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

PIC Steering Board to Focus on ICTY Cooperation, BiH’s Impending Budget Crunch

The Steering Board of the Peace Implementation Council will meet in Brussels tomorrow under the chairmanship of the High Representative, Paddy Ashdown. The meeting will be briefed by ICTY Chief Prosecutor Carla del Ponte and also by a BiH government delegation led by Prime Minister Adnan Terzic.

The meeting will focus on the still unsatisfactory nature of BiH cooperation with the Hague Tribunal. This is now the most serious remaining obstacle to BiH joining Partnership for Peace and beginning Stabilisation and Association negotiations with the EU.

The meeting will also examine the steps that will have to be taken as a matter of urgency in order to resolve BiH’s impending budget crunch. More than 50 percent of GDP currently goes to public spending. The sprawling administrative system maintained by the municipalities, cantons, Entities and State governments means that there is a huge duplication of work and therefore a huge duplication of expense. BiH cannot afford to maintain this – by the end of this year the governments could find themselves unable to meat their salary and other obligations. Therefore steps will have to be taken in the first half of 2005 to find ways of reducing the bureaucracy, slimming down the government and ensuring that resources are allocated to those levels of government that can deliver optimal services to citizens.

Details of the PIC’s conclusions will be given in the communiqué, which we will try to distribute before 18.00

tomorrow afternoon.