the talks broke down. In addition, conclusions adopted by the

Republika Srpska National Assembly in mid-February

demonstrated a lack of

readiness to accept constitutional changes that would boost the authority and

effectiveness of State institutions and enhance the capacity of Bosnia and

Herzegovina to take part in Euro-Atlantic integration.

14. Actions by Republika Srpska parties and institutions on constitutional reform

should also be viewed in the light of disingenuous claims in the media that the State

of Bosnia and Herzegovina has usurped responsibilities belonging to the entities.

After repeated official requests by the Office of the High Representative since

August for the Republika Srpska authorities to provide a list of competencies

alleged by Republika Srpska representatives in the media to have been illegitimately

transferred to the Bosnia and Herzegovina State, the Office of the High

Representative received a list of 64 items in February. This list was expanded to

68 alleged items and adopted as an "information" by the Republika Srpska

Government and sent to the Republika Srpska National Assembly, which is still

debating the document.

15. The Republika Srpska list includes a number of responsibilities that are

expressly listed in the Constitution as belonging to Bosnia and Herzegovina

(including matters related to immigration and asylum, import and export of arms,

and international and inter-entity criminal law enforcement). Certain matters listed

have already been subject to challenges before the Constitutional Court of Bosnia

and Herzegovina, which has decided that Bosnia and Herzegovina-level legislation

covering those matters is in line with the distribution of competencies provided for

in the Constitution. The list is also misleading in that it alleges that there have been

transfers of competency in areas where Bosnia and Herzegovina-level legislation is

being discussed but has not been adopted owing to various types of blockades by

delegates elected from the Republika Srpska. A number of these are matters that

must be adopted at the Bosnia and Herzegovina level in order to implement the

Stabilization and Association Agreement or comply with the European Partnership

document.

16. In fact, the entities have agreed to transfer certain constitutional

responsibilities to the State on only four occasions, and have done so as provided for

in the Constitution. SNSD and the Republika Srpska authorities in general appear

determined to limit significant constitutional reform while, at the same time, seeking

to expand Republika Srpska competencies through false claims that the State has

illegitimately usurped entity prerogatives.

17. Despite these setbacks, the SDA President and Deputy Speaker of the Bosnia

and Herzegovina House of Peoples, Sulejman Tihic, succeeded in getting a

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conclusion adopted in that house to initiate parliamentary discussions on

constitutional reform. Although the delegates of SNSD voted in favour, that party's

leaders in the House of Representatives repudiated the decision of their colleagues

in the upper house as inimical to Republika Srpska interests. Overall, SDA and HDZ

remain determined to stick to what was agreed (or supposedly agreed) during the

Prud process, while SNSD is inclined to backtrack and to shelter behind the demand

that the Republika Srpska National Assembly must have primacy in any discussions

of constitutional reform.

18. One lesson of the failed "April Package" in 2006 is that negotiations on

constitutional reform should not extend into an election year, when nationalistic

rhetoric is likely to increase, room for compromise is reduced, and the risk of

failure – and collateral damage to the political situation – is great. Since 2010 is

another election year, time in 2009 to deliver meaningful constitutional changes,

which the country will undoubtedly need, would be limited. In addition, any

eventual constitutional amendments would almost certainly affect election rules and

require subsequent changes to the election law.

III. European partnership requirements and visa liberalization

19. Despite a proclaimed commitment to the European Union agenda, the State

institutions made inadequate progress in relation to European Union reforms during

the reporting period. The Bosnia and Herzegovina Council of Ministers adopted

only six European Union reform laws,¹ and made limited progress in implementation of other European Union requirements,² while five of those laws adopted by the Council of Ministers were fully adopted by the Parliamentary Assembly³ and one failed because of opposition by delegates elected from the Republika Srpska.⁴

¹ The Council of Ministers adopted the Law on Framework for Foreign Exchange Policy in Bosnia and Herzegovina, the Law on Financial leasing, the Law on Execution of Criminal Sanctions, Detentions and Other Measures, the Law on Amendments to the Law on Police Officials, the Law on Amendments to the Law on Establishment of the Export-credit Agency of Bosnia and Herzegovina, Law on Competition, the Law on Amendments to the Public Procurement Law, the Law on Excise and the Anti-Discrimination Law.

² The Council of Ministers adopted a Decision appointing the Directors and Deputy Directors of three of the police agencies envisaged in the police reform laws; the Plan and Programme of education in European Union matters for staff of the Directorate for European Integration and other state institutions; Analysis of the degree of implementation of the Bosnia and Herzegovina

strategy for fight against organized crime and corruption for the period 2006-2009; Decision on appointment of members for the Bosnia and Herzegovina Standardization Institute; Decision on appointment of the Director and Deputy Director of the Agency for pharmaceuticals and medical devices and members of the Expert Council of the Agency; Decision to start official preparations for a census; Strategy in the field of immigration and asylum and action plan for the period 2008-2011; State strategy for supervision over narcotics, prevention and combating of narcotics abuse in Bosnia and Herzegovina for the period 2009-2013; Strategy for Small and Medium-sized Enterprise Development; Decision on establishing the central harmonization unit of the Ministry of Finance and Treasury; and Decision establishing the Advisory Council for agriculture, nourishment and rural development of Bosnia and Herzegovina.

