## <u>High Representative Extends Mandate of Joly Dixon as Chairman of the ITA Governing Board</u>

The High Representative, Christian Schwarz-Schilling, today issued a <u>Decision</u> extending the mandate of the Chairman of the Governing Board of the ITA, Joly Dixon, from 1 April 2006. The High Representative has extended Mr. Dixon's mandate for three months in the first instance, and this may be renewed for a further four months.

"The fact that Bosnia and Herzegovina has experienced the smooth introduction of an efficient VAT system – that is already contributing to economic growth – is in large part due to your steady stewardship of the ITA Governing Board," the High Representative said in his letter to Mr. Dixon informing him of his Decision.

The High Representative noted that Mr. Dixon's mandate was extended in January because it was clear then that maintaining continuity in the supervision of the ITA was an indispensable element in the successful introduction of VAT. "It remains essential that the Governing Board exerts a steady influence on the administration of VAT and resists the partisan pressures of day-to-day political interest," the High Representative said in his letter, adding that "I have full confidence in your ability to ensure that this steady influence is maintained."

The High Representative noted that BiH has seen the most successful introduction of VAT of any country in the former Yugoslavia , and he called for all remedies to issues currently under dispute to be determined under the relevant laws governing the indirect taxation system. "The mechanisms exist to allow for an independent third party review of revenue allocations," he said, adding that this option is available to the Governing Board should it see fit to pursue it.