

# **Remarks by Senior Deputy HR Peter Bas-Backer to the World Association of the BiH Diaspora**

**13 May 2006**

Ladies and Gentlemen,

I am extremely grateful to have the opportunity to take part in today's discussion. The members of the BiH Diaspora are directly affected by many of the issues which all of us in BiH are working to resolve, and at the same time members of the Diaspora have a distinct and important contribution to make – in terms of ideas, experience and resources – to BiH's continuing recovery.

In the past, when my predecessors have participated in this event, the focus has been on issues such as return, reconstruction assistance and property repossession. Now, there is still a great deal of work to be done in this field, but the progress that has been made – property legislation has been implemented and all property claims have been adequately addressed by the municipal authorities – means that we are in a position to explore ways of expanding and further developing recovery patterns.

More than one million people have been given the opportunity to return to their homes in safety and with dignity. This represents a concrete and – in terms of recent world history – a unique achievement, and in this respect BiH can serve as a model for other post-conflict countries.

It is now abundantly clear that the livelihood of returnees – and the livelihood of BiH citizens as a whole, as well as the interests of those BiH citizens who continue to live outside the country – can only be guaranteed if we secure rapid and sustained economic development.

This is the key challenge facing BiH today and I believe it is entirely appropriate that it is the theme of today's gathering.

The good news is that the economy *is* showing signs of sustained growth. Investment and tax revenue are rising; interest rates are falling; more jobs are being created. None of this is happening fast enough, but the fact that it is happening at all shows that after years of frustrating stop-start development efforts there is now a degree of economic momentum.

The positive change we are seeing today represents the long delayed dividend of economic reforms that have often been implemented patchily and which have equally often required sacrifices from citizens.

These reforms must be viewed in the context of the broad transition from a planned economy to a free market, a transition successfully undertaken by other Central European economies. They must also be understood in the context of Euro-Atlantic integration.

This twin transition has the enthusiastic support of the vast majority of BiH citizens.

Yet it was never going to be easy. In BiH difficult reforms have had to be implemented against a backdrop of wartime devastation and in a political climate that was for many years undermined by hatred and intolerance.

But today the infrastructure has been repaired and a climate of democratic dialogue has been substantially restored – and the reforms are at last delivering results. Slowly but surely, living standards are starting to rise.

I believe the message of this is clear. We need to quicken the pace and expand the scope of reform so that we can deliver *more* benefits *more* quickly to the hard pressed citizens of this country.

It is important to understand that the improving business environment will further facilitate the positive contribution that members of the Diaspora can make to BiH's economic recovery.

At yesterday's session many examples were given of constructive and commercially sound investment. This is the

tip of the iceberg. This country, because of its human resources and its geographical location, can be enormously competitive.

This fact is not yet generally understood outside of BiH – and it is because of this that investment is not yet a flood; it is still a trickle.

We need to expand the flow of investment, and the Diaspora can be in the vanguard of this effort.

You are in a unique position to establish and strengthen commercial links between BiH and world.

Now, let me stress – the work of return is not yet over; the challenges of reconciliation must be met everyday; we are not at a point where we can imagine that the legacy of war and ethnic cleansing will trouble us no more – but we *are* at a point where we can see taking shape a BiH that is able to provide for its people and that is able to take its place among the market democracies, fully integrated in Euro-Atlantic structures. To buttress and hasten this development we must focus on boosting investment in BiH and expanding its trade relations with the rest of the world, and the Diaspora is in a unique position to help make that happen.

Thank you.