

# Remarks by Supervisor of Brcko District Dr. Raffi Gregorian at the 8 September 2009 Press Conference, Brcko Final Award Office



Thank you for coming. There is one week until the expiry of the PIC SB's deadline for the Entities and the State to fulfill the remaining obligations towards Brcko needed for the end of Supervision. So I am here to update you on how they are going in this regard.

First, a reminder of the issues.

It has been more than 10 years since the Arbitral Tribunal issued the Final Award creating Brcko District and the Annex to the Final Award. The FA and its Annex obliged the Entities to work with the Supervisor to resolve issues such as entity citizenship of District residents, tax issues, mutual debts, and so on.

The Final Award makes clear that the Supervisor can only inform the Arbitral Tribunal that the Award has been implemented once the entities have fulfilled their obligations and District institutions are functioning effectively and apparently permanently.

So it was almost exactly nine years ago that the entities signed an agreement with the Supervisor and the Brcko Mayor to resolve all these issues, and also nine years ago that specific agreements were signed regarding electricity supply, tax, health insurance, pension and other issues.

The entity governments that signed these documents all those years ago are made up by the same political parties that are in power today.

The past nine years they have done nothing.

It has been almost 3 years since I have been appointed Supervisor. During my tenure I have repeatedly raised these issues in writing and in person with entity and state authorities, asking them to fulfill their obligations.

The parties have done nothing.

My predecessors, as Supervisors, did the same, and got the same response: nothing.

In March of this year the BiH Parliamentary Assembly adopted the Brcko amendment to the BiH constitution. The PIC Steering Board welcomed the move as paving the way for closure of Supervision. In its March communiqué it called on the authorities to resolve the outstanding entity obligations and related state issues.

The parties did nothing.

In June, the PIC Steering Board accepted my recommendation to aim for closure of Supervision in November, assuming that the Entities and the state fulfill their obligations, including correcting the legal error made by the National Fiscal Council when it excluded Brcko from its share of succession assets.

In its June communiqué The PIC Steering Board again urged the parties to fulfill the obligations, and set a deadline of September 15, so that a decision on closure can be taken by them in November.

The parties did nothing.

So my staff and I, working with Brcko District, prepared all the amendments needed to be made by BiH, entity, and District

authorities that would then result in fulfillment of the obligations.

The Entities did not even meet the required deadline for responding. Other than a few letters saying our proposals were not necessary or that they won't answer until they return from vacation, the parties did nothing.

We asked governments and parliaments whether they had placed any of these issues on their agendas even for discussion prior to September 15. None of them have done so.

Now with one week to go, it is procedurally impossible that either entity or the state will be able to adopt any of the necessary measures. Only just this week has there been some low-level discussions about some of the issues, while there is still a remote chance that agreements can be reached on resolving Entity debts to Brcko.

So it seems that the responsible officials are doing everything to make sure they will **not** meet the obligations.

Let me be clear: I have done my part for completing Objective 3 and paving the way for OHR-EUSR transition. I am serious about closing Supervision in November. The parties are not.

But the legal standard is clear: the Entities **must** fulfill their obligations in order for me to notify the Tribunal that the Award is completed.

What is also clear is that there is no need to prolong Supervision just to wait another nine years for the Entities to do what they are legally bound to do. This is because the High Representative and I as Supervisor have within our authorities to ensure that these obligations are met.

So if the deadline is missed, as it appears it will be, we will know what to do.

We will also have plenty of time to see whether the Entities

and the State implement and adhere to the solutions that are put in place. Once that is clearly done, I will be able to inform the Tribunal that the Final Award is completed. And to that end preparations are underway to hold a closing ceremony for Supervision tentatively scheduled for November 20.

Thank you.