3 Law on Protection and Welfare of Animals, Law on Genetically Modified Organisms, Law on Execution of Criminal Sanctions, Detention and Other Measures, Law on Amendments to the Law on Police Officials and Law on Air Navigation.

4 Law on Agency for Development of Information Society.

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20. The State and the entities continued to adopt legislation in an uncoordinated

manner. Of particular concern was the lack of coordination on the part of the

Republika Srpska in regard to the European integration process with the State-level

and other authorities in the country. Republika Srpska obstruction of European

Union requirements included the adoption of a draft Republika Srpska Law on State

Aid in January in the first reading by the Republika Srpska National Assembly,

although the Interim Agreement clearly provides that State aid shall be regulated

only at the Bosnia and Herzegovina level.

21. As part of an overall programme for Western Balkan countries, the European

Commission has provided Bosnia and Herzegovina with a road map for visa

liberalization. The objective of the road map is to identify the requirements that

Bosnia and Herzegovina must meet in order to allow the European Commission to

make a proposal to the Council for the lifting of the visa obligation for Bosnia and

Herzegovina. The road map for further liberalization beyond the existing visa

facilitation and readmission agreement contains requirements in the fields of

document security, illegal migration, public order and security and external

relations.

22. During the reporting period, the European Commission in its Assessment

report on the implementation of the road map for visa liberalization of November

2008 identified specific measures for Bosnia and Herzegovina to fulfil. In March,

the European Commission provided for expert missions to carry out further

assessments of Bosnia and Herzegovina activities in meeting the requirements of the

road map.

23. Blockages in the adoption of State-level legislation also had a negative effect

on the fulfilment of conditions set forth in the visa liberalization road map. In April,

the European Commission addressed the Bosnia and Herzegovina Parliamentary

Assembly, noting a number of outstanding issues and referring to six outstanding

Bosnia and Herzegovina laws, as well as the implementation of police reform laws.

Five of those laws have been blocked in parliament because of

opposition from

Republika Srpska parties, including the Laws on Border Control, Weapons,

Transportation of Dangerous Materials, International Legal Aid, and Control of

Movement of Weapons and Military Equipment.⁵

24. During the reporting period, Bosnia and Herzegovina authorities took steps to

establish the new State-level police bodies provided for in the 2008 police reform

laws.

25. In February, the Council of Ministers appointed the Directors and Deputy

Directors of the Agency for Forensic Examinations and Expertise and the Agency

for Police Support and the Deputy Director of the Agency for Education and

Advanced Training of Personnel. The Council of Ministers also decided on the seats

of the aforementioned agencies. The selection of the Director of the Agency for

Education and Advanced Training will have to be repeated.

26. The establishment of the Independent Board and the Public Complaints Board

failed late in March, owing to opposition from SNSD and SDS members in the

Bosnia and Herzegovina House of Peoples, thus necessitating

the repetition of the

5 With the exception of the last of these laws, which is still pending in the Bosnia and

Herzegovina House of Peoples, these laws all failed in the Parliamentary Assembly.

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appointment procedure for the members of those boards. The formation of the

Independent Board is necessary for proceeding with the outstanding appointment of

the Director and Deputy Directors of the Directorate for the Coordination of Police

Bodies.

27. The legal deadline for the appointments to the new State-level police bodies

mentioned above was August 2008.

28. In December, the Council of Ministers forwarded amendments to the Law on

Ministries and Other Bodies of Administration of Bosnia and Herzegovina, and the

Law on Police Officials of Bosnia and Herzegovina to the Bosnia and Herzegovina

Parliamentary Assembly, and in March forwarded amendments to the Law on the

State Investigation and Protection Agency and the Law on

Border Police for

parliamentary procedure, as required by the police reform laws. The legal deadline

for the harmonization of the above-mentioned legislation with the police reform

laws was November.

IV. Entrenching the rule of law

29. Further progress has been achieved during the reporting period towards

entrenchment of the rule of law, which is the fifth of the five objectives set by the

Peace Implementation Council Steering Board for transition from the Office of the

High Representative to the European Union Special Representative. The Bosnia and

Herzegovina Council of Ministers adopted the Bosnia and Herzegovina National

War Crimes Strategy on 29 December and the implementation action plans of the

National Justice Sector Reform Strategy were unanimously endorsed at a ministerial

conference held in December.

30. Progress was finally made to adopt a war crimes prosecution strategy when the

Council of Ministers adopted the Bosnia and Herzegovina National War Crimes

Strategy on 29 December. The adoption of the strategy was a

benchmark in the rule

of law objective for transition from the Office of the High Representative to the

European Union Special Representative, and with the adoption this benchmark was

met. A strategy on war crimes was long overdue, particularly in view of the large

number of domestic cases as well as the impending closure of International Tribunal

for the former Yugoslavia. The Strategy sets criteria for the distribution of cases

between the Bosnia and Herzegovina and entity judiciaries, reflects work done on

cataloguing crime events, recognizes the need for resources and legislative

amendments, stresses the importance of regional cooperation in war crimes

investigations, and calls upon the authorities to urgently improve that cooperation.

