



## **Peace Implementation Council Steering Board Communiqué**

Political Directors of the Peace Implementation Council Steering Board (PIC SB) met in Sarajevo on 30 November – 1 December 2010. Members of the newly elected Presidency of Bosnia and Herzegovina participated in parts of the meeting, as did representatives of civil society organizations.

The PIC SB welcomed the conduct of the 3 October general elections, which generally were held in line with OSCE and Council of Europe commitments and international standards for democratic elections. However, the international election observation missions, in their preliminary assessment, also raised certain issues which require further attention. The PIC SB urged the rapid government formation at all levels dedicated to reforms which would promote the country's economic and social advancement and accelerate Bosnia and Herzegovina's progress in the EU and the Euro-Atlantic integration processes. The period after elections offers an opportunity for the leaders and people of Bosnia and Herzegovina to make a fresh start on these urgent issues. This will demand realism, constructive compromise and political will. The international community stands ready to assist in every way possible, but the essential decisions to move forward must come from within Bosnia and Herzegovina, from the demands of its citizens and the far-sighted actions of their elected leaders.

The PIC SB welcomed the EU's decision on 8 November to grant visa liberalization to BiH citizens after meeting the relevant requirements. However, it expressed concern at the findings of the European Commission's annual Progress Report, adopted on 9 November, regarding the limited progress on the country's European integration agenda and on key EU-related reforms, as well as the lack of a shared vision among Bosnia and Herzegovina's political leaders. The PIC SB took note that the Progress Report includes an assessment that there has been little progress on improving governance and the functionality of the state, including aligning the Constitution with the European Convention on Human Rights.

The PIC SB urged the authorities to establish as a matter of priority a transparent and effective mechanism for developing concrete constitutional reform proposals. This mechanism should address as a matter of priority the discriminatory provisions identified in the European Court of Human Rights ruling in *Sejdic-Finci vs. BiH*. Bosnia and Herzegovina also needs to increase efforts to improve its decision-making in order to be in a position to be

able to adopt, implement and enforce steps required to promote the country's integration into the EU. The PIC SB further urged the BiH authorities to adopt, without further delay, a state-level law on population census, which is an important instrument for social and economic development and as a prerequisite of further progress on the EU agenda.

The path towards European Union membership will require difficult decisions on the part of Bosnia and Herzegovina's leaders, but EU membership is ultimately the strongest guarantee of security and prosperity for all of the country's citizens. The PIC SB welcomed the European Union's intention to reinforce its presence in Bosnia and Herzegovina. The EU member states of the PIC SB as well as Canada, Japan, Turkey and US emphasized their efforts to promote an ambitious reform agenda and help Bosnia and Herzegovina to undertake the efforts required to present a credible EU membership application. The EU presence has the lead international role in promoting and advising on all reforms necessary for the European integration process, in the context of the Lisbon Treaty.

In this context, the PIC SB reiterated that transition from the High Representative to a reinforced EU presence remains the goal once the necessary objectives and conditions have been met (5+2 agenda). It is the responsibility of Bosnia and Herzegovina's political leaders to build consensus and reach agreements necessary to fulfil these criteria.

In particular, there is a need for a resolution of the apportionment of state and defence property agreed between state and Entity-level governments. The PIC SB took note that in addition to blocking the transition of the Office of the High Representative, failure to resolve this issue impedes Bosnia and Herzegovina's ability to meet the criteria for Euro-Atlantic integration and creates an atmosphere of legal ambiguity. This prevents the potential apportioning of these assets for the benefit of the people of Bosnia and Herzegovina and hinders the prospect of attracting investment and creating new jobs.

Regarding defence property, the PIC SB encouraged the parties to place priority on finding a solution for the registration of immovable defence property identified as necessary for Bosnia and Herzegovina's defence needs as state property of Bosnia and Herzegovina in line with the 2005 BiH Law on Defence. As reaffirmed in the NATO Lisbon Summit Declaration, the NATO- Member states of the PIC and Japan underlined that this would enable the start of practical implementation of the NATO Membership Action Plan. The authorities also need to continue with the destruction of excess weapons, ammunition and explosives.

