

Commercial Divisions Can Help Attract Investment to BiH and Create Jobs

The 16 newly-established Commercial Divisions attached to Municipal and Basic courts across BiH are a key element in attracting the investment that is necessary to create jobs, Principal Deputy High Representative Donald Hays said today during a meeting he and USAID Mission Director Howard Sumka had with the President of the Sarajevo Municipal Court Aida Salcinovic-Kuljanin and the five judges of the Court's Commercial Division.

"The Commercial Divisions are about putting BiH back to work," Ambassador Hays said; "They are an integral part of the Jobs and Justice agenda, and an essential element in ensuring an effective and independent judiciary that serves the citizens of BiH."

The Principal Deputy High Representative noted that in talks with prospective investors in BiH, fear of being bogged down in interminable commercial litigation – with cases dragging on for years – is routinely cited as one of the major deterrents to investors putting their money in this country and creating jobs. "The message needs to get out from this court that the concerns of prospective investors are being addressed and that there are solutions," he said.

The Commercial Divisions comprise judges and legal staff who are specialists in business law and who are allocated commercial cases as a priority. The Sarajevo Commercial Division was established at the end of 2003. By March 2004, in addition to Sarajevo, Commercial Divisions had been attached to Municipal or Basic Courts in Banja Luka, Bihać, Bijeljina,

Brcko, Doboj, Goražde, Livno, Mostar, Orašje, Sokolac, Široki Brijeg, Tuzla, Trebinje, Zenica, and Travnik.

In September 2003, USAID launched a project aimed at providing the Commercial Divisions with training and technical support. USAID will invest approximately \$10 million in this project during the next three years, working with local partners such as judges, trustees, appraisers, creditors, attorneys, execution officers, and others.

“Establishing the commercial divisions is an important step towards providing an environment that is conducive to commercial lending and investment,” USAID Mission Director Sumka said. “Business people need to trust that courts will resolve disputes fairly, predictably and in a timely manner in order to do business in Bosnia-Herzegovina.”