## Remarks by the EU Special Representative/High Representative Miroslav Lajčak at the 11th European Parliament-BiH Inter Parliamentary Meeting



Ladies and Gentlemen,

Last year when you had this gathering of parliamentarians from the European Parliament and from Bosnia and Herzegovina, our joint efforts were aimed at achieving the first contractual step towards EU integration, through the signing of a Stabilisation and Association Agreement (SAA) with the European Union.

A year ago, the political climate in the country was far from ideal. However, when confronted with the possibility of falling behind other countries in the region, or falling off the European path, the political leaders came together and reached agreement on the outstanding issues, leading to the signing of the SAA last June.

They did so because they know that the overwhelming majority of citizens throughout the country believe that progress towards membership in the European Union is the only option for improving the economy and providing a better life for the citizens.

And yet, despite this major step, despite the opportunities presented by closer relations with the EU, despite the initiation of a road map to allow the citizens of this country visa—free access to the European Union, despite the opportunities to improve the economy and the lives of the citizens of Bosnia and Herzegovina...

Despite all these opportunities, once the SAA was signed, further progress towards the EU essentially stopped. Instead of advancing on the EU agenda and addressing relevant conditions, progress was replaced by very negative and confrontational political messages and actions. Leaders often abused the campaign for the October municipal elections to launch such messages.

As a result, mutual accusations, based on nationalism and fear-mongering froze progress. The expectation was that once the municipal election period had passed, the political parties and their representatives would resume the business of ensuring Bosnia and Herzegovina's European future.

Instead, the opposite has happened.

How else to explain the fact that it took the Council of Ministers six months to deal with the appointment of a acting Director to the Directorate for European Integration, the most important link between the country and the institutions of the European Union, a situation which is still unresolved? And how absurd that at the same time, Bosnia and Herzegovina has for months been without an Ambassador to the European Union?

How else to explain that there has been virtually no progress in addressing the European Partnership priorities in the last six months? The authorities have only managed to adopt 7 laws of more than 125 short-time priorities in 2008.

How else to explain that the authorities have made so little

progress in addressing the condition for visa liberalization, and in particular those related to anti-corruption measures and the security of documents? As a result, Bosnia and Herzegovina is significantly, for more than a year, falling behind the other countries in the region also in this process.

How else to explain that the parties again failed to reach an agreement on the budget in time for the New Year, and that the draft budget under consideration does not include funds for implementing the same police reform legislation whose passage opened the way for the signature of the SAA?

And when one considers that at the very same time, the BiH Chair of the Council of Ministers and the BiH Foreign Minister express their intention to apply for European Union candidate status in a few months time and then expect to receive a positive reply from the EU a couple months later, one can only conclude that, now that the SAA has been signed, the political leaders are convinced that they have a blank check from the EU to proceed in the integration process, no matter what their actions are. Is this a sign of political maturity and responsibility? Is this the partnership the EU can expect from the institutions and leaders in Bosnia and Herzegovina?

We need to be clear about this process and it is important that there are no false illusions. The EU does not issue blank checks. Neither when it comes to joining the EU, nor when it comes to visa free access.

Moreover, 2009 will be absolutely critical in determining whether or not Bosnia and Herzegovina stays on the path to European integration or drops out of the group of Western Balkan countries moving towards the EU. Montenegro has already applied for EU membership and it seems that Albania might follow soon. Serbia will proceed fast once their cooperation with the ICTY has been sorted out. It is possible that the EU might be addressing these applications in the coming months, so it should be in Bosnia and Herzegovina's interest to join

this group and build up a solid track record in this regard.

European integration is Bosnia and Herzegovina's proclaimed strategic objective. This means that the responsibility lies with the institutions of Bosnia and Herzegovina, foremost the Council of Ministers and the Parliamentary Assembly to take a critical look at their own performance over the last year, and exert the leadership needed to reach compromises and move forward on the European agenda in 2009.

Let's take just a moment to reflect on the performance of these institutions over the last year.

In its November 2008 Progress Report, the European Commission identified only very limited progress on the European path, due in large measure to limited legislative output.

For instance, in 2008, the Council of Ministers succeeded in adopting much less than 50% of draft laws and amendments to existing legislation from its own work plan.[1] Furthermore, a number of important decisions and laws are currently blocked by the executive — and not taken to the Parliamentary Assembly for discussion. Key decisions, such as the Annex 7 Implementation Strategy have sat in the Council of Ministers for months awaiting adoption.[2] Still other initiatives, such as the Strategy and Action Plan for Preventing Money Laundering, Innovated Strategy and Action Plan for Combating Corruption, including the establishment of the Anti-Corruption Body, as the visa liberalization prerequisites, move too slowly from working group to Council of Ministers.

In light of the recent gas crisis, another significant example is the Law on Gas of BiH, required under the European Partnership and also agreed to by the BiH Chair of the Council of Ministers and the entity prime ministers on 6 November 2008, in Banja Luka, as part of an initiative to ensure energy independence and harmonized policy on reliable energy sources within BiH. The law has been stuck in the

working group phase for years. The lack of progress is also evident in the development and adoption of a comprehensive energy strategy. These long-standing obligations of BiH are repeatedly noted in the European Commission's progress reports.

