

## Communiqué of the Steering Board of the Peace Implementation Council

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Political Directors of the Peace Implementation Council Steering Board met in Sarajevo on 24 and 25 June 2008. The Council of Ministers and Collegia of the BiH Parliamentary Assembly as well as the leaders of the governing political parties were present at parts of the meeting.

The PIC Steering Board welcomed the significant progress that has been made by the authorities in BiH since their last meeting in February, in particular the adoption of State-level police legislation, which enabled Bosnia and Herzegovina to sign the Stabilisation and Association Agreement on 16 June.

The signing of the Stabilisation and Association Agreement represents a major step forward in Bosnia and Herzegovina's relations with the EU. In this respect it is more important than ever for political leaders and the institutions at all levels to support efforts to build amodern, efficient state that can take its place in the EU. Political leaders should not allow the forthcoming elections to dampen this momentum.

Bosnia and Herzegovina as a "peaceful, viable state irreversibly on course for European integration" remains the longstanding objective of the PIC Steering Board and it reminds the authorities of the decision it took at its meeting on 27 February 2008, that the five objectives and two conditions must be delivered by the BiH authorities prior to OHR-EUSR transition. Until such time as the PIC Steering Board determines the five objectives and two conditions are delivered, OHR will remain in place and continue to carry out its mandate under the Dayton Peace Agreement, ensuring full respect of the Peace Agreement.

The PIC Steering Board also welcomed the Bucharest NATO Summit decision in April 2008 to begin an intensified dialogue with BiH.

The signing of the SAA delivers the first of the two conditions for OHR-EUSR transition. The PIC Steering Board welcomes this positive development as well as the progress that has also been made by the authorities in BiH to deliver the five objectives. The most notable progress that has been made includes:

- On Objective Two Acceptable and Sustainable Resolution of Defence Property: An agreement on the transfer of movable defence property was signed in March.
- On Objective Three Completion of the Brcko Final Award: a new education law and amendments to the Statute, Assembly Rules of Procedure, and election law promoting inter-ethnic cooperation and minority representation have been enacted in line with the Final Award.
- On Objective Four Fiscal Sustainability: a Law on the National Fiscal Council has been passed by both Houses of the BiH Parliamentary Assembly and the Indirect Taxation Authoritity Governing Board has agreed an ITA co-efficient methodology.
- On Objective Five Entrenchment of the Rule of Law: the BiH Law on Stay and Movement of Aliens and Asylum has been adopted and rule books are being prepared. The National Justice Sector Reform Strategy has been finalised and adopted by the Council of Ministers, Brcko District and the governments of the Republika Srpska and the Federation of Bosnia and Herzegovina. In addition to this, the BiH Prosecutor's Office is finalising a draft War Crimes Strategy.

Much has been achieved, and it is now time for the political leaders and authorities in Bosnia and Herzegovina to fulfil the remaining criteria for the five objectives and two conditions to be delivered in full. Once the PIC Steering Board decides that the five objectives and two conditions have been delivered in full, then it would be in a position to take a decision on the transition. In this respect, the PIC Steering Board highlights a number of specific points it expects the authorities in BiH to address as priorities:

- On Objective One Acceptable and Sustainable Resolution of the Issue of Apportionment of Property between State and other levels of government: the Steering Board notes the four-year failure of the State and entity authorities to reach an agreement on the first objective, thereby necessitating the High Representative yet again to extend the ban on disposal of State Property It is now time for political leaders tobuild on the progress they have made in other areas and to take the lead and to reach an agreement on this matter that enables the State to conduct its constitutional responsibilities.
- On Objective Two Acceptable and Sustainable Resolution of Defence Property: the approval of an agreement on transfer of immoveable defence property by the state and entity governments that meets the needs of the BiH Ministry of Defence and the Armed Forces of BiH.
- On Objective Three Completion of the Brcko Final Award: the political leaders and competent authorities to make concrete progress towards adopting adequate legal protections vis-à-vis Brcko District's relationship with the state and entities.
- On Objective Four Fiscal Sustainability: the competent authorities to complete the adoption of the Law on the National Fiscal Council and the establishment of the National Fiscal Council.
- On Objective Five Entrenchment of the Rule of Law: the competent authorities to complete the drafting and adoption of the National War Crimes Strategy. Rhetoric and efforts to undermine state-level judicial institutions are inconsistent with this objective.

