

Butler: More Jobs and Higher Living Standards Possible by the End of 2007



If Bosnia and Herzegovina's governments pursue the right economic policies, real improvements could be visible by the end of the year. If they don't, the opposite will happen – more poverty, more crime, more emigration, fewer services and fewer jobs, the Principle Deputy High Representative, Lawrence Butler, wrote in a newspaper article today.

"The new governments do not have to reinvent the wheel," Ambassador Butler wrote in *Oslobodjenje*. "The steps that must be taken have already been mapped out – through general consensus reached by the coalition partners and through the requirements of the Stabilisation and Association process and the European Partnership."

Ambassador Butler encouraged the new governments to speed up privatisation, amend labour laws and simplify business bureaucracy to strengthen Bosnia and Herzegovina's competitiveness and help create a business environment that attracts greater foreign investment.

He also listed the following steps that Bosnia and Herzegovina could and should take in the coming year:

- Enacting the Law on Obligations, so that a single commercial code can be applied, transparently and easily, across the entire country;

- Making the National Fiscal Council fully operational and agreeing an efficient and fair mechanism for allocating public funds;
- Centralising banking supervision so as to strengthen guarantees for savers and free up more capital for investment in jobs;
- Enacting the Salary Law, which will make Bosnia and Herzegovina's institutions more cost effective and prepare them to operate in Europe;
- Developing a State-level capacity to gather usable statistics, without which effective economic planning and expanded cooperation with European institutions are exceptionally difficult;
- Completing the two-year long initiative to reduce the time it takes to register a company in Bosnia and Herzegovina, from more than a month to less than a week
- Implementing the Bosnia and Herzegovina Law on Settlement of Liabilities for Frozen Foreign Currency Accounts, without proposed amendments that would drive the country into bankruptcy; and
- Repealing the Federation laws on Rights of Demobilised Soldiers and their Family Members and Civilian Victims of War, hastily enacted pre-election legislation that, if maintained, will divert scarce resources from pensioners, education, and health care as well as undermine the Federation's economic viability.

"These initiatives are not rocket science – they are common sense, proven in every new member of the European Union," Ambassador Butler concluded. "All they require from the incoming administrations is the will and the organisational ability to steer them through the legislative process."

The text of the Principal Deputy High Representative's article can be accessed at www.ohr.int.