<u>DIRECTIVE Reducing Party Funding for the HDZ at the State,</u> <u>Federation and Cantonal Levels (Central Bosnia Canton only)</u>

In the exercise of the powers vested in the High Representative by Article V of Annex 10 (Agreement on Civilian Implementation of the Peace Settlement) to the General Framework Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theatre regarding interpretation of the said Agreement on the Civilian Implementation of the Peace Settlement; and considering in particular Article II.1. (d) of the last said Agreement, according to the terms of which the High Representative shall "Facilitate, as the High Representative judges necessary, the resolution of any difficulties arising in connection with civilian implementation";

Recalling paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997, in which the Peace Implementation Council welcomed the High Representative's intention to use his final authority in theatre regarding interpretation of the Agreement on the Civilian implementation of the Peace Settlement in order to facilitate the resolution of any difficulties as aforesaid "by making binding decisions, as he judges necessary" on certain issues including (under sub-paragraph (c) thereof) measures to ensure the Peace Agreement throughout Bosnia and Herzegovina and its Entities which "may include actions against persons holding public office or officials...who are found by the High Representative to be in violation of legal commitments made under the Peace Agreement or the terms for its implementation";

Recalling that, at its 12 June 2003 meeting, the Peace Implementation Council Steering Board endorsed pledges made by Bosnia and Herzegovina authorities in moves towards the integration of the school system and stated its unanimous decision that the very existence of two schools under one roof ("2/1") is contrary to the principles set forth in the Education Reform Strategy ("ERS");

Noting that "2/1" is also clearly contrary to the Council of Europe post-accession requirements for Bosnia and Herzegovina "to maintain and continued reform in the field of education and to eliminate all aspects of segregation and discrimination based upon ethnic origin";

Applauding the overriding objective of the ERS to depoliticise education, while creating conditions that will ensure equal access to a high-quality, modern education throughout the country;

Fully Cognisant of the fact that, in order to achieve this objective, all children must have access to quality education in integrated, multi-cultural schools which are free from political, religious, cultural and other bias and discrimination and which respect the rights of all children;

Recalling that, at meetings with Entity and Cantonal Ministers of Education and with the Education Issue Steering Group on 8 April 2003 and 8 August 2003, as well as at numerous separate and joint meetings with and letters to the State and Federation officials and Ministers of Education of Zenica – Doboj Canton, Central Bosnia Canton, Herzegovina-Neretva Canton, OSCE, OHR and the Council of Ministers requested that the education ministers issue instructions ("Instructions") for administrative and legal integration of "2/1" schools ("Unification") before the beginning of the next school year on 1 September 2003;

Recalling that the objective of these reforms is to end wasteful bureaucratic duplication and free up resources for children and teachers, and that said reforms have no impact on the language of instruction or the curriculum;

Deeply regretting the fact that the Central Bosnia Canton has failed to adopt the Instructions to commence the Unification;

Distressed that the Central Bosnia Canton has failed to take any affirmative steps towards commencing Unification through the issuance of Instructions;

Taking into account that due to the current composition of government in Central Bosnia Canton, the Cantonal Prime Minister is unable to break the current impasse;

Taking into account that the HDZ educational policy at the Cantonal levelof the Central Bosnia Canton is the

product of close coordination between HDZ of the Central Bosnia Canton and HDZ officials at the Federation and State levels;

Convinced, therefore, that the HDZ Party figures have the power to overcome this obstructionism, aimed at maintaining a segregated school system;

Deeply concerned that the HDZ party persists in its obstructionist tactics by issuing press releases and publishing news articles rejecting and/or criticizing Unification;

Recalling that a deadline was established by the President of HDZ for all Cantons to issue instructions for the administrative integration of schools. This deadline was established as the "close of business" on Friday, 22 August 2003, and confirmed by the High Representative, upon compulsion of sanctions;

Distressed that said deadline has elapsed without this goal being achieved by the Central Bosnia Canton;

Having considered, borne in mind and noted all the matters aforesaid, the High Representative hereby issues the following:

DIRECTIVE

Reducing Party Funding for the HDZ at the State,

Federation and Cantonal Levels (Central Bosnia Canton only)

Article 1

The budgetary allocation for the fiscal year 2004 for political parties funding in the Parliamentary Assembly of Bosnia and Herzegovina, the Parliament of the Federation, and the Cantonal Assembly of the Central Bosnia Canton with respect to the HDZ Party, shall be reduced by a sum representing five percent (5%) of each of the above-referenced entity's appropriation to the HDZ. This Directive, insofar as it involves this particular sanction, shall have retroactive legal effect to Friday, 22 August 2003.

Article 2

The deductions referred to in Article 1 shall be merged into the General Budget and shall, under no circumstances, be diverted to other political parties.

Article 3

At the State level, the Minister of Finance and Treasury and her Deputy, or any other person who may be acting on behalf of the aforesaid persons, are hereby directed:

- 1. to implement this Directive to the extent it applies to them;
- 2. to furnish no later than three (3) days from the date of the signing of this Directive evidence, in the form of a written undertaking, to the Office of the High Representative that the applicable provisions of this Directive will be executed; and
- 3. to provide to the Office of the High Representative a copy of the draft budget to be submitted to the Council of Ministers which shall clearly reflect the sanctions ordered herein.

The Minister and her Deputy shall be held accountable for the orderly execution of this Directive.

Article 4

At the Federation level, the Minister of Finance, or any other person who may be acting on behalf of the aforesaid persons, are hereby directed:

- 1. to implement this Directive to the extent it applies to them;
- 2. to furnish no later than three (3) days from the date of the signing of this Directive evidence, in the form of a

written undertaking, to the Office of the High Representative that the applicable provisions of this Directive will be executed; and

3. to provide to the Office of the High Representative a copy of the draft budget to be submitted to the Government of the Federation which shall clearly reflect the sanctions ordered herein.

The Minister shall be held accountable for the orderly execution of this Directive.

Article 5

At the Cantonal level, the Minister of Finance, or any other person who may be acting on behalf of the aforesaid persons, are hereby directed:

- 1. to implement this Directive to the extent it applies to them;
- 2. to furnish no later than three (3) days from the date of the signing of this Directive evidence, in the form of a written undertaking, to the Office of the High Representative that the applicable provisions of this Directive will be executed; and
- 3. to provide to the Office of the High Representative a copy of the draft budget to be submitted to the Government of the Canton which shall clearly reflect the sanctions ordered herein.

The Minister shall be held accountable for the orderly execution of this Directive.

Article 6

This Directive shall have retroactive effect to Friday, 22 August 2003 with respect to Articles 1. The Directive shall have immediate effect with respect to the balance of its terms as of the date of this Directive entering into force. This Directive does not require further procedural steps to be taken.

Article 7

For the avoidance of doubt, it is hereby specifically declared and provided that the provisions of the Directive contained herein are, as to each and every one of them, laid down by the High Representative pursuant to his international mandate and are not, therefore, justiciable by the Courts of Bosnia and Herzegovina or its Entities or elsewhere, and no proceedings may be brought in respect of duties carried out thereunder before any court whatsoever at any time hereafter.

Article 8

This Directive shall supersede any regulation or law which may be in contradiction with it.

Article 9

This Directive shall be published without delay in the Official Gazettes of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina, Central Bosnia Canton.

Sarajevo, 22 September 2003

Paddy Ashdown High Representative