

# Speech by the High Representative Paddy Ashdown To the BiH Parliamentary Assembly

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Mr Speaker, ladies and gentlemen,

Thank you for inviting me, once again. Ahead, you face some truly momentous decisions about the future of Bosnia and Herzegovina. And these will be the subjects of my speech today.

But first, let's take stock of where we are.

## **Steady Progress**

This year we have made some real progress.

Sometimes, amid the sound and the fury of day-to-day political life it is hard to see what has been achieved.

But looking at events since I last spoke to you it is impossible not to conclude that BiH is starting to notch up some real achievements.

Then, I listed the speedy establishment of the State Prosecutor's Office, the State Court, and its Special Chambers for Organised Crime as essential and urgent business.

Today, the State Prosecutor's Office is not only established, but also hard at work on several high-level criminal prosecutions. Since mid February, the State Prosecutor has received 88 cases involving 222 defendants. In 6 cases, ranging from forgery to smuggling, guilty verdicts have put

people in jail for up to 6 years each. And the Special Panels of the State Court, which will deal with the biggest crimes, are about to take their first trials, including the biggest human trafficking case in this country's history.

Last time I spoke here, I called for the early adoption of the Criminal Code and Criminal Procedure Code to make it easier to catch crooks.

Today, lawyers and judges are using these new codes to do just that, right across the country.

The last time I stood here, I called for the reform of our rotten customs system and the introduction of a modern European system of VAT.

Today, you have made the new Indirect Tax Administration a legal reality, and soon, the full framework law will be put before you for full parliamentary procedure.

Last time I asked for your cooperation with the business community in this country and their 'bulldozer' initiative to sweep away the tangle of red tape and regulations that stifles enterprise and kills jobs.

Today, 50 of these bureaucratic barriers have been swept away – not by the High Representative, or by the International Community please note. But by you, working closely with the businessmen in whose hands the economic future of this country lies.

And the bulldozer ploughs on. In October, the committee will present Parliamentarians with a further 50 reforms that will clear new paths for new businesses, new investors and new jobs in this country.

And we are starting, I hope, to see another welcome trend emerging.

At the end of last year, we decided that Governments and

Parliaments should take more of the strain. I said then “the more you reform, the less I will have to. The less you reform, the more I will have to”.

Well, the balance is now tipping.

In the last eight months the number of laws and amendments that I have had to impose has halved. And without slowing up the pace of reform.

### **Time to Deliver**

That’s the good news.

Here’s the bad.

We are still moving too slowly. Far too slowly. If we don’t speed up, we will fail. And the hardest part of the process is still ahead of us.

Over the last months, you, the parties, have been working with the international community to prepare the next phase of the reform process.

And much has been achieved.

The representatives of the State and the two Entities have come together in the Indirect Taxation Commission to design a modern tax system that meets the challenge that the European Union set us, and that works in the interests of the citizen, not the criminal.

Please note, this agreement was made by your representatives on the Commission, not – I repeat not – by the International Community.

These are your agreements, not mine.

The compromises reached are your compromises, not mine.

The label on these laws reads “Made in BiH” not “Made by the

International Community”.

And that’s how it should be. No, that’s how it has to be if BiH is to have any chance of joining modern Europe.

The tax law that will soon come before you meets the conditions that Chris Patten laid down for further progress towards the European Union – and he’s put his money where his mouth is. 20 million KM for Customs and Tax restructuring. 90 million KM in aid. BiH gets the money if this law is passed by January. We lose it if it isn’t.

What happens next is up to you. You will have to decide.

The International Community’s role in this is now over.

The Tax Commission has ended.

The deal is done.

If you vote it through, you take the credit. If you vote it down, you bear the responsibility.

So too with defence reform.

The representatives of the State and the Entities have come together to design a unified command and control system for the military.

But it is for you to decide whether to accept their proposals.

If you do, BiH will meet the requirements for membership of the Partnership For Peace – who knows, possibly even this year?

If you don’t, BiH loses its chance to take its first historic step into Euro-Atlantic structures and, ultimately, full membership of NATO.

If you vote it through, you take the credit. If you vote it

down, you bear the responsibility.

And the same goes for the reform of the intelligence services.

By adopting the reforms drafted by BiH's intelligence services, Bosnia and Herzegovina can become the first country in the Balkans to have a State level, European standard, democratically controlled intelligence service, accountable to Parliament and subject to the rule of law.

Pass the intelligence law, and BiH's politics will no longer be racked by the spying scandals and endless conspiracies we keep reading about in the newspapers.

Vote it down, and visa-free travel will remain a distant dream.

Let me explain why:

Because, as European leaders made clear in Thessaloniki this summer, visa free travel for the people of Bosnia and Herzegovina can only come after we have reformed our security structures – and this is a key first step in that process.

So. Your choice:

If you vote it through, Bosnia benefits and you take the credit. If you vote it down, Bosnia loses, and you bear the responsibility.

So, in the next three or four months, each one of you will have to decide whether you keep the door to Europe open for BiH, or slam it shut in BiH's face.