Regarding the broader state property issue, the PIC SB encouraged the relevant authorities to complete their assessments on the current and future needs for state property, followed by constructive dialogue leading to an agreement on ownership rights between the state and other levels of government. The PIC SB reminded the authorities in BiH to refrain from taking any unilateral actions in this regard.

The PIC SB called on the Entities to fulfil their remaining obligations, particularly in the area of electricity supply, to Brcko District. The PIC SB welcomed the ongoing constructive discussions on this issue. The Brcko Supervisor will continue to monitor the situation in Brcko District until such time as conditions permit him to notify the Brcko Arbitral Tribunal that the Entities have fulfilled their obligations under the Brcko Final Award.

The PIC SB underlined the importance of freedom of expression and free and independent media, including appropriate oversight bodies and regulatory mechanisms. It called on the authorities to ensure that journalists are able to operate without harassment. It urged all media to report objectively and in line with the highest international standards.

The PIC SB reiterated its support for the work of the BiH Missing Persons Institute (MPI) and its concern over efforts underway to obstruct or delay the work of MPI, to politicize the process of searching for the missing, and to apply personal pressure on individuals employed by the MPI. It called on all relevant authorities in Bosnia and Herzegovina to ensure that the MPI and its staff and families are afforded their full protection and support.

The PIC SB recalled that the UNHCR-endorsed Revised Strategy for the Implementation of Annex VII of the General Framework Agreement for Peace (Dayton Agreement) was adopted by the BiH Parliament in June and still awaits implementation. Political discussions and negotiations on the formation of a new government should not distract attention from the urgent need for the Strategy's implementation and translation into durable solutions for the remaining 113,000 displaced people in the country.

The PIC SB urged to refrain from divisive rhetoric and actions. It welcomed the reconciliatory messages coming

from BiH and regional political leaders. In line with the outcome of 2 June 2010 meeting in Sarajevo, it also welcomed the intensification of regional cooperation on EU and a wider reform agenda and encouraged the countries of Western Balkans to build on this trend. In the context of reconciliation, the PIC SB also underlined the importance of a forward-looking and integrating approach to education by all the relevant authorities of BiH.

The PIC SB repeated its call to BiH authorities to continue to cooperate fully with the ICTY, and to fulfil their obligations under international law to arrest and transfer all fugitive ICTY indictees – in particular Ratko Mladic – and to dismantle fugitives' support networks. It reaffirmed that genocide in Srebrenica, war crimes and crimes against humanity committed in the course of the conflict in BiH must not be forgotten or denied.

The PIC SB called on the new authorities to ensure the proper functioning of institutions at all levels, including those responsible for upholding the rule of law. It emphasized that state-level competencies must not be undermined. Equally, entity-level competencies should continue to be fully respected.

The PIC SB called on the authorities to strengthen fiscal coordination by ensuring the proper functioning of the Indirect Taxation Authority and its bodies as well as the BiH Fiscal Council. The PIC SB also called upon BiH authorities to ensure timely agreement on a 2011 budget framework, which will ensure the effective functioning of the state-level institutions.

The PIC SB welcomed the renewal of EUFOR Operation Althea's executive mandate by the UN Security Council Resolution 1948/2010 on 18 November and expressed its appreciation for Operation Althea's continued role in ensuring compliance with the military annexes of the Dayton Agreement and support to the BiH authorities efforts to maintain the safe and secure environment in Bosnia and Herzegovina.

The PIC SB underlined its strong commitment to Bosnia and Herzegovina's territorial integrity and sovereignty. The PIC SB reiterated its full support for the High Representative and his authority derived from Annex 10 of the GFAP and relevant UN Security Council Resolutions; it insisted on full compliance with the GFAP and the decisions of the High Representative, and reminded the authorities in Bosnia and Herzegovina to ensure that the High Representative and his Office have access to officials, institutions and documents in a timely fashion.

The next PIC SB meeting will be held on 29-30 March.