

OHR's Statement at the International Agency's Joint Press Conference

PDHR on "Mature" Phase of Peace Implementation

The Principal Deputy High Representative, Donald Hays, was to have delivered a speech in Stockholm today at an international conference on Conflict Management and Conflict Prevention. However, he was unable to attend the conference because bad weather interrupted flights out of Sarajevo. The speech will be circulated at the conference, and I have brought along copies.

In his speech, Ambassador Hays argues that BiH is now in the "mature" phase of peace implementation, characterised by a focus on economic self-sustainability and a move towards political pragmatism as civil society reemerges.

He notes that in the years after the end of the war the International Community concentrated on making Dayton's complex political and administrative system work, in the face of intransigence. "Yet despite the volume of aid, we failed initially to do enough to upgrade the economic structures needed to pay for this political system, or tackle the flawed legal structures that would prove to be so essential in all aspects of economic and social recovery. We now all recognize that more should have been done earlier on to draw up a road map for a faster and more focused transition to a market system that would create jobs, tackle corruption and lift the mass of the population out of poverty."

Ambassador Hays notes that the Bulldozer Initiative is one example of the reemergence of civil society, and he points to the successful work of the defence, intelligence and tax

commissions as evidence of a new pragmatism in BiH politics. He also surveys the work that has been done to overhaul the judicial system, and reform the economy, concluding that the ITA law, now being debated by the BiH parliament "will at last give BiH the kind of modern fiscal system without which sustained economic development is not possible."

Ambassador Hays argues that the overall trajectory of peace implementation in BiH has been correct: "BiH is now emerging from the trauma which engulfed it in the early 1990s, with the political institutions needed to sustain democracy, the beginnings of a successful market economy, and the prospect of a growing and dynamic civil society."

PDHR at Globalisation Conference

And tomorrow in Sarajevo, at UNITIC Towers, following opening remarks by PM Terzic, Ambassador Hays will be speaking at a conference on Globalisation and Transition. He'll be making the point that competitive companies will propel Bosnia and Herzegovina into Europe and into the global economy. If BiH companies aren't competitive, then all efforts by the authorities, and the International Community will fail. That is precisely why it is so important that the issues of corporate governance raised by the Special Auditors reports into public companies are addressed.