Decision annulling the Federation Prime Minister's decision published in the Federation Official Gazette on 19 October 2000

In the exercise of the powers vested in me 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;

Noting that in January 2000, the Customs Administration at the

Ministry of Finance of the Federation of Bosnia and Herzegovina identified a number of private vehicles which had been cleared by the customs by virtue of the fact that they had been furnished with documents bearing false customs stamps;

Observing that the importer of such a vehicle or vehicles was thus able to evade the payment of customs duties and that the Customs Administration have discovered more than 900 such cases to-date and that during the course of their investigations approximately 150 vehicles were seized and violation proceedings commenced against the owners;

Recalling that on 10 October 2000, Mr. Dragan Covic, the Minister of Finance of the Federation of Bosnia and Herzegovina proposed the issue of an Order that the seized cars concerned should be returned to the owners upon payment by them of the said customs duties and that at the same time it was proposed that violation proceedings against the owners should be terminated in cases where a first instance decision had not been issued;

Noting however that having received an opinion on the illegality of the proposed course of action by the Customs Administration of his Ministry dated 11 October 2000, Mr. Covic withdrew the said proposal;

Deploring the fact that notwithstanding the matters aforesaid, Mr. Bicakcic, in his capacity as Prime Minister of the Federation of Bosnia and Herzegovina, nevertheless issued, on a day in October 2000 which has not been specified, Decision No. 261/2000 on “the manner of dealing with vehicles seized in the operation ‘Vehicle'” and that in this Decision, and in a manner similar to that proposed by Minister Covic as hereinbefore referred to, the Customs Administration of the Ministry of Finance of the Federation of Bosnia and Herzegovina was ordered to waive all charges against the owners of the said vehicles;

Considering the fact that proceedings had been duly pursued by the Customs Administration, in accordance with Article 16 of the Law on Customs Duties of the Federation of Bosnia and Herzegovina, and that the said Decision No. 261/2000 is clearly illegal and, moreover, further provided, entirely without legal foundation, that individuals who had repurchased their vehicles seized in the said operation “Vehicle” should be repaid money in the amount which was the base for calculation of customs duties and other charges that they had had to pay;

Taking into account the fact that the said Decision amounts to a blatant and substantial interference with the efforts undertaken by the Ministry of Finance and its Department of Customs Administration to combat fraud and tax evasion.

I hereby issue the following

DECISION

On the Law on the Assets of the Employment Bureau of Bosnia and Herzegovina

Decision No. 261/2000 which was signed by Prime Minister Edhem Bicakcic and published in the Official Gazette of the Federation of Bosnia and Herzegovina (No.44/00 of 19 October 2000) is hereby annulled and all steps taken under it hereby cancelled and revoked as if the said decision had never been made.

This Decision shall be published without delay in the Official Gazette of the Federation of Bosnia and Herzegovina and shall enter into force on the date of such publication.

Sarajevo, 20 December 2000	Wolfgang Petritsch
	High Representative

Office of the High Representative