

## **OHR and Federation Prosecutor hold Meeting on Federation Budget Audit**

At a meeting yesterday, representatives from the Office of the High Representatives and the Federation Prosecutor's Office met with other responsible Federation authorities and agreed on the next steps with regard to the special audit of government accounts, which was conducted in the Federation and its Cantons earlier this year and revealed 74 cases of serious corruption committed last year.

The meeting was attended by OHR experts, the Federation Prosecutor and representatives of the Federation Interior Ministry, the Federation Financial Police, the Federation Customs Administration, the Federation Tax Administration, the Federation Banking Agency and the Supreme Audit Institution of the Federation.

It was agreed that the Federation Prosecutor's Office, the Federation Financial Police and the Federation Ministry of Interior will closely coordinate the next steps to ensure successful investigations and prosecutions of the identified corruption cases.

The participants of the meeting also discussed ways to address problems of insufficient oversight, administrative incompetence and systemic corruption.

The audit of the Federation and Cantonal budgets was conducted during a three-months period by the Special Auditor appointed by the High Representative in February of this year, while a similar audit of the RS budget was carried out by a team comprising OSCE personnel and the RS Supreme Audit Institution. The audit of the RS government account revealed 31 cases of serious corruption, which will be discussed at a meeting on 7 September.

The results of the audits, made public in early July by the OHR and the OSCE Mission to BiH, revealed a wide range of intransparency, inefficiency and carelessness, which generated considerable concern about the state of public finances in BiH and about the adequacy of the existing mechanisms of control over tax-payers' money. They also highlighted an urgent need for a reform of the internal control systems and further auditing work by the relevant domestic agencies.