

# Speech by the High Representative Paddy Ashdown to the BiH Parliament

So. Here we are again.

At the current rate, I am in danger of addressing the BiH State Parliament more often than I used to address my own Parliament back in London!

But seriously, I am grateful for this opportunity to speak to you once again, to expand upon the message I brought you a couple of months ago, and to open up a meaningful dialogue about the challenges ahead. That is why I intend to keep my remarks to a minimum, so as to leave as much time as possible for questions and discussion over the next hour or so.

I promised a partnership. Today is about making good on that promise.

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

A Sense of Direction, a Sense of Purpose

When I arrived I outlined my aim: To work with the people of Bosnia and Herzegovina to put this country irreversibly onto the road to statehood and membership of Europe.

Yesterday, at the historic summit between the Presidents of Bosnia and Herzegovina, the Republic of Croatia and the Federal Republic of Yugoslavia, I heard that message repeated again, but writ large for the whole region.

The direction is clear, the sense of purpose unmistakable, the path to our destiny is marked out. Bosnia and Herzegovina, like her neighbours, is on the road to Europe.

But getting there will not be easy. It requires us to take some tough decisions, to implement some difficult changes.

Some of those decisions must be made here, in this room, and in the other legislatures of BiH.

Take the laws on Public Service Broadcasting. Now I know that there are some in this room, and in other assemblies, who have concerns about these laws. But I have to tell you, I believe these concerns to be utterly without foundation. The big issue is this: having a broadcasting service that is independent and free from political interference is an absolute necessity if BiH is to become a true member of the European family. We cannot complete the EU road map until this has been done, and we will fall further behind our neighbours in moving towards a Stabilisation and Association Agreement with the European Union. The road map has been in existence for two years now. Its completion should be a priority for this and the other legislatures in BiH.

Another tough decision that must be taken, although I realize this is more an issue for the Federation Parliament than for here, relates to the current debate about whether or not to increase war veterans' benefits. On the surface, quite an attractive proposition you might think. Certainly, it would be hard to imagine a section of society that has sacrificed more for their country than the veterans. I should know. I was a soldier myself.

But unfortunately, things are not that simple. Not when the economy is weak, when aid is falling and debts are mounting.

We cannot afford to spend money we do not have, however worthy the cause.

If we do, then we will put ourselves onto the road to bankruptcy and those who suffer will be the ordinary people of this country – and that includes the veterans too.

One of my partners in the BiH government told me recently that if this law didn't pass, we'd have the French Revolution. I said if it did, we would have Argentina – and then the French Revolution.

But the issue is bigger than that. We made a promise. When we signed the IMF agreement, we undertook to work within clear expenditure limits. This country has to be trusted, or we get nowhere. If we break our word, if we break the deal by breaking the budget, the International Financial Institutions, on whom we rely so heavily for our funds, will simply walk away from here.

As you know, the International Monetary Fund, with the World Bank, the EU and others in full agreement, is threatening to withdraw over \$100 million US dollars from BiH this year alone.

One hundred million dollars! That's a high price to pay for a pre-election political ploy to attract votes.

That's money that should be going on schools and hospitals and salaries and pensions and, of course, on the veterans themselves. So, far from helping the veterans of this country, this proposal, if enacted, would trigger brutal cuts, across the board, as the country spiraled towards bankruptcy.

So, election or no election, let's legislate in the interests of the whole country. Let's show that we can, on the big issues, come together across the party divides, to deliver the things that really matter.

Which brings me back to the priorities – to the things that we must not lose sight of, even amid the sound and the fury of the forthcoming campaign:

First Justice. Then Jobs. Through Reform.

Prvo Zakonitost. Zatim Zaposlenost. Kroz Reformu.

Last month we began the process of turning these words into concrete actions.

## **Justice**

Through the resignation of former Finance Minister in the RS, Mr Vracar, and the removal of the former Finance Minister in the Federation, Mr Grabovac, we have begun the process of establishing the principle of Ministerial responsibility and have taken the first steps towards the application of European standards of accountability in Government.

Now we must turn our attention towards dismantling the organized criminal networks that are attempting to capture this country's institutions, and control its politics.

That is why, a few weeks ago, we submitted legislation to the Council of Ministers to establish Special Chambers in the Court of BiH and Special Departments in the Prosecutors' Office capable of dealing with organized crime, complex economic crimes and corruption.

Getting the Court of Bosnia and Herzegovina and the Office of the Prosecutor of Bosnia and Herzegovina working at full capacity is an absolute priority. It is the means by which we can try and incarcerate the top-level criminals who are exploiting this country's national wealth for their personal profit.

People will simply not understand it if we delay or prevaricate on this. I therefore urge the Council of Ministers to resolve any outstanding issues, pass this on to you, and I urge you to fast track these laws and adopt them before you adjourn for the summer.

Equally, the reinvigorated strategy for wider judicial reform needs your support. This strategy will involve reforming the Courts and Prosecutors' Offices, the Criminal and Criminal Procedure Laws and the training of Judges and Prosecutors.

If we are to rid this country of those criminals who steal from it and feed off it with impunity, we must, together, equip ourselves with the tools to succeed.

## **Jobs**

And the same applies on the economic front.

The message from the people of this country – across all its communities – is that ‘jobs’ is the number one priority.

We must show that it is our top priority too.

Of course, Governments and Parliaments cannot create jobs as if by magic. But they can create the conditions in which private enterprise can flourish and generate employment. Inward investment is the key to this. But investment only flows to places where it is made welcome.

Our aim must be nothing less than to make Bosnia and Herzegovina the most business friendly country in the region.

This will take a long time. But we can start today.

That is why the various pieces of economic reform legislation that must pass through this Parliament are so important. Because together, they will help to create a business friendly environment, and a single economic space, in which the hardworking people of this country can earn a living and provide for their families and their communities.

Opening up new markets for exporters is key to this. BiH's access to EU markets, especially agricultural markets, is vital if BiH is to create more jobs and obtain increased investment. The EU is one of the world's largest consumers of agricultural products and BiH's potential in this field remains huge.

In return for access to markets, however, the EU requires fulfillment of certain standards ensuring healthy products for

both EU and BiH citizens.

That is why the adoption of the Veterinary Law will open the gates to the EU market – because without it, the high standard of BiH food exports cannot be demonstrated, and thus, Bosnia's excellent products cannot reach the shelves of European supermarkets.

Yet what has happened to the Veterinary Law? It still hasn't been passed, despite the fact that it is now more than two years since the EU lifted duties on most BiH products thus opening the way for agricultural exports to Europe. How ironic that Brussels has moved quicker than Sarajevo in the effort to help Bosnian farmers.

Again, farmers across the country will simply not understand why their businesses are being sacrificed at the altar of nationalist political rivalry.

Likewise, as regards public utilities, legislation in the communications and electricity sectors must be adopted. Otherwise BiH citizens will continue to pay more for their services than they should. Today, an international phone call from BiH costs more than a call from any other country in Europe. This too can change if you adopt the necessary legislation before you.

Other crucial items that need speedy adoption include the Law on Concessions, which is needed to co-ordinate existing entity level laws; the Law on Registration of Legal Persons established by BiH institutions; and the Law on Statistics, which is of the utmost importance for the authorities' efforts to produce the vital statistics needed for a functioning economy.

None of this is beyond our capabilities. If you need to meet more often to get these laws through, then do so.

But Bosnia and Herzegovina cannot afford to wait.

Your people – your voters – cannot afford to wait.

I urge you to respond to their demands for justice and jobs. These can only be delivered through reform. It's time to deliver.