

<u>High Representative's Press Conference After the Session of the Peace Implementation Council</u>

We have just finished the two-day session of Political Directors of the Peace Implementation Council Steering Board.

We had the opportunity to exchange opinions with the Council of Ministers of BiH, the members of the *Collegia* of both Chambers of the BiH Parliament and the Heads of Political Parties that make the ruling coalition at the State level.

The key messages we bring from this meeting are:

- It is very important, and in my opinion very positive for Bosnia and Herzegovina, that the Peace Implementation Council is fully unanimous in its assessment of the situation.
- Bosnia and Herzegovina has made a historic progress on its European path.
- We acknowledged the progress that has been made in fulfilling the tasks defined in February this year.
- On the other hand, all requirements for the OHR-EUSR transition have not been met.
- The Steering Board is unanimous in expecting that the five objectives and both priorities will be implemented in full.
- Political Directors fully supported the Office of the High Representative and its efforts to continue its work aimed at fulfilling the objectives and priorities.
- The OHR-EU transition remains our priority, as soon as all the objectives and conditions have been met.

- The PIC members and representatives of BiH institutions and the Heads of Political Parties unanimously consider that the constitutional reform is necessary and that activities on this issue will commence after the local elections.
- The Russian Delegation could not join the adopted Communiqué, as they insisted on setting a date for the termination of the OHR mandate. Other PIC members could not accept their request as it would go against the February agreement and the entire philosophy, which is based upon results and not time.

The Peace Implementation Council welcomed the signing of the Stabilization and Association Agreement. This is certainly the most important step for the future of this country.

European future is our common objective and we expect from all politicians to focus on the development of a modern and efficient state that will serve the best interests of all citizens.

The signing of the SAA was also one of the two conditions that the Peace Implementation Council Steering Board defined for the OHR-EUSR transition. This condition has been met.

The Steering Board acknowledged the progress that has been made in delivering on the five objectives defined at our meeting in February.

A part of one of the objectives has been fulfilled by the agreement on movable military property, signed in March.

A progress in the implementation of the Final Award for Brčko District has been made by the adoption of amendments to the Brčko District Statute, the new Education Law, the Brčko District Election Law and the Rules of Procedure of the District Assembly.

Regarding the issue of fiscal sustainability, both Chambers of the BiH Parliament adopted the Law on National Fiscal Council yesterday and the Governing Board of the Indirect Taxation Authority yesterday reached the agreement on distribution of collected funds.

As far as the fifth priority is concerned – Entrenchment of the Rule of Law – the Law on Asylum and Aliens has been adopted, the State Judicial Reform Strategy has been completed and adopted by all relevant institutions: the State, the Republika Srpska and Brčko District, and the BiH Prosecutor's Office is about to complete the drafting of a War Crimes Strategy.

The Steering Board made a conclusion that a great progress has been achieved since our meeting in February this year. All participants emphasized that the OHR-EUSR transition remains our objective. However, the job is not done yet.

A solution must be found in the matter of state property and immoveable defence property.

In order to complete the Brčko Final Award, it is necessary to legally define the status of the Brčko District.

With regards to fiscal sustainability, we expect the establishment of the Fiscal Council.

When it comes to entrenchment of the Rule of Law, it is necessary to complete and adopt the National War Crimes Strategy.

The second condition for transition – positive assessment of the situation in BiH – still has not been met, and no one can think that its fulfilment is a mere formality.

Steering Board members expect the political leaders to contribute to creating a positive and constructive atmosphere. Especially in the pre-election period, negative rhetoric can only destabilise the situation.

Bosnia and Herzegovina is an internationally recognised country, whose territorial integrity is unquestionable. This country's structure is determined by the Constitution and it cannot be changed without full consent of all three constituent peoples.

Calls for unilateral withdrawal from agreed reforms and attacks on independence of the judiciary are also just rhetoric, but we cannot tolerate them.

Although the transition into the Office of the EU Special Representative remains our common objective, pending the fulfilment of the remaining condition and five objectives, the Office of the High Representative will remain in its full capacity with all the powers and competencies.

The Peace Implementation Council is unanimous in its support for the work of the Office of the High Representative, to continue working and helping the BiH authorities to fulfil all five objectives and the remaining condition.

The completion of these tasks is crucial for the strengthening and development of Bosnia and Herzegovina as a functional state.

It is clear that the engagement of the international community will not end after the completion of these tasks, but it will be changed. The tasks remaining before Bosnia and Herzegovina cannot be avoided.

What are the next steps?

Firstly, it will be necessary to start a gradual process of changes to the Constitution, in order to harmonise it with standards and requirements of the European Union. Representatives of BiH agree with the Peace Implementation Council that this is a necessary next step that will require a lot of time. The international community is ready to assist the domestic process of constitutional changes.

