

<u>Declaration by the Steering Board of the Peace Implementation</u> Council

Political Directors of the Peace Implementation Council Steering Board met in Sarajevo on 30 and 31 October 2007. The Chairman and Ministers of the Council of Ministers as well as leaders of the governing coalition were present during parts of the meeting.

In line with the decision taken at its June meeting, the PIC Steering Board reviewed the situation in Bosnia and Herzegovina. Since then, the situation in BiH has deteriorated further. Responsibility lies with political leaders from both entities who have blocked progress and undermined the political situation with their aggressive rhetoric. The situation is now of the utmost concern to the international community. The PIC Steering Board underscores that it is time for BiH politicians to end the practice of questioning the fundamental structure of the state or its component parts.

BiH urgently needs reform to build the kind of modern, efficient state that can take its place in Euro-Atlantic institutions and fulfil the promise of the Dayton Peace Agreement. This can only be achieved through compromise.

However, since June, BiH has moved no closer to initialling a Stabilisation and Association Agreement. Some political leaders have not honoured their previous commitments to meet EU requirements. These requirements must be fulfilled if the country is to conclude an SAA. BiH leaders should adopt a positive approach, based on full respect for the Dayton Peace Agreement and dialogue. The Mostar Declaration of 28 October can serve as the starting point for a positive reengagement of the government coalition parties. Concrete steps are now needed to demonstrate that this is a serious effort. If they follow-up, BiH would be able to progress towards conclusion of the SAA.

Given the lack of progress on key reforms, a focus on completing implementation of the Dayton Peace Agreement, including efforts to tackle the evident dysfunctionality of state institutions, is necessary. The PIC Steering Board fully supports this approach.

The Steering Board of the Peace Implementation Council also supports the High Representative's decisions and proposed actions, which are fully in line with his mandate and the Constitution of BiH. The only objective of these measures is to streamline the decision-making process in the Council of Ministers and the Parliament, and they are necessary for speeding up the reform process. Certain political leaders have overreacted to these measures in order to create a political crisis. They have also challenged the legitimacy and authority of the High Representative and Peace Implementation Council. In particular, the PIC Steering Board calls upon RS leaders to abide by their obligations[1].

The PIC welcomes the High Representative's initiative to provide a note explaining that the measures maintain the constitutional protection of constituent peoples and Entities. We encourage RS legal experts to engage constructively with OHR legal experts on the explanatory note.

The PIC Steering Board reminds all signatories and parties of their obligation under Annex 10 of the Dayton Peace Agreement to cooperate fully with the High Representative and his staff. Decisions of the High Representative must be fully respected and promptly implemented.

The PIC Steering Board reiterates it will not remain passive in the face of provocative statements or acts. Any BiH political leaders or institutions that challenge the High Representative and the PIC Steering Board will be subject to appropriate measures. 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.

The Steering Board underlined that BiH is a 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 Bosniacs, Croats and Serbs are constituent peoples. The Steering Board of the Peace Implementation Council remains committed to the principles on which the General Framework Agreement for Peace is founded and notes that the High Representative's measures in no way change these principles.

The PIC Steering Board also re-emphasises its concern regarding suggestions that certain reforms could be reversed unilaterally by entity decisions retrieving competencies previously transferred to the state. An entity cannot withdraw unilaterally from a previously agreed reform. The consolidation of state-level institutions must continue.

In this context, the Steering Board deplores the lack of progress regarding the transfer from the entities to the state of all property needed for defence purposes as required by the Defence Law. The Steering Board stresses the urgent need to resolve this issue and requests the High Representative to engage with the parties and take appropriate measures to bring this issue to a conclusion by the end of the year.

The Steering Board also deplores the fact that state and entity authorities have failed to reach an agreement apportioning the ownership and use of state property, despite the strong appeal that they do so issued by Political Directors in June of this year. It reminds the three prime ministers of the urgent need to reach an intergovernmental agreement on this question and requests the High Representative to undertake all appropriate measures to bring this issue to a conclusion.

The Steering Board calls upon Serbia, a Dayton signatory, as well as the authorities in Bosnia and Herzegovina, especially those in Republika Srpska, to abide by their obligations under international law to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia (ICTY), playing a proactive role in apprehending all remaining indictees, including Radovan Karadzic and Ratko Mladic, without further delay, dismantling the networks offering support to such fugitives, and ensuring they are transferred to the ICTY.

Also in that regard, the Steering Board welcomes the steps taken by the High Representative to augment the capacity of the BiH authorities to investigate and prosecute war crimes suspects.

The PIC Steering Board will review the situation at its next meeting in February 2008, which will take place in Brussels on 26 and 27 February 2008.

[1] The Russian Federation expresses its special opinion regarding the measures of the High Representative.

The Russian Federation expresses its deepest concern by the consequences of the measures taken by the High Representative that change the procedures of the adoption of decisions by the Council of Ministers and the Parliamentary Assembly of BiH.

Taking into account the lack of agreement on these measures among the BiH leaders, the Russian Federation considers that the elaboration of the measures in a more stable environment would have been more productive. It is essential that the efficiency of BiH institutions be improved not in an atmosphere of growing tensions, but in a more stable context.