

High Representative Wolfgang Petritsch's Inaugural Press Conference

Alexandra Stiglmayer, OHR Spokesperson: Good morning everybody. I am very pleased to introduce the new High Representative to you, Ambassador Wolfgang Petritsch. He will make a short statement and will then be available for questions.

High Representative Wolfgang Petritsch: Thank you Alexandra. Let me introduce my Principal Deputy High Representative, Ambassador Ralph Johnson. We are still missing our German colleague Matei Hoffmann, who is the Senior Deputy High Representative. He is due to arrive in the course of the first half of September. Then we'll have a fully new leadership for the Office of the High Representative installed here in Sarajevo.

Well, as you are well aware, I have arrived here in Sarajevo at a very crucial point in time. After four years of implementation of the Dayton-Paris accords, the result are obviously only partially satisfying. As my esteemed and able predecessor Carlos Westendorp has put it before he left – he said: “The glass is half full.” Thus we'll have to redouble our efforts to achieve the huge tasks ahead of us. I believe that the Stability Pact Summit, which has successfully taken place here in Sarajevo, only a couple of weeks ago, constitutes a big challenge as well as a new impetus for our common efforts here in Bosnia-Herzegovina.

The Stability Pact is, as I say, a challenge because the Pact has a broader prospective. We are not talking of one country in crisis only, we are talking about a whole region – Southeastern Europe – that has to be developed, that has to be

helped on its way to Europe, to European, Euro-Atlantic and European institutions.

So the focus, the exclusive focus on Bosnia-Herzegovina is not here any longer, there is Kosovo, as we all know, and there are other countries that also deserve our attention and assistance.

So therefore, we here in Bosnia-Herzegovina will have to make a serious case if we want the international community to fund reconstruction and, above all, to build a sustainable economy here in Bosnia and Herzegovina.

Now, the Stability Pact is also a new impetus because Europe has shown a clear path to Bosnia and Herzegovina how to join its institutions. In the past, Europe has set forth itself and its high standards in all fields from human rights, to rule of law to free trade and freedom of movement. The results in Europe have been five decades of peace and prosperity. I am convinced that Bosnia and Herzegovina can enjoy this if, and this is very important to stress, if it meets these standards, which are high but not unattainable.

Well, let me put this in no uncertain terms. Europe needs partners who are accountable, ready to take up responsibilities and who share the humane vision of the continent's future.

I believe it has to be clear to all of us. There can be no progress without concrete steps in peace implementation. The Dayton accords have to be implemented both in letter and, above all, in spirit. First and foremost, this will be the responsibility of your political leaders, public officials of this country, but the role of the citizens themselves is crucial. And like you, like the citizens of this country, I will demand of your public leaders and officials the highest standards of transparency in all directions, be they political or economic. With the assistance of my collaborators, my

office and the international community as a whole, I stand ready to continue to work with the democratic officials, work for the people of Bosnia and Herzegovina above all.

In concluding, let me try and say a few words in your local language.

Dopustite mi da vam sada prenesem ovu licnu poruku na vashem jeziku. Drago mi sto sam ovde u vashoj zemlji. Spreman sam da pomognem gradjanima Bosne i Hercegovine da izgrade bolju buducnost ali ocekujem, i vrlo je vazno, da vi udvostrucite svoje napore na izgradnji zajednicke drzave. Dajte da zajedno gradimo prosperitetnu Bosnu i Hercegovinu koja ce zauzeti svoje pravo mjesto u porodici Evropskih drzava. Hvala.

Alexandra Stiglmayer, OHR Spokesperson: Thank you very much. Now we can open the floor for questions.