Continued cooperation with the International Criminal Tribunal in the Hague is an unavoidable obligation. The Steering Board welcomed the arrest of Stojan Župljanin, indicted for war crimes in Bosnia and Herzegovina. Indictees Radovan Karadžić and Ratko Mladić also must be brought to justice.

The Steering Board members thanked ambassador Clifford Bond for all his efforts in resolving the problems of Srebrenica residents. The end of his mandate on 11th July this year will not be the end of the international community's engagement in this town. It is our obligation to continue working on bringing to justice all those accused for participation in genocide and on improving the conditions for everyday lives of returnees and citizens. Politicians from both the Federation BiH and Republika Srpska have an obligation to contribute to developments in Srebrenica.

Finally, let me only add that the next meeting will be held on 20th and 21st November in Sarajevo, when we will again assess the progress in fulfilling the conditions and objectives defined by the Peace Implementation Council as necessary for transition of OHR into the Office of the EU Special Representative.

RTQs:

BN TV:

I have just one question for Mr. Lajčák. If and when the OHR transitions into the Office of the Special Representative of the EU, what changes will be made with regard to your powers?

High Representative / EU Special Representative, Miroslav Lajčák:

Those are two different missions and two separate mandates. Today, it is sometimes difficult to distinguish the difference between the two mandates since they are both held by the same person. However, of course, the definition of the mandate is completely different and the aim of the mandate is different. The EU Special Representative represents the European Union. The High Representative represents the member states of the Peace Implementation Council, some of which are not in the European Union. What probably interests you the most is the character of the relations, the way the relations will be defined. So, certain powers vested in the High Representative will not be held by the EU Special Representative, as his engagement is governed by a different principle, the principle of partnership. That means that this country, that is, its political leaders have committed themselves to lead the country and its citizens towards membership in the European Union and the EU Special Representative is here to help them on this road, providing the necessary knowledge, experience, financial aid, technology, etc. However, the principle of the process of European integration is such that it is a voluntary process.

Therefore, you cannot force anyone into the process and that is why the Bonn powers will not be necessary.

BHT 1, Svjetlana Todorović:

Is it possible that eventually, after the fulfillment of the five objectives and two conditions, this condition, constitutional reform, will find its way on the agenda of the PIC in the sense of the final OHR – EUSR transition? We know that this was talked about at the session of the PIC and that the positions held by the political parties in the Federation and Republika Srpska differ. Hence, is it possible that constitutional reform may appear on the agenda of the final transition of the OHR?

High Representative / EU Special Representative, Miroslav Lajčák:

No. The five objectives and two conditions for the transition of the OHR, or the closing or the shutting down or however else you would like to call it, were defined in February and there will be no changes in that regard. The issue of constitutional changes is an issue that has been on the agenda in Bosnia and Herzegovina practically since 2005 and at the session yesterday it was apparent that all of the political party leaders talked on their own initiative about the necessity to begin working on constitutional changes after the municipal elections. Therefore, no difference of opinion exists on that point. Of course, a series of differences exist with regard to what individual political parties and leaders expect from that process. The process and conditions for the transition of the OHR into the EUSR are clearly defined. On the other hand, the issue of constitutional changes exists and it is related to firstly, the functionality of this country and secondly, to aligning the Constitution of BiH with European standards, as of course European Community legislation has precedence over national legislation, certain competencies shall have to be transferred to European institutions, and human rights norms, minority rights norms, etc, shall have to be brought in line with European norms. So, that issue does exists, everyone is aware of that and we will return to that process in accordance with the agreement that was reached by the political leaders in February this year as soon as the situation to do so is favorable, and we believe that the situation will be favorable soon after the local elections.

RTRS, Gvozden Šarac:

Why is it that the members of the Presidency of BiH did not attend the session of the Steering Board of the Peace Implementation Council? Mr. Radmanović, the member of the Presidency of BiH from Republika Srpska, considers that they should have been present at the session as after all, they represent the institution that issued the decision on the signing of the SAA, and that in the end he will behave toward the OHR and the embassies of the PIC member states as they behaved toward him in this particular case.

High Representative / EU Special Representative, Miroslav Lajčák:

Well, in that case we will have an excellent relationship, as I treat him only with the utmost respect. We should not try to create and look for trouble where there is none and we should not look for conspiracies where there aren't any. The members of the Presidency attended the PIC session in June, and did not attend the one in October, but did attend the session held in February. We did not invite them to this session because for the first time we invited the Collegium of both Chambers of the BiH Parliament, which had never before participated in a PIC session. Why? Well, because we think that the moment is such that it is necessary to fulfill our five plus two conditions and that all of the challenges that will ensue after the signing of the Stabilization and Association Agreement will require the Parliament to play a much more active role. That was the aim – to, via direct communication with the members of the Collegium, let them know that we are aware of their role and secondly, to motivate them positively to play the part they are meant to, and which they have played so far. So, there is no conspiracy theory – we have sessions with political party leaders, a traditional meeting with the Council of Ministers, and in February we met with the Presidency, and this time, for the first time, we invited the Collegium.

