

# **Keynote Speech by High Representative Valentin Inzko at a Seminar on the Challenges of Transforming Bosnia and Herzegovina Organised by the International Executive Development Centre**

***Sarajevo, 23 February 2012***

*Check against delivery*

## **Freedoms and Rights**

Ladies and Gentlemen,

First of all, let me say how pleased I am to be here. I have already in past years participated in seminars organised by the Bled School of Management because I believe that corporate lessons can be enormously useful in the public and political sphere – and vice versa.

For some of you this may be the first trip to Sarajevo. Let me welcome you.

Clearly, the weather we have had this month will have a bearing on impressions of Bosnia and Herzegovina. The country has been blanketed by snow, which is picturesque, but which has also thrown up major logistical challenges.

Recently I flew with an emergency relief mission to take food supplies to settlements in Herzegovina that had been completely cut off. I accompanied an Austrian Air Force team serving with EUFOR, the EU-led international peacekeeping mission.

One of the things that impressed me about that expedition – in addition to the extraordinary work of international peacekeepers, BiH emergency services and volunteers – was the pragmatic way in which local communities identified what they needed. In addition to food, they asked for skis, for example, because in the arctic conditions that was the only way of getting around.

The blizzards (the worst in this country since records began) placed additional demands on an already overstretched system of public services, including transport, health, utilities and civil protection – yet, the response – of the most severely affected communities and the most over-stretched emergency services – was quite practical and calm.

I was struck by the way in which citizens organised themselves to clear snow, look after the most vulnerable and ensure basic services. In Sarajevo we witnessed the impressive spectacle of students volunteering to clear the tramlines so that the main public transport system could be restarted.

What this showed, I believe, is that crises do not have to mean gridlock.

On the contrary, crises can release positive energy that is pent up in societies and in organisations.

The severe weather also demonstrated that effective responses to sudden change are based on identifying the nature and extent of the change and then deploying whatever resources may be at hand to deal with it.

## **Physical transformation**

Change management in Bosnia and Herzegovina over the last sixteen years has been difficult and – particularly in the early years – often painful. Those who have borne the pain are the four million long-suffering citizens of this country.

But the pain has not been for nothing.

Much has been achieved.

We are gathered today in what has been a favourite Sarajevo meeting place for more than a century. (Of course, I'm a little biased since I'm an Austrian and the main coffee-shop here is the Café Vienna. But it's not just that.)

For a decade after the war this fine old building lay in ruins, but when the legal and financial obstacles had been resolved the hotel was quickly restored as a social and commercial hub.

The décor of course is antique – but something new and dynamic has emerged from the ruins.

This process has been replicated right across the country. Physically, Bosnia and Herzegovina has undergone a remarkable transformation.

The material progress achieved in the years since the end of the conflict should not be underestimated.

It is an astonishing achievement of the people of this country working together with international partners.

### **Energy sidetracked**

But, just as huge progress has been made in *physical* reconstruction, huge and often unnecessary obstacles have arisen in the political and social sphere.

Good crisis management involves assessing the nature and scale of the problem and identifying tools that can be used to tackle it.

This doesn't include the luxury of complaining about human nature or bemoaning the shortcomings of international or domestic partners.

You simply have to use the tools at your disposal and get on with the job in the best way possible.

A primary tool at our disposal in the reconstruction of Bosnia and Herzegovina has been the Dayton Peace Agreement.

As the International Community's High Representative, my mandate is to supervise the implementation of the Agreement.

Dayton isn't perfect, but it has kept the peace since 1995 – and this has served as the basis for all other types of progress.

Unfortunately, progress in a range of social, political and economic areas in recent years has been slower than we would have hoped.

This is largely because political energy and public debate are routinely sidetracked by a preoccupation with who gets which positions in the complex and bloated government and administrative system.

We have just seen an example of this. It took sixteen months of fitful negotiations to form a Council of Ministers.

During those sixteen months, many jobs were lost, the country's credit rating was downgraded, and crime and corruption spiralled in the absence of effective and proactive policies from the state level government.

On the positive side, however, now that a Council of Ministers has been appointed, urgent steps can be taken to enact a global fiscal framework for 2012-2014 and a state budget for 2012 that covers all necessary expenditures.

These steps must serve as the prelude to a long-delayed and urgently needed package of measures to reverse the economic slide, to stimulate employment and to move the country back onto the Euro-Atlantic integration path.

### **International consensus**

Within the framework of implementing the Dayton Peace Agreement and moving the country further along the road to full Euro-Atlantic integration, the International Community wants the people of Bosnia and Herzegovina to secure and enjoy the same freedoms and rights that are enjoyed by citizens in any democracy.

Under the Dayton Peace Agreement, the High Representative is mandated to coordinate the activities of civilian organizations and agencies in Bosnia and Herzegovina and in this capacity I can tell you that there is a very high degree of unanimity on supporting these core values.

In December last year the Peace Implementation Council Steering Board – which includes countries that have been investing huge amounts to help BiH citizens – reiterated its absolute and irrevocable commitment to supporting a sovereign, stable and full functioning Bosnia and Herzegovina that serves all its people.

As you will know, the EU has reinforced its presence here in the last six months. This is a constructive and timely step and I believe the BiH authorities at all levels will cooperate closely with the EU Delegation and the EUSR on implementing the requirements of the EU agenda.

There is no conflict between Bosnia and Herzegovina's EU aspirations and the active implementation of the OHR mandate.

When post-war rehabilitation reaches a point where progress towards the EU and NATO has become irreversible then the OHR will no longer be needed.

It is essential that the EU can move forward with its BiH partners in a stable political environment, and the OHR will continue to make sure that the environment remains stable.

### **An agenda for recovery and progress**

There is a golden rule in advertising, which holds that effective marketing can turn a good product into a great one – but the best campaign in the world will not redeem a bad product.

If a product or service is competitive, everything else falls in to place.

In Bosnia and Herzegovina we have a competitive proposition – a proposition that has innate value.

This is a country which can work and which will work when its political leaders get on board.

I have held consultations with the new Chairman of the Council of Ministers, Vjekoslav Bevanda, and other Ministers in the Council. I believe there is now a sense of purpose and hope among BiH policymakers – a new optimism.

I share this optimism.

I am convinced that 2012 can be the year in which Bosnia and Herzegovina turns the corner and resumes the positive transformation that has been placed on hold for too long.

Thank you.