Zvonko Maric, Televizija BH: Molim vas gospodine Petritschu da mi ukratko odgovorite, buduci da je jako puno pozornosti izazvalo izvjesce koje su objavili vodeci svjetski mediji o pitanju korupcije koja je ovdje prisutna u Bosni. Na 4,000 stranica navodno su tim OHR-a je poslato izvjesce, medjutim tamo jako malo ima imena. Molim vas ako je moguće da odgovorite da li cete objaviti imena tih ljudi ili eventualno demantirati ako to nisu točni navodi. I, neposredno prije nego sto ste dosli ovde neki mediji su prenijeli vasu izjavu kako ste navodno ustvrdili kako necete nekooperativne lokalne vodje smjenivati. Bilo bi interesantno da kazete koja ce to biti metoda kojom cete da ih privolite na kooperativnost, pogotovu kada je u pitanju Anex 7 Dejtonskog sporazuma

High Representative Wolfgang Petritsch: Let me start out with the second question. It a good opportunity to make it perfectly clear here that I am going to use all the powers that I, that are invested in this job. There is going to be a very strong leadership on the part of the Office of the High Representative. As I say, I am going to use the powers if

necessary, and will decide when this is necessary, and I am sure, unfortunately, that there are going to be opportunities and situations where this is going to be necessary. But in a long run I tell you one thing: it is extremely important that the leaders of this country finally agree to one common denominator, and this is that we are here to build a common Bosnia and Herzegovina. If there is non-compliance, there will be consequences. There is zero tolerance on my part with extremists and nationalists.

Now, let me turn to the first question regarding the corruption article in The New York Times of yesterday. We are of course aware that corruption is a reality in this country, and this is the reason why my office was charged by the international community with the coordination of a strategy against corruption. I might add that this is no secret. We are determined to continue to work on this front because the corruption of public institutions is one of the most serious and major obstacles that can keep this long suffering nation of Bosnia and Herzegovina from membership in the European family of nations as well as an outsider in the international community as a whole. I have discussed this issue yesterday with the Presidency member Mr. Izetbegovic. It was intended to be a courtesy call, but we immediately jumped onto issues, discussing the article, discussing the background, discussing the real problems of this country. I also told Mr Izetbegovic that in the course of my meetings with the other political and public figures of this country, this will be high up on my priority. I will refer to the corruption issues wherever there is going to be a discussion about the future of this country because otherwise there is not going to be a future for this country. And I might add that we are going to work with our local partners and friends, we'll work with the international community, we'll work with all the people who are willing and who want to build a modern nation, a modern Bosnia-Herzegovina and this has to be, of course, on a very and extremely transparent base.

I would also like to mention that the Office of the High Representative is an open organization, we are not sitting on a four-thousand page report on this subject.

Simply put, we have a mandate to work on this issue from the international community, we will continue to do so, and we expect cooperation, and we expect transparency from the local partners, from the friends here.

We are aware in the Office of the High Representative that this is not a new subject and as you might be well aware, my predecessor Mr. Westendorp took a number of necessary actions on this front. I am just going to mention a few.

The High Representative has created a witness protection program, established a court of the first instance in the Federation, enhanced the authority of the Federation prosecutor's office and removed officials obstructing justice. I'll just give an example or two maybe: the firing of the minister of interior of Tuzla for obstructing corruption investigations. We also insisted on the dismissal of four Tuzla prosecutors, also for impeding the investigation. And the suspension of Mayor of Sanski Most for the alleged abuse of his official position should also be mentioned here.

But there have also been public acts, sort of, I would just like to call your attention to the former Principal Deputy High Representative Jacques Klein, who, not so long ago, published a well received and well discussed article on this subject.

In brief, the subject is not new, it's not a new one, it is however the most serious one and something we need to remain focused on. This will be one of our main obligations here and one of the focal points of our joint work in this country together with local authorities in this country. Thank you.

Fredrik Dahl, Reuters: I am from the Reuters news agency. Does this report actually exist? The 4,000-page report. And if it

does exist are you going to make it public?

High Representative Wolfgang Petritsch: Well, I must tell you one thing. Chris Hedges is an excellent journalist, but he mixed up a few of the facts. One of the mix-ups is: there is not a 4,000-page report as such. Of course, there are lots of reports and inquiries and so on, of the Anti-Fraud Unit, but obviously he has mixed up this with a 4,000-page or so report by the Financial Police on the Tuzla Canton. This, I might add, is for me also a very positive sign, that the local authorities are inquiring, that they are researching this topic.

