Communiqué by the PIC Steering Board

The PIC Steering Board met at the level of Political Directors with the High Representative, Wolfgang Petritsch, in Sarajevo on 6 and 7 May 2002. It appreciated the opportunity to meet with the members of the IC Cabinet. The Steering Board particularly welcomed the opportunity to meet with the representatives of Bosnia and Herzegovina, headed by the Chairman of the Council of Ministers, and the two Entity Prime Ministers, in order to address and discuss – in the spirit of the enhanced partnership concept shared by the High Representative and the leadership of Bosnia and Herzegovina – the most pressing issues such as Judicial Reform, Civil Service Reform, the necessary follow-up to the Entity Constitutional Amendments as well as anti-terrorism legislation, the State Budget and preparations for the upcoming general elections.

The Steering Board notes that substantial progress was made in Bosnia and Herzegovina during Wolfgang Petritsch's three-year mandate, which has been marked by the decline of nationalism and the strengthening of tolerance and multi-ethnicity. The Steering Board thanks him for his successful work, aimed at encouraging domestic ownership, consolidating Bosnia and Herzegovina's statehood and improving the social, economic, and cultural condition of its citizens. The Steering Board also expresses its appreciation for the efforts of Senior Deputy High Representative, Matthias Sonn, in view of his departure this summer.

The Steering Board reiterates the need for and its full endorsement of a thorough reform of the judicial system. It welcomes the intention of the High Representative to ensure completion of the first phase of reform, by de-politicizing

the regulation of the legal profession and by ensuring the establishment of training institutes in both entities coordinated by the High Judicial Council. The establishment of a single High Judicial Council will lay the foundations for further reform of the judiciary, such as the re-structuring of the court and prosecutorial systems. The Steering Board calls upon the local authorities to ensure the rapid establishment of the Court of Bosnia and Herzegovina. It reminds the BiH authorities that the Appellate Division of the Court needs to be operational in order to adjudicate election complaints. The BiH authorities are also urged to immediately find a sustainable solution to the problem of the location of the Court.

The Steering Board welcomes the launching of the Citizen Identification Protection System (CIPS) which – once implemented as part of the Information Management System in Bosnia and Herzegovina – will provide BIH authorities with the necessary tools in their fight against international terrorism and organized crime, as well as illegal migration. The Steering Board reiterates the need for a total, immediate and professional commitment to take further pro-active anti-terrorist measures, beginning with enactment of legislation and investigation of identified individuals and organizations. The High Representative will take the lead in coordinating the legal framework for combating terrorism.

The Steering Board applauds the decisions on the amendments of the entity constitutions. They were made possible by the Mrakovica-Sarajevo Agreement of 27 March 2002, showing the commitment of the BiH and Entity political leaders to make Bosnia and Herzegovina a truly democratic and multiethnic country. The Steering Board welcomed the intention of the present BiH political leaders to develop an action plan for the full and prompt implementation of these amendments based on the updates made by the Entity Prime Ministers.

The Steering Board welcomes the increase in the number of

minority returns to more than 92,000 in 2001 and a similarly positive trend in the first quarter of 2002. It stresses the necessity to continue to support this development with adequate financial resources, both national and international, aimed at, *inter alia*, creating an appropriate framework for returns of refugees and displaced persons. The Steering Board further highlights the importance of property law implementation, which has resulted in the resolution of 46 percent of all registered claims as of March 2002 and urges both the implementing agencies and the authorities to persevere in their implementation efforts. In this regard, the Steering Board supports the efforts of the State Commission for Refugees and Displaced Persons joining entity and IC efforts under BiH coordination. Returns and property repossession contribute in an essential way to rebuilding a functional society in Bosnia and Herzegovina. The Steering Board also expects the speedy implementation of the AREA agreement signed between Zagreb, Sarajevo and Belgrade under the roof of the Stability Pact. The Steering Board underlines that both the Mrakovica-Sarajevo Agreement and the subsequent amendments to the entity constitutions highlight the obligation of the entity authorities to make every possible effort towards the full implementation of Annex 7 of the GFAP, which is crucial to the overall process of reconciliation in Bosnia and Herzegovina.

The Steering Board welcomes the timely and professional work of the Election Commission of Bosnia and Herzegovina in its preparations for the general elections announced to take place on 5 October. Taking into account the lack of financial support for the Election Commission, the Steering Board urges the authorities of Bosnia and Herzegovina and the Government of the Federation of Bosnia and Herzegovina to forward their outstanding financial contributions to the Election Commission with immediate effect. The Steering Board encourages all political parties to participate in the elections under the rules established in the Election Law of Bosnia and

Herzegovina.

The Steering Board notes the progress of the Public Administrator of the Hercegovacka Banka, and urges maximum efforts be undertaken to bring those responsible for causing damage to the citizens, the Federation and the State to justice as soon as possible.

The Steering Board welcomes the opening today of the BiH-wide Public Broadcasting System Television News service (PBS). The Steering Board extends its best wishes and support to the management and staff of PBS and reiterates its support for the High Representative's strategy to restructure the PBS system in order to develop a BiH state level public broadcasting system for all citizens of Bosnia and Herzegovina. The Steering Board recognizes the necessity for effective legislation to make the PBS system independent and sustainable in line with Council of Europe standards, noting that this is also a key requirement of the EU Road Map. The Steering Board recognizes the necessity in creating fair and competitive conditions for the development of private media in Bosnia and Herzegovina. The Steering Board notes the expression of support of the Alliance for Change for the current draft legislation and exhorts the High Representative and the Council of Ministers to use every effort to ensure the swift implementation of a PBS law according to European standards as soon as possible. The Steering Board congratulates the Communications Regulatory Agency on the successful completion of the process of granting long-term broadcasting licences. This difficult and sensitive operation has significantly contributed to the financial viability and programs standards of the broadcasting industry in Bosnia and Herzegovina.

The Steering Board approves the minutes and recommendations of the Financial Experts meeting that took place on 11 April 2002 in Sarajevo. In particular, it takes note that the issue of the so called 'Unallocated and Weaker Sources of Funding' in the OHR operating budget, raised by the European Commission,

has found a practical solution. The Board also takes note that the related issue of the European Commission's as yet non-approval of the 2000 accounts has, on the working level, found a practical solution as well. This solution implies that, when the Financial Experts meet in July to approve the 2001 accounts, the European Commission would be in a position to approve previous accounts. The Steering Board asks the Financial Experts to report to the Steering Board on the question of the budget key.