The PIC Steering Board also reminds political leaders and the authorities of the need to fulfil the second condition, a positive assessment of the situation in BiH by the PIC SB based on full compliance with the Dayton Peace Agreement. To fulfil this condition, it remains crucial that BiH political leaders fully comply with the Dayton Peace Agreement avoiding any inflammatory statements or action that would threaten or violate the Peace Agreement. The PIC Steering Board re-emphasises that an entity cannot withdraw unilaterally from a previously agreed reform. The consolidation of state-level institutions must continue and the undermining of these same institutions must end. Statements and actions that undermine the state or seek to roll back reforms will not be tolerated by the PIC

Steering Board and the High Representative, and may be acted upon accordingly. They will also be considered by the PIC Steering Board when assessing the situation. The Steering Board also expects that the upcoming municipal elections will be in accordance with international standards and legal requirements, and that pre-election rhetoric and activities will remain acceptable.

The PIC Steering Board underscores its full support for the High Representative to facilitate accomplishment of these objectives and conditions in a manner consistent with the overall goal of entrenching reform and ensuring BiH meets its commitments for Euro-Atlantic integration. The PIC Steering Board requests the High Representative to undertake all appropriate measures to ensure that the above objectives are met.

The Steering Board underlines that BiH is an internationally recognised sovereign state whose territorial integrity is guaranteed by the Dayton Peace Agreement. The Steering Board recalls that the Constitution of Bosnia and Herzegovina recognises that Bosnia and Herzegovina consists of two entities and that Bosniaks, Croats and Serbs are constituent peoples. The Steering Board remains fully committed to the Dayton Peace Agreement.

All Parties must comply fully with the Dayton Peace Agreement. The Steering Board underlines that the International Community retains the necessary instruments to counter destructive tendencies and that it will not allow attempts to undermine the Dayton Peace Agreement, whether from inside or outside the country. All signatories and parties are obliged under Annex 10 of the Dayton Peace Agreement to cooperate fully with the High Representative.

The PIC SB reiterated the view that a reinforced EUSR Office would constitute an important part of the EU's comprehensive engagement after OHR. The Steering Board looks forward to a continued exchange of information on the respective planning processes at the next meeting of the Steering Board.

The PIC SB welcomes the apprehension of ICTY indictee Stojan Zupljanin on 11 June and cites it as evidence that indicted war criminals can be found and apprehended. The Steering Board calls upon the competent authorities inside and outside Bosnia and Herzegovina to abide by their Dayton and wider obligations under international law by cooperating fully with the ICTY, playing a proactive role in apprehending all remaining indictees – including Radovan Karadzic and Ratko Mladic – without further delay, dismantling their support networks and ensuring indictees are transferred to the ICTY, as well as addressing witness protection issues.

Bosnia and Herzegovina's constitution must evolve in order to ensure that the state is functional, efficient, and capable to meet the challenges of EU integration. The need for constitutional changes has been widely recognised inside and outside the country, including by Bosnia and Herzegovina's political leaders. The PIC Steering Board repeats its support for domestic efforts on constitutional changes.

The Steering Board notes that Ambassador Bond's mandate as the High Representative's Envoy for the Srebrenica Region will end on 11 July. The Steering Board thanks him for all his efforts in that capacity to improve the situation for the residents of Srebrenica and the surrounding area. The PIC Steering Board noted the need to continue coordination of the international support for Srebrenica. The Steering Board calls on the authorities at all levels in Bosnia and Herzegovina to continue their efforts to improve the every day lives of the people of Srebrenica and to ensure that justice is done for the crimes that have been committed there. In the spirit of pragmatism that prevailed at the time of the Srebrenica amendments to the BiH Election Law, the PIC Steering Board expects all parties to utilise the opportunity provided by the forthcoming elections to propose candidates who can actively contribute to the integration and prosperity of the Srebrenica community.

The PIC Steering Board expresses its condolences to EUFOR and to the families of the victims of the recent helicopter crash. It commends the contribution that EUFOR personnel continue to make ensuring a safe and secure environment in Bosnia and Herzegovina, and recognises the risks that they take in conducting their mission.

The OHR will continue to monitor progress in respect of the objectives and conditions and the PIC Steering Board will keep the situation under constant review. The next meeting of Political Directors will take place in Sarajevo on 20 and 21 November 2008.