Fredrik Dahl, Reuters: The amount of money mentioned in this article? Would you agree with that, and also would you agree with his assessment it's mainly the nationalist leaders in Bosnia-Herzegovina that have the responsibility for this fraud.

High Representative Wolfgang Petritsch: I believe this is a good opportunity to look more closely into this. Actually, I am quite grateful for the help on the part of the media to clarify the matters, but I believe that we all together will have to look more closely into this, and this estimate that this is around one billion I cannot confirm. This is something that will have to be added up because this is a complicated matter. But what's important for me to state is: every single dollar, every single mark that is being spent on corruption, sort of speak, is a crime, and we are not going to tolerate this. This is a good opportunity to reiterate this principle that OHR adheres to.

Fredrik Dahl, Reuters: The question what do you think to what extent it's the ruling parties who are responsible for this fraud or directly involved in this fraud.

High Representative Wolfgang Petritsch: There are indications that some of the leaders are involved in this. This is for the

reason, I gave you some of the examples, the minister of the interior, the mayor of Sanski Most, as the tip of the iceberg. I am sure that there are more involved, but I do not want to go into details here.

?: Ambasadore Petritsch-u, tko god zivi na Balkanu i dozivi pedeset godina nazalost u svojoj biografiji ima dva rata, samim tim dvije trecine zivota provede nenormalno. Da li ce pakt o stabilnosti prekinuti ovu tragicnu tradiciju, i s obzirom da ste rekli da cete raditi za ljude Bosne i Hercegovine, a izbjeglica i raseljenih lice je ogroman broj, sta cete uciniti da se ubrza povratak svih na svoje jer u suprotnom i predstojeci Bosanskohercegovački izbori bice europski i svijetski s obzirom da Bosanaca i Hercegovaca ima na svim kontinentima.

High Representative Wolfgang Petritsch: Well, let me start out with the first question about the Stability Pact. I believe that the Stability Pact is a great challenge, a big chance for Bosnia and Herzegovina, because we have to realize that Bosnia cannot exist in Europe without recognizing that there are neighbors. I am sadly aware of the recent and further history of this region, but the Stability Pact gives you a historic chance to turn around and put your people on the way to prosperity, which basically means Europe. And this European perspective is for me the most important aspect.

Of course it is money, it is economy, but it also politics in the sense of politics for the people. It is also human rights, it is decent living under decent circumstances. These are some of the implications. The chances that the Stability Pact is offering you, which of course has a wider perspective because these are not just European countries involved, but also the United States and other non-European countries.

Now, the second question you mentioned, of course, izbjeglice, is a very important issue we'll have to tackle. As I said in my beginning remarks, I am not satisfied with the

result so far. Overall and above all, I believe that the refugee issue, the minority return, will remain high up on the agenda. We are going to renew our efforts to bring the people back to where they want to be and to where they belong to. Thank you.

Dzevad Kucukalic, BiH Radio: Ekselencijo Petritsch, Dzevad Kucukalic, Radio BiH, koji su prvi konkretni potezi, zadaci koji vas ocekuju, koje mozemo mi ocekivati od vas u Bosnia i Hercegovini. Hocete li nastaviti dosadasnju praksu ostrih rezova i odluka vaseg prethodnika. To bi bilo jedno pitanje, sada molim vas jos jedno. Smatrate li da ce odluka ustavnog suda BH o osporavanju dosadnjeg trijumvirata u radu vijeca ministara, usporiti ili poboljsati rad ove institucije?

High Representative Wolfgang Petritsch: Ok, second question first. If you allow me, I have been here now only the third day, and I am not going to go into all these technicalities. I have to look into this and to talk to my people about these issues, and then we'll come up with the answers. This is already part of the answer to your first question. My first choice here is to get on with the current program that is on the way. I can build upon a very solid basis that Carlos Westendorp has left behind, the legacy that will continue, so continuity. Getting to know and setting the priorities according to necessities will be the first steps that Ambassadors Ralph Johnson, Matei Hoffmann and myself, together with the very experienced and very dedicated team at the Office of the High Representative, are going to do.

