<u>High Representative Paddy Ashdown's Television Address Marking</u> the First Year of His Mandate in BiH

A year ago today, I had the honour and privilege of taking up the position of High Representative for Bosnia and Herzegovina.

We've achieved a lot in the last year; but there's a great deal more to do.

I said, when I began this job, that my priorities would be justice and jobs.

These are still my priorities today, because I know they are your priorities, and everything I have seen and heard over the last year has confirmed that.

Change is often difficult. The results here in BiH are sometimes hard to see as one goes about the daily and often difficult business of living and getting by.

Slowly but surely, we are making progress, real progress.

We have, over the last year, created many of the weapons we need to fight crime. The new Court of BiH is about to prosecute its first case – the biggest human trafficking and prostitution case ever to come to trial in this country.

We are cleaning up politics. We have drastically reduced immunity for politicians, and demanded that they take political responsibility when things go wrong.

But politics, corruption and criminality still live far too close together in this country.

We need to break these links.

We have started to lift the lid on the massive corruption in our public utilities, which should be serving you, not robbing you.

We still need rid BiH of the war criminals who cast a shadow over this beautiful country. But we have recently widened the battle against those who support and fund war criminals, freezing their assets and preventing their travel to Europe. Life has gotten tougher for those who support war criminals, and in the next few weeks it is going to get tougher still.

But what about the economy, what about jobs?

Well, you can't have a successful economy unless you have the rule of law. So everything we are doing to build the rule of law will, in the long run, also help to bring investment and jobs to this country.

But already, BiH is a better place to do business than a year ago thanks to the reforms of the last year. Take the work of the Bulldozer Commission, for example. Made up of BiH's most successful businessmen, it has bulldozed through 50 of the laws and regulations that suffocate initiative and flair, making BiH a better place to invest and an easier place to create jobs. Now, even Slovenian businesses are coming to learn from BiH's example.

Meanwhile, we are cleaning up and simplifying the tax system, cutting down on the rampant fraud and waste by establishing a single Customs and VAT system. That will be a huge step forward. It will allow more money to go where it's needed – into public services for you, instead of into the pockets of criminals.

We have established a proper central government, with a prime minister at its head, just like any normal European democracy.

And we are finally starting to sort out the mess of our armed forces and intelligence services following the Arms-to-Iraq and spying affairs.

Everyone knows the security apparatus in BiH needs reform. Now it is going to happen.

So, we have made a start. But only a start. We have a long way to go, and we have to move faster still.

This country must play its part in the regional fight against organized crime and corruption.

We must accelerate the process of economic reform. Privatisation and modern bankruptcy courts are essential to free up our resources and open BiH to investment. Things will, I am afraid, have to get harder before they get easier. But we have no choice. There is no easy way to reform, as Hungary, Poland and others have shown.

That's why we will soon have to turn our attention to one further big issue: the cost of government in BiH. Do you know that the government spends two thirds of your taxes on its own politicians and bureaucrats and only one third on you, the citizens of this country? In most countries it is the other way round? Do we really require all these politicians? Can poor BiH really afford three times as much government as the United States?

These are your governments. It's up to you to decide what you want. But it's not an issue which can be delayed for much longer.

Prime Minister Terzic has set 2009 as BiH's target date for joining the European Union. That's very ambitious. It can be achieved, but only if we reform, and reform fast. All the countries in this region will join Europe one day. But the countries that reform fastest get in guickest. We are already in danger of being left behind.

You can count on me to work with the people you choose to run this country to achieve that goal. And you can count on me to take action if they are failing to live up to Europe's standards or your expectations.

I am a practical man. And politics, as I see it, is a practical business. It is about improving the lives of citizens. It is about identifying problems and solving them. And that is what the reform process is ultimately about. About creating a better life for you, and for your children.

That is why I have tried to get out of Sarajevo as often as possible to meet, and listen to, the people of this country. Over the past year, I have traveled all over BiH, and have talked to thousands of people from all communities. I have stayed with women returnees in Srebrenica, refugees in Banja Luka, returnees in Bugojno. And tonight, my wife and I will be staying with a farming family in Republika Srpska.

Everywhere I have gone, I have seen the same thing: No matter how difficult the circumstances, no matter how big the problems, people are getting on with their lives, building their homes and their businesses, providing for their children, looking to the future.

That is why I remain optimistic for Bosnia and Herzegovina. This is a remarkable country, with talented, courageous and determined people.

Together, we have made good progress in this last year.

But, we need to move even farther - and faster - in the year ahead.