

# Remarks by EU Special Representative/High Representative Miroslav Lajčák at the 10th European Parliament-BiH Inter-Parliamentary Meeting



## BiH on the Brink of Transformation – as Long as Politicians Refuse to Be Distracted

Ladies and Gentlemen,

This dialogue between parliamentarians from the European Union and from Bosnia and Herzegovina could hardly take place at a more crucial moment. Bosnia and Herzegovina is poised to take its most significant step yet towards deeper integration with the EU.

All of us are very well aware that the quality of recent public discourse in Bosnia and Herzegovina has left much to be desired.

To improve it is necessary to identify our objectives and focus attention on reaching them,

Anything else is simply a distraction, and we do not have time for distractions.

The people of Bosnia and Herzegovina can reap the first rewards of having established a full contractual relationship with the European Union; they can be reaping the first rewards of sensible steps aimed at boosting the economy; and they can be looking at the prospect of cumulative improvements to life in this country arising from constitutional and legal reforms.

They can be in this position in less than six months from now – but only if the relevant stakeholders (including people in this room) refuse to be distracted.

They must focus on a handful of key initiatives.

In order to sign a Stabilisation and Association Agreement in the first half of 2008, the coalition parties must implement the agreement on Police Reform which was first sketched out in Mostar and is now being given substance in the form of draft legislation.

The coalition must also demonstrate progress on Public Administration Reform and reform of the public broadcasting system, and satisfy the ICTY that everything possible is being done by the authorities in BiH to bring indicted war criminals to justice.

On all of these matters there is already a majority agreement; very often the areas where difficulties exist are procedural, which means that eliminating difficulties is in many cases a technical rather than a political matter.

In other words the tasks before us do not represent a huge political challenge – but the benefits of completing these tasks successfully *are* huge. Bosnia and Herzegovina will be able to sign an SAA, and thus open the door to a new era of constructive cooperation with and integration in the European Union.

I want to stress that we are not up in the clouds talking about what *could* be but never *will* be. We have our feet firmly

planted on the ground and we are talking about what can realistically be achieved in the coming months if party leaders and parliamentarians focus on key tasks.

And since we are adopting a stance of the utmost realism, let us confront what has happened to the State Budget over the last few weeks. The Presidency members and the Council of Ministers' representatives have singularly failed to focus constructively and coordinate their efforts on getting the budget passed.

The sorry story of this year's budget shows what we are up against – when politicians get distracted, crucial tasks are left undone. The budget negotiations focused on differences instead of focusing on desired outcomes. The net result was a series of delays that damaged the interests of BiH citizens.

Since recently we are also facing two other serious political challenges.

On one side views of SNSD are very problematic. They suggest that the dominant party of the RS wishes to reduce existing state institutions and make them purely virtual.

On the other hand, the SDA has changed its position on police reform.

Despite this setback, the fact remains that if tasks are defined and explained and the benefits of completing them are clear it will be possible to maintain focus on key legislative and procedural initiatives from now on.

In this respect I would draw your attention to the Platform for Action which the three prime ministers and the mayor of Brcko signed on 16 October. The Platform identifies key areas of economic reform where the parties are largely in agreement, and commits the prime ministers to supporting legislative and administrative steps in these areas.

Commitments laid out in the Platform for Action include creating a better business environment by removing administrative obstacles, harmonizing profit and income tax laws, improving the banking supervision system, further facilitating undisturbed movement of goods, services and capital – as in the case of pharmaceuticals, dismantling obstacles to labour mobility, modernising the commercial code, and setting up an effective BiH Social and Economic Council. Coordinating the fiscal policy objectives of the various levels of government and rationalising public spending are also areas where we will be seeking an end to legislative delay.

Let's be candid – life is complicated, and parliamentary life is particularly complicated. There are all manner of potential hazards which could delay passage of the Law on Obligations, for example, or the smooth allocation of fiscal income. I am not saying that the Platform for Action can be implemented without hindrance or without effort. What I am saying is that if Governments and parliamentarians focus on this agenda they can get round the hazards, and if they get round the hazards the people of this country will benefit, and benefit quickly.

This is of paramount importance when it comes to negotiating changes to the BiH constitution. University students spend years studying the advantages of one kind of constitution over another; experts write books on the subject; Supreme Court Justices spend their professional lives interpreting the nuances of constitutional precepts.

This is a big subject.

Indeed it is a subject that could suck the energy out of the BiH political system and keep its politicians in busy and public disagreement for years. We don't want that to happen. How do we achieve that? We identify a set of doable tasks and we also identify the advantages that will follow if these

tasks are successfully implemented.

What is the aim of constitutional reform?

- Reduce the cost and increase the functionality of government in BiH as a whole;
- Meet the demands of Euro-Atlantic integration;
- Ensure the rights of citizens are enjoyed in practice (as opposed to on paper);
- Uphold the sovereignty of BiH and the collective rights of the Constituent Peoples and Others.

Everything we are going to talk about after signing of the SAA should be geared to meeting these four objectives. Anything else is a distraction.

Distractions waste time; they create unnecessary difficulties; distractions in the political process can poison the atmosphere, get in the way of constructive debate and sabotage positive outcomes.

The citizens of this country do not have time for distractions

The task in hand is to provide citizens with fair and effective government as BiH moves forward on its path of European integration.

This has nothing to do with questioning the country's sovereignty, or its integrity, or its future.

BiH is an internationally recognised state, its territorial integrity is guaranteed by the Dayton Peace Agreement and its existence cannot be questioned. If politicians challenge the fundamental premise of the Dayton Peace Agreement – that BiH exists as a sovereign state – The International Community will have to take appropriate action.

A consensual process of constitutional reform is necessary in order to make government in BiH more efficient and more effective, and in order for the country to conform with EU

accession requirements more easily. The key word is consensus – the process will only succeed if politicians build trust. They won't do that by making public statements that are clearly inconsistent with the hopes and aspirations of substantial numbers of their fellow citizens.

The vast majority of citizens want prosperity, democracy and faster integration in Europe – that represents an eminently sensible basis for negotiating changes to the constitution. I believe all serious politicians understand this, despite some of the foolish public pronouncements some have recently made.

We have much to do – that is one reason that this tenth meeting of parliamentarians from the EU and BiH is so important, because in the course of our discussions here we can explore ways in which EU parliamentarians may be able to render assistance to their BiH counterparts in negotiating the transformative change which the agenda of next months represents.

This help can be offered in the full knowledge that what is being attempted is not beyond the realms of possibility. The political, economic and constitutional reforms which BiH politicians have undertaken to implement *can* be implemented, and they can be implemented *quickly*; they are clearly defined and they enjoy a large measure of support; the benefits which will arise from their implementation are clear and these benefits can be enjoyed by citizens not in a matter of years or decades but in a matter of months.

We have a practical programme; it is ambitious but it is also realistic. I shall be devoting all of my energy to helping my BiH partners implement this programme. I believe that this is an effort in which we can all join for the good of this country and its people.

Thank you