Clearly the slow output of the BiH Council of Ministers affected the Parliamentary Assembly's capacity to adopt legislation last year. But when we consider that the BiH House of Peoples met only *four times* in the last six months, it is clear that the parliament shares equal blame for the lack of progress.

There are also a number of laws which have been stuck in the parliamentary procedure for a considerable time. For example the Law on Civilian Movement Control of weapons and military equipment has been stuck in the parliament for over nine months. As a result, the EUFOR is still exercising a vital part of the competencies that should have been assumed by the armed forces of Bosnia and Herzegovina.

Another problem has been the lack of effective cooperation between the government ministries and the parliament, even for issues related to European Integration. For instance, I understand that the Committee for European Integration does not yet deal with specific legislative issues related to European integration.

What is also a concern is that no formal coordination of legislative agendas exists between the State and Entity parliaments. The state and entities continue to adopt legislation in a completely uncoordinated manner. It is also a concern that Republika Srpska does not coordinate the European integration process with the state-level and other authorities in the country. This lack of coordination, clearly demonstrated by the Republika Srpska authorities disregard for EU priorities and their attempt to negotiate on the European Partnership priorities, such as the recent adoption of the Law

on State Aid by the Republika Srpska government shows a clear lack of understanding of the European integration process. It is clear that this is making progress towards the EU more difficult.

In addition, there is evidence to suggest that political parties support crucial legislation through their representatives in the government, only to reject the same laws when they come before the Parliament. This is not the kind of responsible politics expected from a country that wants to advance towards the European Union.

One such example is the Law on Agency for Development of Information Society of BiH, one of the Feasibility Study Conditions and European Partnership requirements.

This law was adopted unanimously by the Council of Ministers in July 2008, but then challenged in the BiH Parliamentary Assembly by representatives of some of the same parties that supported it. Despite extensive efforts in the meantime to amend the law in accordance with the RS Government's requirements, the Law is still pending in the Parliamentary Assembly. It is scheduled to be reconsidered at today's meeting of the BiH House of Representatives, but is unlikely to be adopted unless political stances are harmonized.

This represents only one law out of more than fifty short- and medium-term legislative priorities identified in the European Partnership with Bosnia and Herzegovina.

This is the reality when it comes to the seriousness of institutions in Bosnia and Herzegovina to tackle issues related to European integration. There is a clear discrepancy between the proclaimed commitment to the EU agenda and the concrete actions by the political leaders and the respective institutions.

Nevertheless, I am convinced that the institutions are capable of making significant progress on the priorities for 2009, if

politicians are able to avoid negative and confrontational rhetoric or actions, and focus on the benefits to citizens. However, in this regard a sea change in the political life will be necessary.

It is significant that more than *half* of the laws adopted by the Council of Ministers in 2008 were adopted in December, following significant criticism from domestic NGOs about the slow pace of work.

So what should be the key priorities for 2009?

Of course the parties will need to work hard to complete the two outstanding objectives set by the Steering Board of the Peace Implementation Council for transition from the Office of the High Representative to the European Union Special Representative. This must be the key priority in the months to come!

These two items, finding a resolution to the state property question and finding a sustainable solution on Brcko, are essential elements to demonstrate that the political leaders in Bosnia and Herzegovina are mature enough to decide about essential issues in the country.

The agreement reached by three of the political leaders at Prud in November, and the subsequent annexes to that agreement, represent an important positive step. But of much greater importance will be the concrete legislative initiatives undertaken and the compromises reached to successfully resolve these issues in practice.

Of even greater importance will be the actions needed to ensure Bosnia and Herzegovina's place with the other countries of the region on the path to membership in the European Union. A serious and coordinated approach to tackle the European Partnership priorities will be required in this regard.

Moreover, this year provides the window of opportunity to

start addressing the much needed constitutional reform. It is important that this process is well coordinated and taken forward by the political leaders, competent institutions and other relevant stakeholders in Bosnia and Herzegovina. The International Community is of course ready to facilitate.

Once again, I do not wish to dwell on the past, but only to send a wake up call. This year, the Western Balkans and the future of the countries of the region are high on the EU's agenda. But eventually, responsibilities lay in the country and it is up to the elected officials to ensure that Bosnia and Herzegovina does not get left behind.

That is why this meeting of European Parliament and Bosnia and Herzegovina Parliamentary Assembly is so crucial. Today's meeting, at the start of a new year, should be a turning point in the authorities' actions. Bosnia and Herzegovina's performance will need to improve if it is not to fall behind the other countries in the region on the EU path.

I am pleased and honoured to address you on this occasion and I would encourage the parliamentarians from the EU and Bosnia and Herzegovina to strive for an open and frank dialogue about the challenges of EU integration and the enormous benefits to be gained through this process.

[1] Of 102 planned laws or sets of amendments to existing laws, the BiH CoM adopted 28 new laws and 16 sets of amendments to existing laws.

[2] The "Revised Strategy of BiH for the implementation of Annex VII of the Dayton Peace Agreement" was submitted to the Council of Ministers on 29 October and has, so far, not been put on the agenda..