

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

High Representative Press Conference on BiH Council of Ministers

The composition of the government in Bosnia and Herzegovina is a matter for this country's elected leaders, not the OHR's, but we cannot see how yesterday's decision will help advance reforms at this key moment in BiH's relations with the European Union.

Similarly we can not see how early elections as a result of yesterday's announcement would help BiH's attempt to reform.

Early elections will only shift the focus away from the reforms that BiH needs to implement in order to complete the Feasibility Study requirements.

BiH Election Law stipulates a fixed period of four years between General Elections. The object of this provision is to ensure stability. Amending the Election Law to allow new elections would produce multiple elections and revolving-door administrations – with subsequent long term and destabilising consequences.

The labour-hours, political capital and effort required to get the required changes through Parliament would be much better spent on raising living standards for BiH's citizens and making sure BiH completes its Feasibility Study and joins PfP in the near future.

No one has yet mentioned how the costs of early elections, and each election costs around KM 10 million, would be covered. We need to be clear that it would be the BiH tax payer who would

be footing the bill for this political dance.

It also takes time to prepare elections: the current Law gives 170 days, over five months, for the preparation of elections. It would be impossible to expect to hold elections before the spring of 2006 – just months ahead of the elections that are already scheduled for October.

The municipal elections organised by BiH last year were universally welcomed as a sign of BiH's burgeoning democratic maturity. Holding early elections for short-term political gain now would risk undermining this achievement.

PDHR Butler to visit Banja Luka

The Principal Deputy High Representative, Larry Butler, is visiting Banja Luka today and tomorrow. He will hold talks with RS officials, including the Supreme Auditor Bosko Ceko, and senior politicians. Ambassador Butler will discuss progress (or the lack of it) in key economic areas, including privatisation, the urgent need for full RS participation in the current drive to make BiH fiscally sustainable, and efforts to improve the standard of municipal government. He will emphasise in his discussions with RS politicians that the economic ramifications of the RSNA's decision to stall BiH's path to Europe are not inconsiderable. The RS leadership has sent a terrible message to prospective investors that they are not committed to moving decisively forward towards a European future.

At the conclusion of his visit, Ambassador Butler will chair a round table discussion with students from Banja Luka University 's Faculties of Economics and Business Engineering and Management. Discussion will focus on the business environment in BiH – what is wrong with it and what has to be done to make it better. The round table will take place on

Thursday 9 June 2005 at 11.00

at the Faculty of Philosophy, 1st floor, room 26

Bana Lazarevica 1, Banja Luka

All media are cordially invited to participate in the final half an hour of the debate, from 11:30 to 12:00 hrs.