More recently, the implementation has experienced some delays. However, the

necessary amendments to State legislation were adopted by the Council of

Ministers, having now entered the parliamentary procedure, and the Supervisory

Board to supervise the implementation of the Strategy has been established.

31. At a ministerial conference in December, action plans for the implementation

of the Justice Sector Reform Strategy (2009-2013) were endorsed and a common

declaration adopted. Implementation working groups were established in January. A

second set of meetings of all working groups, at which the Office of the High

Representative participates in the capacity of observer and adviser, is currently

ongoing in order to prepare the next Ministerial Conference, when the Strategy will

be revised and possibly updated. Regrettably, the implementation of the Strategy is

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hampered by the more than limited participation of the Republika Srpska Ministry

of Justice and by the weak contribution of the Federation Ministry of Justice. While

the Bosnia and Herzegovina Ministry of Justice ensures that all sides are kept

informed, the results achieved so far given the present level of cooperation remain

low. The next ministerial conference, scheduled for the end of May in Banja Luka,

should address these concerns.

32. All was not positive in the realm of the rule of law during the reporting period,

which was characterized by attacks by political authorities to undermine the

achievements of past reforms in the justice sector. Most notably in this respect the

Republika Srpska authorities ignored a request from the State Investigation and

Protection Agency to submit documentation concerning governmental building

projects in relation to a pre-investigative action in alleged crimes involving the

Republika Srpska Prime Minister. The Republika Srpska Prime Minister even

publicly suggested the use of armed resistance in case of a forcible action to collect

the requested documentation. In February, the attacks and challenges increased upon

the submission of the Agency's report to the State Prosecutor's office alleging

criminal activities in relation to the above-mentioned events in the Republika

Srpska. An internal disciplinary process conducted in April has thus far determined

that Agency personnel conducted the investigation in accordance to the relevant

procedures.

33. Also of concern was a case submitted by a delegate of SNSD before the

Bosnia and Herzegovina Constitutional Court challenging the Law on the Court of

Bosnia and Herzegovina, the main purpose of which was to terminate the

jurisdiction of the Court of Bosnia and Herzegovina for criminal offences prescribed

by the entity criminal codes when such offences endanger the sovereignty of Bosnia

and Herzegovina or have serious consequences beyond the territory of one entity.

The Office of the High Representative submitted an amicus curiae brief to the

Bosnia and Herzegovina Constitutional Court, and in March the Court issued a

ruling confirming the constitutionality of the provision of the Law on the Court of

Bosnia and Herzegovina that had been challenged. Regardless of the ruling, the

number of political rhetorical attacks on State justice institutions remained high in

the reporting period.

34. In the Federation, the authority of the High Judicial and Prosecutorial Council

was challenged by a decision of the Federation President to appoint a judge to the

Federation Constitutional Court in violation of the Federation Constitution and State

law. The final authority for the appointment of judges to the Constitutional Court

belongs to the House of Peoples of the Federation Parliament, and the President's

choice for nomination of candidates is restricted by the role of the High Judicial and

Prosecutorial Council in selecting and proposing the suitable candidates, as required

by the Federation Constitution. The constitutional provision thus establishes balance

between the request for independence of judges and their professionalism, and the

power of the President to choose between the proposed candidates. The Federation

President nominated a person who was excluded as a candidate by the High Judicial

and Prosecutorial Council and stayed by her decision even after being prompted by

the Council and the Committee of the Parliament about the breach of constitutional

procedure. In the ensuing stalemate, the High Representative issued the legal

opinion on the relevant constitutional provisions, as the High Representative

initially enacted them in 2002. Even after the Constitutional Committee of the

Federation House of Peoples had endorsed the legal opinion of the High

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Representative, the President insisted on her politically affiliated nominee.

Following the failure of vote in the House of Peoples in favour of the President's

nominee, the High Judicial and Prosecutorial Council decided to republish the

vacancy and reinitiate the procedure.

35. The State prison construction project has continued to experience delays,

thereby running the risk that some bilateral donations could be lost. The Bosnia and

Herzegovina Ministry of Justice continues to oversee the project, including the

ongoing technical review needed by the Council of Europe Development Bank

before confirming its final approval for the loan.

V. Cooperation with the International Tribunal

36. According to the International Tribunal for the Former Yugoslavia, Bosnia and

Herzegovina authorities have continued to grant access to Government archives and

to provide requested documents. Moreover, authorities have also provided adequate

responses to requests for assistance as well as facilitating the appearance of

witnesses before the Tribunal.

37. The Office of the Prosecutor did however stress the necessity that Bosnia and

Herzegovina law enforcement and judicial authorities take necessary measures

against those who are engaged in helping the remaining fugitives evade justice or

otherwise obstructing the effective implementation of the Tribunal's mandate.

