Chairman's Conclusions

At the invitation of the High Representative, Mr Carl Bildt, and of the Government of Austria, representatives of Canada, France, Italy, Germany, the European Union Presidency (Netherlands), the European Commission, Japan, the OIC (Turkey), the Russian Federation, the UK and the USA held an extraordinary meeting of the Steering Board of the Peace Implementation Council in Vienna on 7th March, to outline the necessary arrangements for a successful implementation of the Brcko arbitral decision of 14th Feb 1997.

Representatives of the Council of Ministers of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina and the Republika Srpska, as well as the Federal Republic of Yugoslavia and the Republic of Croatia as signatories to the <u>Peace Agreement</u>, also took part.

Also invited were representatives of the main implementation agencies in the Bosnian peace process, notably the United Nations Mission in Bosnia and Herzegovina, including UNIPTF, the United Nations <u>High Commissioner for Refugees</u>, <u>NATO</u> and <u>SFOR</u>, the <u>World Bank</u> and the <u>Organisation for Security and Cooperation in Europe</u>.

1. Establishment of the Supervision of the Brcko Area

The High Representative appointed a Deputy, Mr Robert W Farrand of the United States, to serve as Supervisor for Brcko. A nominee from the Russian Federation and Mr Ian McLeod of the United Kingdom will serve as Deputies to the Supervisor.

The High Representative also welcomed secondments from Sweden and Germany. He invited other countries to make contributions to the establishment of the Office.

The period of supervision will start on or about 22nd March as will be announced by the High Representative and the Supervisor. It will, in accordance with the arbitration award, cover the parts of the original Brcko Opstina located within the Republika Srpska and, in the case of the insurance of freedom of movement, shall extend up to and include the Donja Mahala-Orasje road. Concrete implementation of the different parts will start when the Supervisor decides that essential elements of the supervision plan are in place.

The Steering Board of the Peace Implementation Council recalls that the Supervisor has the power to overrule orders or regulations which are in violation of the Peace Agreement, the Constitution of Bosnia and Herzegovina or otherwise directly and obviously run contrary to the supervision mandate.

Such decisions will be issued by the Supervisor in coordination with the High Representative and will be communicated for immediate action both to the local authorities and to the President of the Republika Srpska. They will also be communicated to the Federation authorities.

2. Structures for Implementation

The Conference underlined the primary need for full implementation of the Peace Agreement in the Brcko area and agreed the following strategy.

- Overall International Coordination: The Steering Board recognises that the strong coordination already established between the OHR, SFOR, UNIPTF and other key implementing agencies will be the cornerstone of success also in the Brcko area.
- Economic Revitalisation: The Conference underscored the linkage between the economic reconstruction and revitalisation of the severely war-damaged Brcko area and

reconciliation and successful implementation of the arbitral decision.

It signalled the commitment of the international community to devote significant financial and material resources toward the sustained development of infrastructure, transportation links, repair and construction of housing, social facilities and community and business structures in the Brcko area. This targeted economic assistance will be provided only if local authorities demonstrate sustained co-operation with the OHR supervision. The Conference underscored the importance of demining to economic revitalisation and achievement of other important objectives in the area.

At the Conference, representatives of the European Commission, the World Bank and the OHR Economic Task Force outlined their assessment of the needs and commitment of resources.

 International Police: A robust presence of international police monitors is a necessity to promote respect for freedom of movement questions and to facilitate the orderly and phased return of refugees and displaced persons.

The Conference noted that the High Representative will ask the Secretary-General of the United Nations immediately to request the Security Council to increase the number of UNIPTF monitors by 200 in order to help with the implementation tasks in Brcko, and the Steering Board pledged to support a rapid decision to this effect.

Republika Srpska pledged full co-operation with the UNIPTF in the restructuring and reduction in the strength of the RS police force which will be necessary. It is essential that the principles and practices of democratic policing are fully observed by each and every policeman in the area.

The High Representative noted with satisfaction the pledges made by Steering Board countries to meet the target of 200 additional monitors. The Conference urged other countries to make similar pledges. It also stressed the need to get the UN decision as soon as possible, and the urgency of getting the increased force present in the Brcko area.

 Freedom of Movement: The Supervisor will promote a series of steps to ensure freedom of movement in the area and to facilitate the free movement of people, goods and commerce.

In this respect, the Conference welcomes the announcement by Bosnia and Herzegovina and Croatia of their intention to start immediate discussions on the rapid opening of their common border, with customs procedures and controls consistent with European standards and practice. The Conference noted the particular importance of this for the Brcko area.

The Conference expressed its gratitude to the European Union Customs and Fiscal Assistance Office for supporting such a reform in implementation of the agreement signed on 25th July 1996. An increase in monitors will be needed.

As part of the economic rehabilitation of the area, major investments will be made by the European Commission, the World Bank and US AID in improving the road and rail structures of the area. The Conference underlined the need for measures quickly to upgrade the East-West road through the area, as well as the key road and rail bridges over the River Sava both in the immediate Brcko area and further to the West at Orasje and Samac in order to improve North-South communications for the unhindered use of all the entities and communities of Bosnia and Herzegovina. The Supervisor will study the river traffic in cooperation with the parties.

 Return of Refugees and Displaced Persons: The Supervisor will attach particular importance to the orderly and phased return of refugees and displaced persons to their former homes, or resettlement, in the area in accordance with their free will as well as a program and a procedure to be co-ordinated with the UNHCR, the Real Property Claims Commission, and to the reconstruction efforts.

The Conference reaffirmed the right of all refugees and displaced persons to freely return to their homes of origin. In the Brcko area, additional measures will be taken to ensure the orderly and phased implementation of these principles of the Peace Agreement. A program to be developed may include priorities for certain areas and certain categories of returnees, not least due to the destruction in the area, and the presence of a large number of displaced persons, whose needs for housing will also be taken into account.

Any new influx of refugees or displaced persons should only occur with the express consent of the Supervisor in consultation with UNHCR.

 Local Elections: An important part of the supervision period will be the installation in the area of a new multi-ethnic administration, including the police, based on the result of elections held according to the rules and regulations laid down for the nation-wide local elections.

It is important that they are held as soon as possible in the implementation period in order to give as much time as possible during the period for the new administration in the area. There will be further consultation between the OSCE Mission and the Office of the High Representative on timing.

The Supervisor should seek ways of ensuring access by the voters of the area to independent media, reflecting different points of view, prior to these elections. He will coordinate closely with the democratisation efforts and activities of the OSCE.

3. Sustained International Engagement

The Steering Board of the Peace Implementation Council will keep developments under review through reports from the High Representative and his Deputy for Brcko. The first report on the status of implementation will be presented to the Steering Board meeting in May.

Conference participants underscored the obligation of all parties to co-operate fully with the Supervisor and the international community in implementing the arbitral decision.