?: Ambasadore Petritsch-u, korupcija ocigledno nije nesto novo u Bosni i Hercegovini i prije vas su mnogi diplomati dolazili i govorili o korupciji. Da podsjetim samo na ambasadora Roberta Gelbarda. I uvijek bi bosanskohercegovački političari izasli i trazili dokaze na vidjelo. Da li cete nakon ovoga izvjestaja za koji sami kazete da ima samo nekih, da su pobrkani neki brojevi, znaci izvjestaj postoji, da li cete se povuci tako samo krisom. Da li ce ovaj izvjestaj nestati iz

javnosti ili cete stavrno nesto uciniti povodom toga ovoga izvjestaja koji se pojavio u javnosti? Imam jedno pitanje za ambasadora Ralpa Johnsona, posto se spominju ogromni novci i americke vlade koji su izgubljeni u BH Banci, da li je mozda kontaktirao sa Stejt Departmentom i provjerio koja je to suma u pitanju?

Principal Deputy High Representative Ralph Johnson: If you want first an answer to the second question, I would simply say that we have said absolutely nothing about American money that has disappeared. The article makes reference to that, but this is the question to be answered by the American Embassy. I want to be clear that the OHR has said nothing about American funds, or other donor funds that have disappeared. Our view is that each of the donors that is here has long experience not only in this place, but also elsewhere in the world. I am confident that those donors work hard to take measures to make sure that they minimize and possibly eliminate opportunities for the abuse of their funds. So inference from this that there have been some lapses should not be granted, but I leave it to them to comment on the details of any allegation made in the article.

High Representative Wolfgang Petritsch: Let me briefly respond to your first question. I have already stated that there is no 4,000-page report, an official report from OHR. I was trying to clarify this. It is probably confusion on the part of the journalist. But, of course, we do know about the research into this alleged corruption that is being done by the local authorities. This is extremely important for me, and the sign that the institutions are starting to work and taking up the challenge. There are several things that cannot be discussed here because they are pending. There is a prosecutor working on this, and I am confident that we will closely watch the procedures in order to establish the facts. So we are going to stand ready and to continue to observe with renewed vigor the development there. And then hopefully the results of

independent judiciary will come up very soon.

?: Ambasadore Petritsch, ako samo mogu nastaviti, da li cete vi kao Visoki Predstavnik u BiH, da li ce te stvarno vise izaci u javnost sa dokazima, sva tri clana Predsjedništva su trazili to. Dolaze diplomati i zadnjih godina govore o korupciji a nema dokaza u javnosti. Da barem kazete da su ti i ti pojedinci korumpirani, mi cemo ih smjeniti. Dakle, samo da li cete izaci u javnost i predociti dokaze, ili tim politicarima reci: da, mi znamo da ste vi korumpirani, molim te, napusti politicku pozornicu.

High Representative Wolfgang Petritsch: I have said that my predecessor has taken action and dismissed some of the politicians. So this is one thing that has to be said: this will be continued of course, once we are there and if it is necessary. On the other hand, we have to trust the independent judiciary here, and see that they work. These two points, between the Office of the High Representative with its powers to act, on one hand, and, on the other hand, an independent judiciary, I believe this is important to stress, and I believe we are expecting results from them.

Kenan Cerimagic, NTV Hayat: Nadovezao bi se na pitanje moga kolege. Vec ste nekoliko puta spomenuli transparentnost rada drzavnih organa. Ured Visokog Predstavnika je vec nekoliko puta govorio o spiskovima visestrukih korisnika stanova, kao i stanovima visokih funkcionera koji zive u tim stanovima. Da li bi, kao dobar primjer OHR-a u transparentnosti, mogli objaviti te spiskove, ili npr. objaviti transparentnu finansijsku politiku Ureda Visokog Predstavnika? Hvala.