38. Closely linked to cooperation with the Tribunal, the adoption by the Bosnia

and Herzegovina Council of Ministers of the Bosnia and Herzegovina National War

Crimes Strategy on 29 December is a positive outcome. The adoption of the Strategy

was a benchmark in the rule of law objective for transition from the Office of the

High Representative to the European Union Special Representative. A strong

strategy on war crimes was long overdue, particularly in view of the huge Bosnia

and Herzegovina domestic caseload as well as the impending closure of the

Tribunal. The Strategy sets criteria for the distribution of cases between the Bosnia

and Herzegovina and lower levels, reflects work done on cataloguing crime events,

recognizes the need for resources and legislative amendments, stresses the

importance of regional cooperation in war crimes investigations, and calls upon the

authorities to urgently improve that cooperation.

39. During March, the (previous) High Representative used his executive powers

to impose several amendments to Bosnia and Herzegovina and Federation laws,

which prevented the early release of sentenced war criminals. The Tribunal had

asked him to act upon this issue, and extended its gratitude for his timely action.

40. The arrest of Ratko Mladic and Goran Hadzic, the two remaining fugitive

indictees, remains the Tribunal's priority. The Office of the High Representative will

continue to support the activities of and cooperate with the Tribunal, NATO,

EUFOR, the European Union, the Republika Srpska police, the Bosnia and

Herzegovina Intelligence and Security Agency and other agencies involved in

establishing their whereabouts and their arrest.

41. Two combined international-Bosnia and Herzegovina

operations seeking

information were conducted during the first quarter of 2009, both of them against

members of the Mladic support network. One operation was against close relatives

of Mladic located in the Republika Srpska municipality of eastern Sarajevo, and the

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other against a former bodyguard and retired military associate who recently

relocated to Banja Luka and is affiliated with a private security company.

42. The fact that convicted war criminal Radovan Stankovic remains at large, most

likely in Serbia, is a continuing embarrassment to the region. Relevant Republika

Srpska authorities have failed to hold a single person accountable for his escape,

and have taken no action to encourage Serbian authorities to apprehend him, despite

his having mailed threats from Serbia to Bosnia and Herzegovina prosecutors and

judges. Stankovic escaped from the Republika Srpska prison in Foca in May 2007.

Stankovic was the first case transferred by the Tribunal to the Court of Bosnia and

Herzegovina, which convicted him of running a rape camp, among other crimes.

VI. Reforming the economy

43. Economic trends in the reporting period forecast serious challenges in 2009.

While real GDP growth was 5.5 per cent in 2008,⁶ the impact of the global economic crisis on Bosnia and Herzegovina is likely to cause a sharp decrease in

2009. Driven by the rise in commodity prices and utilities, headline inflation

reached 7.5 per cent⁶ at the end of 2008. This was slightly lower than in the summer

when it was at its highest rate in the past 10 years. The trade deficit in 2008

amounted to KM 9.574 billion; exports increased by 13.1 per cent on an annual

basis, thereby totalling KM 6.711 billion, and imports increased by 17.2 per cent

and amounted to KM 16.286 billion.⁷ Mostly as a result of salary increases in the public sector, the average net wage in Bosnia and Herzegovina increased and

amounted to around KM 800 at the end of 2008.⁷ The registered unemployment rate

at the end of 2008 was 40.8 per cent⁷ and appeared to be rising. New employment

has been in decline since November. A decline is visible in foreign direct

investments too, which dropped from 11 per cent of GDP in 2007

to less than 6 per cent of GDP in 2008 and continues to have a downward tendency.⁸

44. As to the economic reform agenda, the reporting period has been characterized

by a number of developments and challenges. The Governing Board of the Indirect

Taxation Authority completed a few tasks from its portfolio, such as the preparation

of the draft Law on Excise and the adoption of bylaws needed for the restructuring

of the secretariat of the Authority's Governing Board and the set-up of a Final

Consumption Unit. The allocation of indirect tax revenue between the entities

remains a subject of dispute, however. Consequently, the Governing Board has been

unable to agree on new revenue allocation coefficients since June 2008. This has

been used by the Republika Srpska as a justification to question the overall indirect

tax reform and the single account concept. The revenue allocation dispute has also

undermined efforts to reappoint or replace the current Director of the Authority,

whose mandate expired on 8 December.

45. Since its inauguration on 11 September 2008, the Bosnia and Herzegovina

Fiscal Council has been meeting relatively regularly. While its decision of

6 November 2008 to set the upper limit for the budgets of the State, the entities and

6 Central Bank of Bosnia and Herzegovina.

7 Statistics Agency of Bosnia and Herzegovina.

8 Central Bank of Bosnia and Herzegovina.

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the Brcko District⁹ contributed to the relatively early adoption of the 2009 budgets

at all levels,¹⁰ the Fiscal Council has so far contributed little to policy coordination

among its members. Regardless of the challenges facing the country as a result of

the global economic crisis the members of the Bosnia and Herzegovina Fiscal

Council plan, adopt and implement measures independently of each other. Of

particular concern is that this mechanism is being used by both entities to reach

agreements that benefit the entities only. On 6 March, the Fiscal Council accepted a

Protocol on Temporary Allocation of the Succession Funds, foreseeing that 65 per

cent of the total of KM 180 million of the succession funds be given to the

Federation and 35 per cent to the Republika Srpska. Although this allocation is considered to be of temporary nature and thus subject to modifications and consequent rebalancing once a new law on management of funds from succession is enacted at the State level, it is disturbing that the interests of the State and the Brcko District were completely neglected.

