Weekly column by Christian Schwarz-Schilling, High Representative for BiH: "Back to the Future"

There is a point in the construction of a house when the effort expended may appear disproportionate to the results achieved. Typically, this point is reached when the building is near completion. The heavy lifting has been done, the basic elements are in place but the house is not yet habitable. The electricity is only provisionally connected; the water is not plumbed; the windows are still without glass. The builders cannot yet enjoy the fruit of their labour and expenditure.

Entering 2007, Bosnia and Herzegovina may be at this point. The goal of the vast majority of this country's citizens – to live in a state that serves their needs and offers the prospect of living standards comparable with the rest of the continent – is within reach. Despite the fractious public debate that characterised 2006, much heavy lifting has been done in the past 12 months.

Defence reform has proceeded apace, so much so that, just over two weeks ago, Presidency Chair Nebojša Radmanović was able to sign a document clearing the way for Bosnia and Herzegovina to begin participating in the Partnership-for-Peace programme, a key steppingstone on the way to full NATO membership. This is a strategic and significant contribution to Bosnia and Herzegovina 's lasting security.

The October elections were preceded by robust – albeit sometimes dispiritingly backward-looking – rhetoric, but the polls themselves were conducted efficiently. On 1 October, the citizens of Bosnia and Herzegovina peaceably expressed their democratic will.

Throughout the year, even as political leaders squabbled over police restructuring, the Police Directorate worked steadily and thoroughly to draw up an agreed framework for a police service in Bosnia and Herzegovina that is effective and affordable. This framework will be the subject of political deliberations at the beginning of 2007.

Constitutional reform will also be taken forward in the coming year, following the intense round of negotiations in the spring that so nearly secured parliamentary approval. Those negotiations provide a solid basis on which to build agreement. The object of this constitutional effort is to simplify Bosnia and Herzegovina 's complex, expensive and inefficient administration to ensure that it serves citizens.

For years, money that should have been paid in tax disappeared into the pockets of criminals and corrupt officials instead of being spent on public services. The VAT system introduced at the start of 2006 has worked even better than its most ardent supporters predicted. Now that the revenue is being collected professionally, transparently and fairly, there is an urgent need in 2007 to agree an allocation method that is equally predictable, transparent and fair.

When I took up my position as High Representative and EU Special Representative on 31 January, I made it clear that I was determined not to intervene in problem solving where solutions were properly the responsibility of Bosnia and Herzegovina 's elected leaders.

Despite criticism, I have stuck to that resolve. Progress made in the areas I have cited above and in other areas has been made because the various stakeholders were able to reach agreement among themselves. In other areas, progress has been blocked because no such agreement was reached.

It has been necessary in the course of this year to see exactly how far and how fast Bosnia and Herzegovina can make progress on its own. Has enough progress been made? That is, in essence, what the Peace Implementation Council will assess in February when it reviews its decision to close the OHR at the end of June. What is certainly the case, however, is that if this country's leaders seize the opportunity, 2007 can be the year in which the effort of the past decade delivers long-delayed results so that this country's citizens enjoy the fruit of their labour.



Representative in Bosnia and Herzegovina.