High Representative Wolfgang Petritsch: Well, I do hope that you understand that I am not going to comment on this after such a short period of time. I hope you understand I need some time in order to get into all the nitty-gritty, into all the details that are absolutely important. And the issue that you have mentioned is of course an important one. But I am not

going to be able to comment on this right now.

Amra Kebo, Oslobođenje: Kako komentirate ovaj izvještaj na samom početku Vaseg rada? Prvo pitanje. I drugo pitanje, kada se mogu očekivati odgovori iz Ureda Viskog Predstavnik na pitanja koja je Predsjedavajući Š Alija Izetbegović postavio?

High Representative Wolfgang Petritsch: You are referring to the press statement that Mr. Izetbegović has issued yesterday. We are looking into this, but this is not an opportunity here to give the answers. We will find other means and ways to talk about it. And I can add that already yesterday at our meeting, when this issue was raised, I believe I was able to give some of the answers already then.

Amra Kebo, Oslobođenje: Prvo pitanje? Prvo pitanje je kako komentirate objavljivanje izvještaja u New York Timesu na početku vaseg mandata?

High Representative Wolfgang Petritsch: Well, I do not know whether this is a good time or not. This is not of an interest. I tried to put here our efforts in terms of tackling the problem of corruption as continuity. This has been going on since the Bonn PIC in December 1997, and this has been on the agenda of every single PIC meeting since then. So, for us this is not a surprise, we have taken this seriously for quite some time, and this is only a good opportunity to redouble our efforts to tackle this issue.

Alexandra Stiglmayer, OHR Spokesperson: Let's take three more questions, but the questions that are not related to corruption. Everything on corruption, you can call me or James later. I can talk to you. I think Ambassador Petritsch has said what he has to say.

Bernard Milosevic, SRNA: Bernard Milosevic from Serbian Press Agency: Do you see a possible solution for presidential crisis and parliamentary crisis in Republika Srpska?

High Representative Wolfgang Petritsch: Decisions have been made. The former President is a private citizen now in Republika Srpska, and this has been confirmed by the Parliamentary Assembly there, and we move on to the next steps. I believe that the prospects are good, but we will have to work very hard on it.

?: Es wurde in der letzten Zeit Kritik laut, dass die Arbeit der Hilfsorganisationen, der international Tätigen schlecht koordiniert sei. Diese Kritik wurde auch von Ihrem Vorgänger Herrn Westendorp geäußert. Wie ist ihre Meinung dazu, welche Möglichkeiten gibt's, diese Zusammenarbeit zu verbessern?

High Representative Wolfgang Petritsch: Ich bin der Meinung, dass in einer so komplexen Situation, in welcher sich die internationale Gemeinschaft hier in Bosnien-Herzegowina befindet, es natürlich sehr schwierig ist, ideale Resultate zu erreichen. Aber ich bin der Meinung, dass sich in der Zwischenzeit doch eine relativ gute Koordination eingespielt hat. Aber wir arbeiten täglich daran, die zu verbessern. Wir arbeiten hier im Sinne einer multiplen Gesellschaft, so zu sagen, einer pluralistischen Gesellschaft auf den verschiedensten Ebenen mit den verschiedensten Instrumenten, staatlichen, privaten Organisationen, Hilfsorganisationen, usw. Und da herrscht immer ein Koordinationsbedarf. Ich glaube, das ist wichtig zu wissen, aber es ist auch wichtig, zur Kenntniss zu nehmen, dass das Büro des Hohen Repräsentanten hier auch eine koordinierende Funktion ausübt, dass die von uns auch weiter ausgeübt wird, bzw. die Koordination immer ein Thema ist, und wir daran arbeiten. Ich glaube, generell gesprochen ist bisher jedenfalls mein Eindruck der, dass alle bereit und willig sind, hier an einem Strang zu ziehen, und dass halte ich für das Wesentliche.

