

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

Mostar Civil Servants Appointments

OHR welcomes the appointment last week of further 133 civil servants following their approval by the Federation Civil Service Agency. At this point over 150 civil servants have been appointed to the City Administration of Mostar.

OHR appreciates concern of some political figures who wanted further delay in the appointments to try and establish a more detailed ethnic balance at this interim stage. However these appointments could not be delayed any longer, given that this process has already been underway for almost a year and the need to recognize widespread concerns amongst the citizens who want to have a fully functioning City Administration.

This is a good opportunity to remember that there is already a careful ethnic balance in place for all managerial appointments and we would expect this balance to be broadly maintained throughout the rest of the structure, in accordance with Civil Servants Law. At this delicate time though, all concerned must be very careful to ensure political considerations do not interfere with Civil Servant Law procedure. This is especially important, as this is the first time the Civil Service Law is being used here in Mostar to create such a large governmental structure.

The High Representative noted a number of Civil Service posts still remain vacant due to a lack of qualified internal candidates. He has therefore advised Mayor to proceed as quickly as possible to a program of external vacancy notices through the Civil Service Agency. This process should provide the additional skills capacity necessary to complete the last

tranches of Civil Service appointments and substantially comply with the ethnic balance requirements of Article 2 of the Civil Service Law

OHR is confident that a fair balance will be achieved once these additional posts are filled and we now look forward to Mayor completing formation of remainder of new City Admin as rapidly as possible.

Economy Improving but Not Fast Enough – New Business Legislation a Priority

I've brought along copies of OHR's monthly economic report. As you know, this brings together key economic data to provide a snapshot of the economy. The picture continues to get steadily better – though to put that in perspective I should emphasize that while the KM is exceptionally stable, inflation remains negligible and exports are increasing, the most important barometers – employment and living standards – remain stubbornly sluggish. BiH is still not attracting investment in the volumes that it needs to start new businesses, expand existing companies and create new jobs, and average salaries – 555 KM per month in the Federation and 464 KM per month in the RS – provide for only minimal livings standards.

So, this autumn, ministers and parliamentarians must apply themselves – as a matter of the utmost priority – to improving BiH's business environment. New Business legislation, replacing the old Law on Obligations, should be enacted in the coming months. This will introduce new consumer protection & advertising rules, as well as rules that regulate e-commerce. The bottom line is to attract more investment and create more jobs – so the sooner this legislation is enacted, the better.

CoM Must Send Narcotics Legislation to Parliament without

further delay

The High Representative, Paddy Ashdown, met yesterday in Sarajevo with Professor Hamid Ghodse, the President of the International Narcotics Control Board (INCB). Discussion focused on concerns that current legislation in Bosnia and Herzegovina, which is at the Entity-level only, together with outdated drug control mechanisms, means that Bosnia and Herzegovina is not complying with international narcotics controls to which it has subscribed.

Bosnia and Herzegovina has so far failed to introduce adequate controls over acetic anhydride, a substance used to manufacture heroin. Seizure reports have highlighted the fact that weaknesses in Bosnia and Herzegovina institutions have turned the country into a safe haven for illicit drug and chemical trafficking. Outdated and fragmented legislation that is not applicable in the whole territory of Bosnia and Herzegovina, and outdated lists of internationally controlled substances have been among the factors preventing effective action by the authorities.

The High Representative told Prof. Ghodse that Bosnia and Herzegovina has, however, started to address this problem. The Entity Ministries of Health and Brcko District have, as a temporary measure – until the adoption of a new comprehensive list – updated their lists of narcotic and psychotropic substances and the plants that form the basis for drug production.

The European Commission's Feasibility Study states that Bosnia and Herzegovina must take action to prevent the illegal use of chemical precursors and to reinforce its anti-narcotics trafficking structures.

The High Representative and the INCB President welcomed the fact that draft State-level legislation banning controlled substances has been prepared. This draft Law on the Prevention and Suppression of Narcotic Drugs will modernise Bosnia and Herzegovina's legislation and close gaps between Entity laws.

The Bosnia and Herzegovina Council of Ministers must now ensure that this draft legislation moves to Parliament when it reconvenes in early September.

The Bosnia and Herzegovina authorities must take this issue seriously. Most of the narcotics produced in or trafficked from Bosnia and Herzegovina make their way into Western Europe – but drug abuse is becoming a serious problem in Bosnia and Herzegovina itself. The High Representative and INCB President called on the BiH Parliament to approve the law as a matter of urgency when it reconvenes in September.

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