46. Similar decisions are likely to continue until the financial crisis in the Federation, now also accompanied and accelerated by the effects of the global economic crisis, is properly addressed. The Federation Government has launched some initiatives to cover last year's deficit of KM 260 million and to financially cover all obligations in 2009, but it has so far lacked the capacity to take difficult decisions. The parties are already positioning themselves for the general elections of 2010 and do not seem to understand the full urgency of the situation. If action is not taken rapidly, there is a risk of eventual financial collapse and attendant social unrest and political instability. These risks are further exacerbated by the

underperformance of revenues as a result of the global crisis, continued lack of

agreement on revenue allocation coefficients, continued challenges to the State

institutions by the Republika Srpska, expired mandates and delayed appointments.

47. In the business sphere, the reporting period was characterized by the continued

opposition of the Republika Srpska to any reform requiring a transfer of

competence, including the European partnership requirements such as the adoption

of a State-level law on obligations and the set-up of a State-level banking

supervision system.

48. Problems also continued in the energy sector, primarily with regard to the

Bosnia and Herzegovina Electricity Transmission Company (Transco). Despite the

entity Prime Ministers' Agreement on Energy Policy Principles of 6 November 2008

and the Transco Shareholders Assembly Agreement of 3 December 2008, whereby

the parties agreed to urgent measures and activities required for the smooth

operation of Transco, there were no improvements during the reporting period.

Transco still does not function in full capacity and in accordance with the legislation

in force due to the continuing boycott by the Republika Srpska of Management

9 The 6 November 2008 decision of the Fiscal Council allowed a 12 per cent increase of the State

and a 6 per cent increase of the entity and Brcko District 2009 budgets compared to their 2008

budgets.

10 The State budget was adopted on 29 January 2009 in the amount of KM 1.41 billion, which is an

increase of 19 per cent compared to the 2008 adopted budget; the Federation budget was

adopted on 29/30 December 2008 in the amount of KM 1.6 billion, which is a decrease by

KM 233 million or 13 per cent compared to the 2008 rebalanced budget; and the Republika

Srpska budget was adopted on 22/23 December 2008 in the amount of KM 1.67 billion, which is

a 6 per cent increase compared to the 2008 rebalanced budget or an 11 per cent increase

compared to the 2008 adopted budget.

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Board meetings and the General Manager's continued obstruction of the Board's

earlier decisions. This also affects the reappointment or

replacement of the key

Executive Directors of Transco, whose mandates expired on 1 March. The Prime

Minister and the Energy Minister of the Republika Srpska opposed all attempts to

change this situation and also rejected the international community's offer of

assistance in overcoming the problems and improving the company's performance.

The situation rapidly becomes detrimental for the only electricity transmission

company in Bosnia and Herzegovina and may lead to its dissolution. This would

represent a rollback on the reform that was one of the preconditions for negotiating

the signing of a Stabilization and Association Agreement, which is required under

the Athens Energy Community Treaty and was implemented with significant

international financial support.

VII. Public administration reform

49. During this reporting period, the High Representative was forced to express

his concerns about amendments to the State law on the civil service on several

occasions because of their potential to reverse longstanding efforts to put in place a

merit-based, politically independent civil service, as well as to undermine the Statelevel

Civil Service Agency. Although adopted by the Council of Ministers, a further

intervention in February by the Principal Deputy High Representative/Acting High

Representative had the desired effect and the parliamentary committee discussing

the amendments made the changes necessary to safeguard the core principles

underlying the existing civil service system. The amendments were adopted by the

Bosnia and Herzegovina Parliamentary Assembly at the end of April in a

satisfactory form.

VIII. Defence reform

50. During the reporting period Bosnia and Herzegovina instituted capacitybuilding

of its defence planning process, although, within the defence budget,

allocation of funds to personnel costs remained high, at the expense of capital costs.

There was no evidence of ethnic tension hampering reforms or operational

capability within the armed forces of Bosnia and Herzegovina.

51. NATO conducted assessments to determine defence reform progress in Bosnia

and Herzegovina within the Individual Partnership Action Plan and the Planning and

Review Process, two activities within the Partnership for Peace Programme.

Concerning the Individual Partnership Action Plan, NATO held discussions with

officials from Bosnia and Herzegovina ministries in February, revealing a

reasonable degree of progress on many issues. This was especially the case at the

technical level where ministries and their staff were empowered to engage on

particular issues. However, there appeared to be some delays in the implementation

of issues that were either sensitive or politicized by Bosnia and Herzegovina

institutions or entities. An official report on progress was discussed by the NATO

North Atlantic Council, together with the Bosnia and Herzegovina Minister for

Foreign Affairs and Minister of Defence on 11 March.