Mladen Kristić; Jutarnji List, Zagreb: Gosp. Petricu, što očekujete od vlasti u Zagrebu, i imate li zapravo poruku za hrvatske političare kada je riječ o hrvatskoj politici prema BiH?

High Representative Wolfgang Petritsch: Well, Croatia is one of the guarantors and signatories of the Dayton Accords. So, Croatia has a very important role to play. There is also a Croatian community in this country, so therefore there are several points which are of great importance to us in dealing with the problems in this country. We are extremely interested in a very good working relationship with the government in Zagreb, and we will continue with this working relationship. We, of course, insist on the acceptance of Dayton. We insist that we are handling here a sovereign country, Bosnia and Herzegovina, but we realize that there are special relations between the Croatian community here and Zagreb.

Alexandra Stiglmayer, OHR Spokesperson: Last question, please!

Mirsad Fazlic, Vecernje Novine: Gospodine Petricu, dok je gospodin Westendorp obavljao duznost Visokog Predstavnika, u stampi se dosta spekulisalo o njegovoj placi, o njegovim odlascima kuci, o uslovima pod kojima je radio posao Visokog Predstavnika. Evo, posto ste Vi tek dosli na to mjesto, bilo bi jako lijepo kada bi nam Vi rekli da li ste Vi imali nekih posebnih uvjeta prema Europskoj Komisiji koja placa Vase mjesto, tako da u buducnosti mozda ne bi pravili famu oko toga.

High Representative Wolfgang Petritsch: This is a very interesting question, and I must say I am very interested in this. I can only tell you one principle that I have forwarded to the Steering Board, which is this: I insist on utmost transparency, and I insist that all these issues be handled in such a way that all the partners involved in peace implementation here in Bosnia are on the same line and agree on what has been, or will be decided.

Alexandra Stiglmayer, OHR Spokesperson: Shall we take Jadranko's question?

Jadranko Katana, OBN: Ja cu probati ispostovati Alexandrinu

molbu, ali cu zato pitati Ambasadora Johnsona, s obzirom da su jucer i State Department i Evropska Komisija zvanicno demantirali da se radi o korupciji i da je njihov novac, njihove donacije, ukljucen u korpuciju. Na koji nacin OHR dozivljava porijeklo korpucije, na koji nacin dozivljava mehanizme na koje je nestalo tih preko milijardu dolara? Naravno, ako zeli Visoki Predstavnik, moze dati takodjer svoj odgovor. Dakle, ako su glavni donatori u BiH ustvrdili da se ne radi o njihovom novcu, kako je nestala 1 milijarda dolara?

Principal Deputy High Representative Ralph Johnson: I think that the main donors need to decide how they individually wish to address the statements made in this article. As Ambassador Petritsch has said, we have created an Anti-Fraud Unit in 1998. The objective of that Unit has been to work with the international community as well as with governments here in order to systematically tackle the problems that are inevitably associated with transition.

I have just come from another country further to the north, Slovakia. Corruption is not unique to Bosnia and Herzegovina. And so our effort has been to organize systematically what changes in the law are necessary, what needs to be done in order to strengthen the judicial system in order to cope with corruption. And when there have been cases brought to our attention, then our role has been to take action when that was necessary, and exercising the authority of the High Representative. So I do not think any of us comes here being nave. I am sure the international donors do not either.

I think that the figure, which has been put out, is a figure which seems to have been intended to cover disappearances from local funds. It is not to be seen, as I read it, even as a statement by the author of the article, that this is all foreign assistance money, which is alleged to have disappeared.

Our concern is, as Ambassador Petritsch has said, that all the

funds that we are entrusted with, are used wisely and well. And we will make every effort not just to improve the systems, but also to make sure that there is accountability for any of the funds that we are responsible for. I am sure that other donors feel the same way, and that will continue to be the thrust of our efforts within OHR and the thrust of our joint efforts with the donors, and, I am confident, with the authorities on the ground here.

Alexandra Stiglmayer, OHR Spokesperson: So, thank you very much, and see you tomorrow here.

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