OHR's Statement at the International Agencies' Joint Press Conference

<u>BiH's Recovery and Euro Integration Must Be Viewed in Regional</u> <u>Context</u>

The High Representative, Christian Schwarz-Schilling, will be back in Bosnia and Herzegovina this evening. As you know, during his summer break the High Representative took part in talks chaired by Stability Pact Coordinator Erhard Busek in Salzburg aimed at resolving outstanding issues related to the implementation of Free Trade Agreements signed between BiH and its immediate neighbours.

The High Representative has repeatedly stated his support for the Stability Pact process and has emphasized on many occasions that it is essential to view Bosnia and Herzegovina 's postwar recovery and integration in Euro-Atlantic structures in the regional context. As he pointed out to a Stability Pact meeting in Belgrade in May, "We can all get rich together or we can all stay poor together. It is simply an illusion to believe that certain economies can prosper while neighbouring economies stagnate."

RTQs:

Danka Polovina_Mandić, Dnevni List:

Kevin, has any progress been made as a result of the talks the HighRepresentativeparticipatedin, with regard to the problems concerning the Free Trade Agreements signed between BiH and its immediate neighbours, specifically Croatia and Serbia and Montenegro? Were any concrete results achieved which would help resolve the problems?

Kevin Sullivan, OHR:

That is a good question and it is no wonder I am incompetent to answer. The High Representative participated in an informal series of talks. The talks are continuing and you would have to address that question to the relevant authorities.

What I would say is that the OHR has repeatedly stressed the importance of ensuring that the opportunities that have arisen as a result of the Free Trade Agreements are properly exploited to the advantage of Bosnia and Herzegovina. This is very much a win-win situation. In the long run free trade promises to deliver investment and jobs. That has to be kept at the forefront of every consideration, and the issue now is to resolve hiccups in establishing a free trade area in South East Europe, so that we can go over this initial establishing period and the citizens in this country and in neighbouring countries can enjoy the benefits.

Dragomir Simović, SRNA:

I am not sure whether anyone has already asked the OHR to comment on this issue, as I was on holiday. Therefore, could you please comment on the lawsuit filed by the District of Brčko against the Chairman of the Governing Board of the Indirect Taxation Authority and the Director of the ITA Governing Board?

Kevin Sullivan, OHR:

Well, first of all in regards specifically to the legal procedure which has been launched — this is not something which OHR can comment on but we have stated publicly that the ITA is the appropriate authority who decide on issues related to the allocation of revenue and the OHR is confident that the Governing Board can resolve these issues in a way that is equitable and is to the benefit of the citizens of Bosnia and Herzegovina and that includes the citizens of the District of Brčko, as well as the two entities.

Are there anymore questions? Okay, thanks very much.