

# Communique by the PIC Steering Board

The PIC Steering Board met at the level of Political Directors with the High Representative in Brussels on 8 February 2000.

The Steering Board welcomed and fully endorsed the High Representative's increased emphasis on accelerating privatization and stimulating private sector development in Bosnia and Herzegovina, and especially on the pressing need to end obstruction to economic reform.

The Steering Board called on the Presidency of BiH to work on a common approach towards resolving the Council of Ministers issue. The Board and the High Representative urged the Presidents to engage in normal give-and-take of democratic politics as they face this key test.

The Steering Board and the High Representative agreed to maintain the schedule for the municipal elections in April 2000. They also remind the BiH Parliament of its constitutional duties, in the spirit of the concept of ownership, to pass the election law without any further delay, bearing in mind the general elections planned for October 2000.

The Steering Board added that the Parliament's response to solving the Council of Ministers issue and the passage of the election law should be a critical consideration for BiH's entry into the Council of Europe.

The Steering Board and the High Representative agreed that further reductions in military spending and personnel in BiH were urgently needed. To that end, they noted the importance of the Standing Committee on Military Matters meeting of 10 February and the necessity of that session agreeing to

implement the further 15% reductions in military spending and personnel agreed to by the joint Presidency.

Noting the political commitment of the tripartite Presidency to a new common passport, the Steering Board recommended that the High Representative promote a phased approach to creating a common passport: to start with new passports for BiH officials and diplomats, to be followed by a gradual replacement of all BiH passports with a new common document, all within the context of appropriate regulations of citizenship and residence requirements.

The Steering Board renewed its full commitment to the High Representative's property legislation and stressed its unequivocal support for the return process, and firm action by the High Representative against those who would impede this process.

The Steering Board welcomed the election of the new government of the Republic of Croatia, and the February 7 election of Stipe Mesic as the new President and their commitment to the Dayton peace process. The Board welcomed the High Representative's steps to establish close contact with the new Croatian authorities, given that country's importance to peace and reconciliation in BiH.

The Steering Board welcomed the Financial Experts' report of 25 January 2000, and adopted the new OHR personnel policies and financial rules and regulations.