# Transcript of the International Agencies' Joint Press Conference

***OHR, Oleg Milisic***
***OSCE, Aida Besic***
***EUFOR, Tom Ryall***
***NATO, Derek Chappell***

**OHR**

**OHR reacts to SDS Presidency Session**

The SDS Presidency's extra-ordinary session suggests that the IC should reconsider its position.

But the SDS has no one but themselves to blame for their financial problems.

Let me remind you of the reasons that behind the HR's Decision made on 30 June 2004 , which required any financial transaction to be conducted through a single authorised bank account. The Decision was taken because of insufficient safeguards against SDS funds being used to assist indicted war criminals and their networks.

Yet despite the serious reasons behind the June 2004 Decision, the recent investigation of the SDS branch in Doboj confirmed that there have been multiple violations of that Decision.

Therefore, the HR broadened this restriction and required all financial transactions by the SDS , regardless of their value, to go through the single central account of the SDS .

Secondly, the SDS have themselves reopened the issue of the Privredna Banka Istocno Sarajevo loan repayment.

The PBES provisional administrator found that the SDS took approximately 1,6 million KM through fictitious companies from this bank in 1998. The provisional administrator has asked for the freezing of all SDS assets to ensure that the SDS return the loan and the depositors can get their money back. The Provisional administrator has a legal obligation to return the loans to the depositors.

The provisional administrator is now trying to recoup these funds to return them to the depositors. The depositors, who include the RS Housing Fund, the city of Bijeljina , the employment fund, the orphanage in Bijeljina represent the interests of some of the most endangered social categories in the RS.

The SDS is in effect asking is to be relieved from re-paying the money it owes to these depositors!

**OSCE**

## OSCE's Chairman-in Office in visit to Bosnia and Herzegovina

The OSCE Chairman-in-Office, Slovenian Minister of Foreign Affairs Dimitrij Rupel, is visiting Bosnia and Herzegovina today.

Minister Rupel will meet with the Chairman the BiH Presidency members Ivo Miro Jovic, Sulejman Tihic and Borislav Paravac, Minister of Foreign Affairs Mladen Ivanic, representatives from the Council of Ministers and High Representative Lord Paddy Ashdown.

The Chairman-in-Office's visit will focus on the continued co-operation between the OSCE and Bosnia and Herzegovina . Minister Rupel looks forward to an open exchange about the situation in Bosnia and Herzegovina and the entire region of South-Eastern Europe.

There will be two press opportunities, one at 11:45 following his meeting with Minister Ivanic and at 16:15 after his meeting with Council of Ministers. The Ministry of Foreign Affairs and Council of Ministers, respectively, will provide further details.

**Bosnia and Herzegovina Beacon Scheme Launch**

The OSCE Mission to Bosnia and Herzegovina and the Council of Europe,in partnership with the Association of Cities and Municipalities of the FBiH and the Association of Towns and Municipalities of the RS, will launch the Beacon Scheme on Wednesday, 28 September, at 1100 hours, at DnevniAvazBusinessCenter, 13th floor, in Sarajevo .

The BiH Beacon Scheme is designed to raise standards in municipal governance by recognizing excellence and supporting the dissemination of best practices.

Mihailo Jovanovic, Deputy Mayor of Brcko District and Chairman of the Steering Group overseeing the implementation of the BiH Beacon Scheme, will deliver opening remarks. Opening remarks will be followed by the statements by Ambassador Douglas Davidson, Head of OSCE Mission to BiH, Tim Cartwright, Special Representative of the Secretary General of Europe in BiH, Ambassador Matthew Rycroft, Ambassador of United Kingdom to BiH and Didier Chassot, Charge d'Affaires, Embassy of Switzerland to BiH.

After the statements, Ajay Jagatia, Head of the United Kingdom Beacon Scheme at the UK Office of the Deputy Prime Minister, will give an introduction to the United Kingdom Beacon Scheme, followed by presentations from members of the Beacon Scheme Advisory Panel.

There will be two press opportunities:

- 11:00 – 1200 Opening remarks
- 12:45 Press Conference, opportunity for

questions

The Association of Cities and Municipalities of the FBiH and the Association of Towns and Municipalities of the RS are implementing the Scheme in partnership with the OSCE Mission to BiH and the Council of Europe, with financial support from the British and Swiss governments.

We welcome all journalists who wish to cover this event. Journalists will be allowed to attend the duration of the presentation, but depending on their schedule, also have the option of attending either press opportunity.

## EUFOR

Local police have recently conducted a series of operations in and around Sarajevo which EUFOR has supported at their request by providing a contingency security presence. The operations were planned and conducted by the local police and EUFOR elements were deployed to provide assistance should the situation have required it.

The operations were aimed at putting pressure on the organised crime networks in BiH. The operations have demonstrated good co-operation between the local police and EUFOR which is always available to assist the local authorities in their fight against organised crime.

## NATO

There has been speculation about the role that NATO will play in assisting the BiH Ministry of Defence in dealing with the soldiers who are demobilized as a result of defence reform.

NATO has a history of providing assistance to countries undergoing military reform and has done so in Albania,

Georgia, Ukraine and Russia.

The way that is done is through the creation of a Trust Fund that is tailored to the specific needs of the country. The Trust Fund is established by NATO HQ in Brussels and funded by donor countries within NATO.

These Trust Funds have been used in the past for destruction of weapons or for assistance with creation of retraining programs.

A meeting has just been held here in BiH amongst all of the involved parties who have an interest in defence reform and a working group is now preparing a proposal for the establishment of a NATO Trust Fund for BiH. This will be presented to NATO HQ in Brussels in due course.