52. With regard to the Planning and Review Process, NATO held discussions with

the Bosnia and Herzegovina Ministry of Defence and the armed forces of Bosnia

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and Herzegovina during February. Discussions showed that some progress had been

made within the implementation of the Planning and Review Process Partnership

goals. However, the failure to resolve the issues of movable and immovable

property (the second of the five objectives and two conditions for the transition from

the Office of the High Representative to the European Union Special

Representative) and the lack of financial resources remained significant obstacles to

progress. The NATO Political-Military Steering Committee, together with a team

from Bosnia and Herzegovina, discussed the final draft of the Planning and Review

Process assessment on 2 March.

IX. Intelligence reform

53. Amid ongoing political tension in Bosnia and Herzegovina, the Intelligence

and Security Agency continued its ongoing efforts to consolidate its work and

functioning. Training in operational techniques and methods were stepped up with

support from the Agency's international partners. Likewise, work on the internal

standardization and regulation of the lawful intercept system

progressed.

54. The Bosnia and Herzegovina parliamentary committee that oversees the

Intelligence and Security Agency continued its practice of inspections of regional

centres. On 10 February, amendments to the Law on the Intelligence and Security

Agency and amendments to the Law on Protection of Secret Data came into force.

The former enhanced planning and reporting obligations between the Agency and

the State's executive and parliamentary bodies. The amendments to the Law on

Protection of Secret Data broadened the scope of data protection in Bosnia and

Herzegovina with regulations on industrial security, which are also in line with

NATO standards.

X. European Union military mission in Bosnia and Herzegovina

55. After its United Nations mandate was extended on 20 November 2008 for

another 12 months, the European Union continued to provide a military presence in

Bosnia and Herzegovina with a force of approximately 2,200 troops. EUFOR was

based in Sarajevo with a headquarters, a multinational battalion and the integrated

police unit together with other assets. EUFOR continued to have liaison and

observation teams based in the local communities throughout the country.

56. In a politically fragile and brittle environment, EUFOR continued to play an

important role in contributing to the safe and secure environment, which was not

threatened during the reporting period. Local law enforcement agencies proved able

to deal with all public unrest issues during the period.

57. EUFOR continued to monitor and advise on Joint Military Affairs tasks that

have been handed over to the Bosnia and Herzegovina authorities. This will remain

a requirement for some time. The handover of the only Joint Military Affairs task

that remained with EUFOR – civilian movement control – was stuck in the

process of parliamentary adoption: the requisite legislation was again rejected in

April owing to a lack of support from delegates elected from the Republika Srpska.

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58. EUFOR, within its means and capabilities, continued to provide essential

support to the International Tribunal, especially through its operations against

support networks of persons indicted for war crimes.

XI. Return of refugees and displaced persons

59. The Council of Ministers of Bosnia and Herzegovina adopted the strategy for

implementation of annex 7 on 29 January. The document focuses on the return of

displaced persons and refugees to their homes of origin, primarily through

reconstruction of dwellings. It also addresses the integration of displaced persons

who cannot return as well as the issue of compensation for property that cannot be

restored to the owners. The strategy further discusses a range of topics related to the

sustainability of return, and proposes measures to address obstacles in those areas.

However, the parliament has failed to adopt the Strategy thus far. The Serb

representatives insist that the strategy be amended to provide greater emphasis on

assisting people who wish to remain in the current place of residence. Yet the

Bosniak representatives wish to ensure that State financing for annex 7 will be

reserved to support returns almost exclusively. The draft

strategy does provide for

access to all rights stipulated in annex 7, and can be further elaborated on once the

document has been adopted. We have repeatedly called upon parliament to adopt the

strategy. The current political stalemate over this issue results only in an

unnecessary delay in helping the more than 100,000 displaced people in Bosnia and

Herzegovina, thousands of them still in collective centres, to find a durable solution.

XII. Mostar

60. The Mostar City Council has so far failed to elect a new mayor in accordance

with the requirements of the statute of the City of Mostar, because of a power

struggle between the Bosniak-dominated SDA and the Croat-dominated HDZ, each

of whom covet the mayor's position, with the numerically significant Narodna

Stranka – Radom za Boljitak (People's Party – Work for Prosperity) in the middle.

There have been no serious political negotiations despite repeated efforts by the

Office of the High Representative urging the parties to do so. As a result, numerous

rounds of mayoral voting have repeatedly yielded the same

negative results.

61. The Croat prefix parties, particularly HDZ, have used the situation to attack

the Mostar statute, which calls into question their commitment to the unification

process.

62. The failure to elect a mayor means that the city risks financial collapse, since

there is no annual budget, and the city's temporary financing decision expired on

31 March. It is the mayor's responsibility to propose the draft budget, but there is no

new mayor to do so. While the former mayor still occupies the position until a new

mayor is elected, and could propose a budget, the City Council would reject any

such proposal under the current circumstances.

63. The impasse not only delays the key goal of adoption of the Mostar statute by

the City Council, but also raises questions about the sustainability of a unified

Mostar in the absence of the persistent engagement of the international community.