Whether you want to join PFP and NATO, or miss the opportunity and remain outside.

Whether to build this country's future, or hang on to its past.

That's the test.

But the opportunity is even bigger still.

A new culture of consensus has emerged in these Commissions, replacing the old sterile game in BiH of: "if I can't have everything, I won't have anything". A game that left BiH with just that – nothing.

But increasingly, compromise is no longer a dirty word in BiH.

We are replacing the old mindset of "win/lose", with a new culture of "win/win" – in which no one gets **everything**, but **everyone** gets something.

That, after all, is this country's only future. And that is democracy in action.

If we can make this work, then Bosnia and Herzegovina can move forward to take its rightful place in the European family of nations. And whom will history judge the heroes then? Not those who remained in their political trenches, criticising from the back, but those who dared to take a chance, who showed the courage to negotiate and the confidence to compromise.

For it will be they who moved things forward. They who broke the stalemate. They who ensured that this country's future would be different from its past.

One final word on this subject:

Some may believe that if you throw these agreements out, I will intervene with a compromise solution of my own.

They are making a terrible miscalculation, because it isn't going to happen. Indeed, it cannot happen.

Again, let me explain.

The European Union is currently in the midst of conducting a Feasibility Study for BiH. They have made it clear that you cannot get to Europe through the Office of the High Representative – that these reforms have to be your reforms, not mine.

That is not empty rhetoric. It is hard political fact.

That's not to say that you cannot, or should not, look at the detail of these laws and make changes to them if necessary.

If you can agree amendments that improve the tax law without compromising on European standards or delaying the deadline of the 1<sup>st</sup> January, then you should do so.

And the same applies to the intelligence law and the defence law.

But treat these agreements with care.

All three laws are the product of hours of painstaking negotiations and delicate compromises.

All three laws are fully compatible with European standards.

All three will make BiH as a State work better.

We are breaking new ground here.

These commissions have given us the means to step boldly onto territory that the pundits said BiH could never enter.

But these Commissions have proved the skeptics wrong.

All three have shown that in BiH, what everyone thought was impossible is, after all, possible.

### **Increasing the Pace of Reform**

Our task now is not to pick away at their success, but to build on it.

Because, although our progress has been good, we are still only in the foothills. There remains, a huge and daunting mountain still to climb.

Reforming the economy.

Reducing the cost of government.

Resolving the problems of Mostar.

Re-balancing the budgets.

Finishing the reform of the Public Broadcasting system.

Completing SIPA.

Entrenching the rule of law.

It's a huge workload. But if you think it can't be done, you are wrong.

Slovenia's Government and Parliament passed twelve hundred pieces of legislation in one year to meet EU standards on time.

This Parliament has so far passed twelve.

Perhaps one question you should be asking yourselves is whether this country can get to Europe with a Government that works so slowly and a Parliament that meets only one day a month.

And let me tell you why this is an important question.

Because later in the autumn, the European Commission's Feasibility Study, which I mentioned earlier, will give its honest, unvarnished assessment of how this country is doing.

Don't expect them to pull their punches.

The European Union didn't dilute its standards for Hungary or Poland – and it won't for you.



But Poland and Hungary have shown that the reform process is worth it.

They stuck the course.

And next time I speak to this Parliament, Hungary, Poland, Slovenia, the Czech Republic and the rest will all be full members of the European Union, with an important role in deciding when countries like BiH will join the Union.

And it is precisely because they didn't get a free ride that they won't expect others too either.

The European Union has now made it clear. It wants you to join – no ifs, no buts.

But you must first meet the standards and values that make the Union worth joining – no ifs, no buts.

When you join depends not on the EU, but on the pace at which you reform.

As Commissioner Patten has put it, the road to Europe is paved not with good intentions, but with reforms that bring tangible results.

So this is a very important moment.

Yet too many politicians still spend too much time talking Bosnia down, focusing on the negative. Too many politicians still look for excuses for doing nothing rather than getting on with reform – the country has the wrong Constitution; or the wrong parties were elected; or the situation is descending into chaos.

When did you last hear a politician point out what a recent Lausanne University report pointed out: that recorded crime levels in Bosnia are in fact no higher than in Switzerland? Or that it was the first country in the region formally to break the link between politics and the judiciary? Or that we

are preparing to introduce VAT three times faster than in Poland? Or that we still have the most stable currency in the region?

Yes, much needs to be changed in this country – there's no denying that. But complaining about it won't change it. That's the luxury of the newspaper commentator.

You, the elected representatives of the people of this country, have a responsibility to do something about it as well. To consider which reforms will take this country forward, and to get them through. It may mean compromise. It may mean having to explain unpopular changes. It may mean working with your political opponents rather than scoring points off them. But ultimately that is your job: to put the interests of the citizens first.

It may seem, and it is, a daunting task.

But anyone who knows this country, anyone who has been coming here year after year since the war, knows how much talent there is here, how much potential, how much opportunity.

There is a place in modern Europe for Bosnia and Herzegovina. It is waiting for you. But from now on, getting there does not depend on me.

It depends on you.