It is clearly far to early to anticipate the nature of this Trust Fund or its applications but we are all aware of the need to manage the consequences of defence reforn.

**RTQs:**

**Nedim Dervisbegovic, REUTERS:**

The extension of this decision about financial matters, SDS financial matters and transactions, coincides with the failure of the police reform talks.  Can you draw a line? Is this latest move by the High Representative over the weekend, implies that he has started applying more pressure on the SDS this way?

**OHR:**

I think we can be quite clear about the consequences of SDS non-compliance with whats going on in Doboj, but I think you also need to draw differentiation between the consequences for not moving ahead with police reform.  The two, I would say,

are not strictly linked.

Whilst it is clear to say that there is a policy of zero tolerance now in effect. The reality of saying no to police reform means no negotiations on an SAA, no progress towards Europe. It means isolation and no foreign investments, it means no EUdevelopment plans, and basically more of the same. More unemployment, more poverty, less money for pensioners And I think the demonstrations you saw yesterday in the RS are an indication of what is to come without an SAA. The Doboj matter is related quite clearly, as the decisions themselves say, to non-compliance with earlier High Representative Decisions tied to ICTY matters.

**Nedim Dervisbegovic, RETUERS**

Since when is there a policy in place?

**OHR:**

Since, more or less, the High Representative announced it at the press conference last week, if you recall.

**Tarik Lazović, VIP:**

A question for the OHR. Today the SDS announced that they would be looking for a possibility to file charges against the High Representative Paddy Ashdown. Your comment?

**OHR:**

We in the OHR absolutely believe that our decisions are in accordance with the Dayton Peace Agreement. And that would be it.

**Sinan Šarić, FTV:**

Could you please tell us exactly what this policy means, and what concrete measures will the High Representative take with regards to the fast that in their press release, the SDS

claims that the OHR is running a campaign against the SDS , which will result in them not participating in the parliamentary majority? So, wider outlining of this action taken by the OHR are possible.  What concrete actions will the OHR take in the next few days?  That's the first question and I'll ask the second question after this one is answered if that's okay?

**OHR:**

I recommend that you refer back to the statement I made at the beginning of this press conference, but I do think that you have raised another question concerning the statements made by the SDS following yesterdays meeting.  I think that it is up to them to clear up what it is they actually meant.  However, generally speaking, if any governing party decides to make or decides to discontinue their ability to govern in any country, then this of course has certain consequences, in any country at all, and it means new elections.

**Sinan Šarić, FTV:**

Could you tell us what exact measures does the OHR intend to undertake?

**OHR:**

You are aware that the Office of the High Representative never speculates about any actions they are planning to take.

**Sinan Šarić, FTV:**

I would like to apologize to my colleagues, but could I ask one more question? Concerning the matter of revising the Dayton constitution in Bosnia and Herzegovina, actually, the eventual negotiations on that matter.  Could you please comment the position of the High Representative, who is explicit that when it comes to the negotiations, when eventually talks on changing the constitution commence, that

there is no chance that there will be any talk about the eventual abolition of Republica Srpska – which in turn results in the HDZ insisting on talking about forming a third entity on the 7th of October. Why is the OHR's position on this matter so explicit?

**OHR:**

Well, it's quite interesting that you have just now told me what the OHR's position is, while I would in fact like to tell you what the OHR's position on that matter is. The OHR's position is that the question of changing the constitution is a matter for the local institutions.

**Fedzad Forto, FENA:**

A question for Oleg and the OSCE, and one question for EUFOR. I am surprised by the inertia the OHR and OSCE have displayed regarding the events surrounding the beginning of this school year. We have a situation in which parents in Prozor are holding demonstrations because they do not want their children to be separated. In Busovača the children refuse to go to school. In Stolac there is an agreement between the parties to form two separate schools. What actions are you taking concerning these events, especially considering how much you have invested in school reform, particularly the OSCE in the last couple of years?

For EUFOR, do you have any concrete information concerning that operation that was carried out in Sarajevo against organized crime? What was exactly found that could be of any use in fighting against organized crime?

**OSCE:**

I will answer the question directed at OSCE concerning education. The fact is that the Ministers of Education have undertaken the responsibility to carry out the reforms and are therefore obligated to implement them. The longer they stall,

the more everyone, especially the children, will suffer. I would like to emphasize that they have to stop hiding behind the OSCE and the international community because it is the children who are suffering the most. Something must be done about this. The education reform must be carried out and implemented.

**OHR:**

As far as the OHR is concerned, as you know the OSCE is in charge of the question of education, and we fully support their efforts and consider that the interests of the children and their parents must be maximised.

**Fedzad Forto, FENA:**

Here we have a situation where several laws have been flagrantly broken, primarily the law on education which sets out that having two schools under one roof is the most that can be tolerated. Secondly this situation is in violation of the constitution of BiH and the European Convention on Human Rights regarding segregation. I will give you one example of segregation: we have croatian biology and bosniac biology, we also have croatian mathematics and bosniac mathematics. I really do not understand why you don't get involved more intensively and make right these obvious violations of the law and the constitution – especially the OHR, since you intervene in much lesser matters?

**OSCE:**

As I have already said, the Ministers of Education have taken upon themselves the responsibility of carrying out this reform, which was not imposed by the international community. So it is expected of them to carry out the education reform without any problems.

**OHR:**

I really do not have anything to add to this answer.

**EUFOR:**

In response to the question about the operations. The operation undertaken, as I said previously, was a local police operation. It was planned by them, it was executed by them, sorry, conducted by them. EUFOR was merely there in response to request by them to provide support had the case risen where they would have needed it. As it happened EUFOR was not needed. So if you asked for the results of the actual operation you will have to speak to the local police directly and their spokesman to find out what they found and the results from it.