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

has been hit by the global economic crisis. A shortfall in revenues has forced the

government to propose a 15 per cent salary cut for all budgetary beneficiaries,

which include police, medical workers, teachers and civil servants. In response, the

trade unions have threatened general strikes, which could bring normal life in the

canton to a standstill.

XIII. Brcko District

65. Brcko District has seen two welcome albeit long overdue developments during

the reporting period: first the adoption by the Bosnia and Herzegovina

Parliamentary Assembly, by an overwhelming majority, of an amendment to the

Bosnia and Herzegovina Constitution giving the District access to the Bosnia and

Herzegovina Constitutional Court, and secondly the formation of a new

concentration government, representing all political parties and constituent peoples.

As a result of these positive developments the Brcko District is nearing the point

where closure of the supervisory regime is possible.

66. Intensive talks and consultations were undertaken after the Prud leaders

meeting and the November meeting of the Peace Implementation Council Steering

Board to secure an agreement on a constitutional amendment giving the Brcko

District access to the Bosnia and Herzegovina Constitutional Court; the Supervisor,

the Office of the High Representative and the United States played a key role in

bringing the parties together. On 25 February, the Republika Srpska National

Assembly adopted a conclusion on supporting the constitutional amendments in a

significant departure from its decision of March 1999, by which it rejected the Final

Award. The Council of Ministers adopted the amendment early in February and the

Bosnia and Herzegovina Parliamentary Assembly followed suit on 26 March. The

amendment came into effect on 5 April.

67. The Brcko District Supervisor had made clear before the elections of October

2008 that it would be essential for all members of the newly elected Government to

expressly commit themselves to the Dayton Peace Agreement, to continue to

recognize 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 to clearly commit themselves to continue to protect the status of the District

after the supervisory regime ends. The political constellation after the election

results was such that no party came close to securing a majority and so a

“concentration government”, including all parties in the Assembly, emerged as the

only realistic option. It was only on 11 February that the Assembly elected the

Speaker (Bosniak), the Deputy Speaker (Croat) and the Serb Mayor. Members of the

Government were sworn in on 26 March.

XIV. Bosnia and Herzegovina and the region

68. Despite the occasional spat and niggling border issues, regional relations have

been relatively quiet during the reporting period, although the Serbian Foreign

Minister’s comments at the end of April suggesting Bosnia and Herzegovina was a

“protectorate” elicited a strongly worded response from a member of the Bosnia and

Herzegovina Presidency, Haris Silajdzic. Federation-based politicians raised their

voice against arrest warrants supposedly issued in March by a court in Belgrade

against 13 (or more) past and present Bosnia and Herzegovina officials allegedly

implicated in an attack on a Yugoslav People's Army column withdrawing from

Sarajevo in May 1992. At the time of writing, however, no such warrants had

actually appeared. Given both the former rule of the Tribunal that war crimes cases

should be tried in the successor republic in which the putative offence was

committed and the fact that a former city official in Tuzla is currently being tried in

Belgrade in an analogous case, Bosnia and Herzegovina judges and prosecutors are

very sensitive about losing what they regard as their rightful jurisdiction.

69. There was one potentially significant development in a long-running but lowlevel

dispute with Croatia over that country's construction of a bridge from the

Dalmatian mainland to the Peljesac peninsula. The Bosnia and Herzegovina view is

that such a bridge might block access to the open sea for Bosnia and Herzegovina's

potential port of Neum, would allow road traffic to bypass the country's short

stretch of coast, and possibly jeopardize its claim on two tiny islands in the

adjoining bay. The Bosnia and Herzegovina Presidency wrote officially to the

Government of Croatia in mid-April proposing talks on the issue, failing which

Bosnia and Herzegovina would seek redress in international courts.

70. The upper house of the Bosnia and Herzegovina Parliamentary Assembly

voted late in April for a bill that would reintroduce Customs tariffs on agricultural

produce from Croatia and Serbia contrary to obligations under the Central European

Free Trade Agreement. On the other hand, some positive excitement was generated

during the period by talks with Montenegro on a joint project to link the two

countries' railway networks. This would involve the construction of a 150-km line

from Capljina to Niksic.

XV. European Union Police Mission

71. In line with its "strategic objectives for 2009", the European Union Police

Mission continued to concentrate its efforts on supporting the

fight against

organized crime and assisted in coordinating the policing aspects of efforts to

combat major and organized crime. Furthermore, the Mission, in coordination with

the Office of the High Representative and the European Union Special

Representative, continued to monitor and assess the implementation of the police

reform legislation adopted on 16 April 2008. The Mission and the Office of the High

Representative/European Union Special Representative worked on efforts to

harmonize entity, cantonal and Brcko District police legislation and developed

proposals on reforming State-level legislation covering the State Investigation and

Protection Agency and the Border Police.

XVI. Non-certification of police officers

72. During the reporting period, the Republika Srpska has remained the only

jurisdiction in Bosnia and Herzegovina that has yet to implement the provisions of

the letter of April 2007 from the President of the Security Council on persons denied

certification by the International Police Task Force. In December, associations of

persons denied certification by the International Police Task Force staged a peaceful

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protest in front of the Office of the High Representative/European Union Special

Representative building in Sarajevo.

