General information about the Bulldozer Initiative

Bulldozer information on OHR's website ceased to be updated when BiH institutions assumed full ownership of the project. Information on Bulldozer can now be accessed at<u>www.bulldozer.ba</u>

On 12 November 2002, at the initiative of the High Representative, Paddy Ashdown, a group of BiH businesspeople, together with representatives of the main international financial organizations, launched the **Bulldozer Committee**. The object was to build a working partnership between BiH politicians and businesspeople and identify specific clauses in legislation that prevent companies from expanding their businesses and creating more jobs. The Committee set itself the task of having "50 reforms enacted within 150 days".

Drawing up its first round of reforms, the Committee received **input from more than 500 firms**. Issues raised included compulsory fees for professional associations, double taxation, cumbersome administrative procedures, and job-destroying labour practices. Within the Bulldozer Committee, each proposal was studied in detail by a qualified group of lawyers and economists, who developed legal solutions and assessed the likely consequences for the economic environment. More than 20 local associations, such as regional business associations, the Employers' Confederation, the Women's Business Network, the Central Bank, the Foreign Investment Promotion Agency and the Micro-Credit Network, worked with the Bulldozer Committee to evaluate the reform proposals. **During three Plenary Sessions, the Committee voted on the best 50 proposals for eliminating economic roadblocks to present to the governing bodies...**

Following these high-profile events, intensive dialogue took place between the Bulldozer Committee and the BiH Council of Ministers, and the RS and FBiH Governments. A coordinator was appointed in each government. These coordinators dispatched their respective proposals to the relevant Ministries, and asked for comments, reactions, and counter-proposals.

Each Ministry formed working groups to look at each reform and formulate a response. The Bulldozer Committee met with all the principal Ministries and discussed the specific reforms and the working-group responses in great detail. In each case, there was complete agreement, or a legal middle ground was negotiated that did not detract from the original intent of the proposal.

All of the governing bodies finally adopted all of the reforms. Some of the reforms were dealt with through government decision, while others (consisting of legal amendments to existing laws) were sent to the parliaments. The BiH, FBiH, RS and Brcko parliaments adopted all the Bulldozer amendments, just 30 days beyond the original 150-day deadline. Despite this delay, the results were attained within a time-frame that had never been met before. On average, the Bulldozer Initiative**produced one economic reform every four days**.

In order to build on this success, **Phase II of the Bulldozer Initiative was launched on 4 June 2003**. The aim of Phase II is to continue promoting the legitimate interests of the business community, local advocacy associations and civil society and to create a working partnership with elected representatives.

In Phase II, the Bulldozer Committee is represented by **one specialized Bulldozer Committee on Agriculture**, Agribusiness and Natural Resources and **six regional Bulldozer Committees** that have been established by organizations representing local businesses in their areas. Their focus is to identify new reforms at the municipal/cantonal/regional level as well as to oversee the implementation of Phase I reforms at the local level.

The seven Bulldozer Committees have expanded the dialogue already established by the original Bulldozer Committee with the country's elected representatives to include the trades unions. This will help the committees identify reform areas that concern BiH society as a whole. By giving responsibility to all three partners (private sector, governing bodies and unions) in developing, bringing forward, and implementing reforms, support for the overall process will be enhanced. Each of the three partners has a real interest in reforming the BiH business environment.

In recognition of the civil-society movement for reform, the three Prime Ministers, the six Heads/Speakers of Parliaments, the Mayor of Brcko, and seven Bulldozer local representatives have all signed an agreement called **"The Protocol for Prosperity"**, which commits them to continuing and deepening their support for the Bulldozer reform process.

In light of this commitment, the BiH Council of Ministers is now establishing an inter-ministerial working group at the State level called the "Emergency Reform Unit". The Emergency Reform Unit is the governmental counterpart of the Bulldozer Committee.

The first Plenary Session of Bulldozer Phase II took place on 29 July 2003. Those present voted on 19 new reforms. These will be part of the package of 50 reforms that will be handed over to the governments and parliaments at the end of September 2003.

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