Nezavisne novine, Mirza Ćubura:

May the mandate of the OHR end before the Dayton Peace Agreement is implemented in its entirety? We know that the political parties in the Federation objected to the fact that annexes 7, 9 and 10 have not been implemented yet.

High Representative / EU Special Representative, Miroslav Lajčák:

The mandate of the OHR shall end when the Peace Implementation Council determines it should. Of course, we also listen carefully to the positions held by the political parties in BiH and yes, that is the position that was put forward. However, I would like to once again say that the PIC defined its strategy in February, and the aim of that strategy is to achieve the necessary political level that will guarantee the stability and progress of this country and then we will be in the position to change the configuration of the presence of the international community, after which we expect that European topics, the European agenda will dominate and in that sense the role of the EU special representative will become much more visible, stronger and, so to say, prominent.

TV OBN, Almir Šarenkapa:

I have a, so to say, technical question. What was the proposal of the Russian delegation with regard to the date for the closing of the Office of the High Representative? Did they have a concrete proposal?

High Representative / EU Special Representative, Miroslav Lajčák:

Yes, they did. The Russian delegation wanted us to enter into the Communiqué that a decision on the closure of the OHR shall be made at the next session of the Steering Board of the PIC. However, this is unacceptable as it absolutely contradicts our principle that we will no talk about dates, but only about the fulfilling of conditions that are necessary for BiH, not for us, in order to have a guarantee for the international community to, after all of these years that it has been here, after all that it has invested politically, morally, physically and financially, be able to say that this country is on the right path and that the OHR can be closed. If we set a date today, then we would only find ourselves in the same situation we were in several months ago when everyone only talked about the date and not about the living conditions and situation in the country.

Hence, we are not saying when the OHR should be closed. We are saying that the conditions must be fulfilled. We think that it would be unnecessary and contra productive for both BiH and the international community to speculate about the date, as you all know very well what kind of situation develops once a date is set.

Dnevni List:

Constitutional reform or the creation of a new constitution, it does not matter which exactly, is the main condition for BiH membership in the European Union. However, what is your current position on that issue and do you think that the OHR should close before the Constitution is reformed?

High Representative / EU Special Representative, Miroslav Lajčák:

It is clear that BiH can enter the process of European integration with its current, existing Constitution, as it is doing now. However, it is also clear that with the current constitution in place this process cannot result in BiH's membership in the EU. All other questions – when constitutional changes will be made and which constitutional changes will be adopted – remain open. We would, of course, like to see the local institutions play a key role in answering those questions.

So, the framework is defined by the positions I presented. Personally, I am not in favor of artificially linking the mandate of the Office of the High Representative with the adoption of a new constitution. I would simply not like to see the Constitution once again become the object of political games. A constitution is necessary for Bosnia and Herzegovina and the current Constitution must be amended, and the international community is here to aid that process. And that is that. I expect that if the country moves forward in the process of European integration, it will then become clearer to the political party leaders why and to which extent it is necessary to make constitutional changes, and then, I assume, it will be easier to reach a compromise. Without compromise no constitutional changes can be made.

FTV, Sinan Šarić:

Last night Mr. Silajdžić stated that there had been, in his words, "dissonant tones", at the session. Can you tell us about what and between whom disagreements arose?

High Representative / EU Special Representative, Miroslav Lajčák:

The entire atmosphere at the session was much better than it has been during previous sessions that I remember, during my mandate, and that was apparent to the political directors. The atmosphere was much more positive. I

think that, objectively, it is necessary to point out that the development of the political situation in BiH since February to date has been good, positive and better than what we have become accustomed to in recent times. On the other hand, different positions exist on a series of issues and we are aware of this fact. On of the main issues on which the political parties in the Federation and the political parties in Republika Srpska disagree is the constitutional structure of the country, that is whether entities are necessary in BiH or not. The second issue on which conflicting positions exist is the presence of the international community, the Office of the High Representative, wherein the parties from Republika Srpska would like the OHR to close as soon as possible, while the parties in the Federation think that the OHR should remain until a new constitution is adopted, and so on.

So, nothing new was said. All of the differences in opinion that we already knew existed were just confirmed in the course of a normal discussion and in a normal atmosphere. I was aware, as I mentioned in an interview last night, that that discussion was more interesting and useful to the political directors than a 50 page political analysis would have been, because they were able to get a complete and clear idea of the positions held by the political parties. So, nothing new was said.