

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

## **HR in Croatia**

The High Representative, Paddy Ashdown, will travel to Zagreb tomorrow, at the invitation of Croatian President Stjepan Mesic. In addition to holding talks with President Mesic, the High Representative will meet Prime Minister Ivica Racan, Foreign Minister Tonino Picula, and the President of the Croatian Parliament, Zlatko Tomcic.

The discussions are part of the High Representative's regular consultations with Zagreb, as an important neighbour of Bosnia and Herzegovina and a Dayton Peace Agreement signatory. The High Representative will raise return-related issues – that means the return of BiH Croats to BiH and the return of Croatian Serbs to Croatia. The talks will also address economic reform and the European association – processes in which Croatia and Bosnia and Herzegovina are both deeply engaged. The High Representative places a high value on the close and effective relationship he has with Zagreb.

(I should perhaps make it clear – in view of recent media interest — that the High Representative is not going to Zagreb to talk about the 5C corridor. That issue is a matter for the two governments, not the OHR.)

## **Pensioners' strike**

It is a scandal that pensioners have been forced to take to the streets because of their desperate situation. Today's pensioners' strike underlines the responsibility of the governments to ensure that taxpayers' money ends up in the hands of those who are entitled to benefit from it – that means pensioners and teachers and doctors and nurses and others who provide essential services or who have spent a lifetime working and have the right to a decent income in their old age. Public funds should not be going to criminals and corrupt officials. The pensioners are not getting adequate pensions because of a cynical and deep-seated corruption that has gone largely unchallenged till now. In this context it is important to point out that steps are being taken to end that corruption and clean up public finances. Any politician who is against the implementation of the customs and VAT reforms is in effect protecting a status quo that allows millions of KM to go to criminals rather than to pensioners, war veterans and vital public services.

## **Bulldozer Phase II**

The six Regional Bulldozer Committees and the Bulldozer Committee on Agriculture and Natural Resources will hold their first Plenary Session this afternoon. As you know, the second phase of the Bulldozer process builds on the successes of the first phase but involves some fundamental changes. There are seven committees this time, instead of a single committee in Phase I. There are six regional committees and one committee dealing with agriculture and natural resources. The committees are following the formula that was developed in Phase I. They are inviting businesspeople to suggest reforms that can make it easier to do business in BiH – and therefore create more jobs and help the economy grow. These suggestions will be scrutinised in order to make sure that they do not erode workers rights or violate internationally accepted business norms or fall short of EU standards. Then, when 50 reforms have been refined – so that the necessary changes in laws and regulations have been pinpointed and clearly defined – the reform proposals will be presented to the governments and parliaments.

The International Community stands ready to facilitate Bulldozer Phase II – which is why today's meeting is being held at the OHR, where there is a conference room and equipment for simultaneous translation – but essentially, the process has been taken over by a constituency of its own: the businesspeople of BiH.

"Bulldozer is a classic example of how the International Community can facilitate positive change in BiH while making sure that the people of this country – in this case the businesspeople – take and keep the initiative," the High Representative pointed out ahead of today's meeting. "The Bulldozer Committees are now functioning under their own steam. They are working with trades union representatives and politicians to promote positive change that will bring benefits to all citizens. The International Community is not leading this process but will willingly offer

assistance when asked.”