<u>High Representatives welcomes Formation of new Federation of</u> <u>BiH House of Peoples</u>

The High Representative, Wolfgang Petritsch, welcomes the formation of the Federation of BiH House of Peoples. Although the Federation's second House has only just been formed over three months after the elections, this never the less represents a significant positive step. The Federation has been without a complete Parliament for too long.

The High Representative also welcomes the appointment of the Federation delegates to the BiH House of Peoples, the final government institution yet to be formed following the November 2000 elections.

With complete entity and state parliaments Bosnia and Herzegovina can begin to tackle the many problems ahead. It is these institutions that should guide BiH through the difficult transition and reform processes that the country is undergoing, aligning BiH with the priorities outlined in the Brussels Declaration of the Peace Implementation Council (PIC) from May 2000: economic reform, return and property repossession, and strengthening of the state institutions.

Most of these points simultaneously represent the requirements of the "EU Road Map", the fulfilment of which the EU expects by mid 2001 and which will lead to closer ties between Bosnia and Herzegovina and the EU. They also represent the preconditions for Bosnia and Herzegovina's accession to the Council of Europe.

The High Representative regrets that the HDZ still refuses to participate in this and other institutions at the Entity and State level. The HDZ's decision disregards the constitutions at Canton, Entity and State Levels and robs their supporters of the voice that they voted for in November last year. Neither BiH nor its entities can afford any further delay with regard to the forming of governing institutions. HDZ can always choose to re-enter the democratic and constitutional process, however it is not acceptable that one party holds to ransom the future of a whole country and its citizens.

The High Representative calls upon all parties in BiH to support the reform agenda.