<u>High Representative expresses disappointment with failure to adopt the Law on Succession</u>

The High Representative, Wolfgang Petritsch, has expressed his disappointment and concern over the BiH House of Peoples' failure to adopt the Law on Succession, which means that the 2002 budget is now underfunded. The HoP's failure to pass the law was a direct consequence of continuing obstructionist behavior by Serb delegates.

The refusal by delegates in the Serb caucus to adopt the proposed Law on using Succession funds means that State-level institutions vital for the functioning of BiH, such as the State Border Service, the BiH Constitutional Court, and many others will be unable to perform their duties for the benefit of all citizens.

Prior to the session there was significant consensus on the part of the State and the Entities on how Succession funds are to be used. The High Representative and the entire International Community expect all delegates to honour this consensus. It is unfortunate that the action of the **Serb caucus will prevent State institutions from functioning properly, to the detriment of the State and all BiH citizens.**