

## **Statement by the Peace Implementation Council Steering Board Ambassadors**

The Ambassadors of the Peace Implementation Council's (PIC) Steering Board note with concern delays in implementation of structural measures agreed under the International Monetary Fund (IMF) Stand-By Arrangement. It is important that the authorities of the Federation of Bosnia and Herzegovina (FBiH) agree on effective measures to correct these slippages, allowing the IMF mission to resume discussions on the new Letter of Intent.

The PIC Steering Board Ambassadors encouraged the FBiH Government and Parliament to stay the course and strengthen their efforts to reform public spending in the FBiH. The PIC Steering Board Ambassadors urged them to continue implementing the structural reforms agreed under the IMF Stand-By Arrangement to reduce public spending in order to attain sustainability of the FBiH's public finances and protect the most vulnerable groups. The Ambassadors also noted with concern the Cantons' lack of progress in rationalizing public spending, which remains a hindrance to fiscal reform in the FBiH.

The PIC Steering Board Ambassadors urge the FBiH to remain committed to the reform process and expect strong and far-sighted leadership and engagement from all political parties as well as public understanding and solidarity.