XVII. Media development

73. A deterioration of media freedoms in Bosnia and Herzegovina has been

registered during the reporting period. Since January, the Free Media Helpline of the

Bosnia and Herzegovina Union of Journalists has registered 16 verbal assaults and

direct physical attacks, death threats and other violations of journalists' rights. This

represents an increase of 20 per cent compared to 2008. It also became evident

during the period that the little cooperation that existed between local media

organizations responsible for media freedoms has diminished. On 29 April the

RTRS, the Republika Srpska public broadcaster and the Republika Srpska daily

newspaper *Glas Srpski* walked out of the association BH Journalists, announcing the

establishment of a separate Republika Srpska only association of journalists.

74. Almost 12 months after the (long delayed) adoption of the Federation law on

the public broadcasting system, the Federation parliament has still not appointed the

Board of Governors of Federation Radiotelevision. The main reason for this is a

lack of political consensus and an attempt by the parliament to take an excessively

large role in their appointment. Without the Federation Board, the registration of the

Bosnia and Herzegovina Public Broadcasting Corporation, responsible for

streamlining and modernizing the activities of all three public broadcasters in the

system, continues to be on hold.

75. The Council of Ministers was supposed to shortlist candidates for the new

Council of the Communications Regulatory Agency and present the list to the

Bosnia and Herzegovina parliament for it to make the necessary appointments.

Despite the fact that the mandate of the current Council expired on 25 April, and

despite having received the candidate list from the Agency on time, the Council of

Ministers has yet to put this item on its agenda. Together with the failure of the

Council of Ministers to appoint a new General Director of the Communications

Regulatory Agency, unresolved since October 2007, the Council of Ministers is

seriously undermining the independence, overall performance and ability to function

of the Agency.

XVIII. European Union Special Representative

76. In close cooperation and coordination with the European Union, the European

Union Special Representative continued his efforts to facilitate the efforts of Bosnia

and Herzegovina to meet requirements for European Union membership. Beyond

seeking to facilitate the adoption of individual requirements set forth in the

European Partnership and the Stabilization and Association Agreement, the

European Union Special Representative has also engaged in efforts to increase

public and sectoral support within Bosnia and Herzegovina for European Union

accession. With this in mind, the European Union Special Representative continued

his outreach programme after the municipal elections of October 2008, involving

parliamentarians, media, civil society and non-governmental

organizations, social

partners and youth representatives.

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77. The “Parliament for Europe” project of the European Union Special

Representative has brought together European Union representatives with Members

of Parliament from the State, entity and Brcko District assemblies with the objective

of informing key Bosnia and Herzegovina actors about European Union

requirements and standards, and to encourage them to work towards meeting them.

Each of the five sessions held thus far has focused on a different topic, such as the

role of parliament in European Union accession, public administration reform,

human rights and the protection of minorities, the fight against corruption, and the

European Union internal market.

78. The European Union Special Representative is cooperating closely with public

broadcasters in Bosnia and Herzegovina to increase and improve coverage of

European Union issues in the media. Through this initiative the public broadcasters

have increased news reports on the impact of the Stabilization and Association

process and eventual European Union membership on citizens of Bosnia and

Herzegovina. The reports are broadcast in the prime-time news bulletins and talk

shows. The core group of journalists engaged on this project increase their

knowledge and understanding of European Union issues, turning them into future

European Union correspondents.

79. The European Union Special Representative publishes a weekly electronic

newsletter summarizing news from the European Union and on the relations of

Bosnia and Herzegovina with the European Union, which is distributed every

Saturday to the media, government bodies, civil society actors and individual

subscribers. The newsletter fills an important gap in the media landscape in Bosnia

and Herzegovina. The European Union Special Representative's website

www.reci.ba ("reci" means "say it") has also developed into an important

communication tool. Through the website, the European Union Special

Representative has personally engaged in a dialogue with citizens, recording

165 answers to questions from citizens. Some of the replies have been taken up by

the media as news items. In its first year, the site has received some 65,000 visits,

with more than 7,000 comments submitted by citizens.

80. The European Union Special Representative continued to encourage a genuine

public dialogue on the European Union by helping non-governmental organizations

nurture European Union sentiment and activities, including monitoring

implementation of the Stabilization and Association Agreement and the European

Partnership priorities. The Special Representative has also been the patron of two

regional conferences, on non-governmental organizations and young people,

respectively, and taken part in a conference on the role of local governments and

communities in the European Union integration process. In addition, the Special

Representative has supported Mostar's two student unions in organizing an

unprecedented joint debate on Bosnia and Herzegovina's European Union

perspective, with the participation of students from both universities in Mostar.

XIX. Future of the Office of the High Representative

81. The Peace Implementation Council Steering Board met twice during the

reporting period, first on 20 November 2008 and then again on 26 March 2009 to

review the situation in Bosnia and Herzegovina. It recognized the progress that had

been made by the authorities in Bosnia and Herzegovina to deliver the objectives

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and conditions for the transition from the Office of the High Representative to the

European Union Special Representative. 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.

XX. Reporting schedule

82. 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 first 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.