

High Representative Partially Lifts Freeze on SDS Funds, Subjects Funds to Spot Checks from OHR

Noting that the SDS-led government in Republika Srpska has made significant progress this year regarding ICTY cooperation, and pointing to measures undertaken by the SDS party to establish monitoring mechanisms to control the party's funding, the High Representative today decided to partially lift the freeze on public funds being paid to the SDS.

On June 30, 2004, the High Representative imposed a Decision centralizing the funding and financial transactions of the SDS in order to ensure that illegal payments were not being made. A second Decision froze the regular payments of public funds to the SDS.

"There has been a welcome sea change in RS cooperation with the ICTY. After nine years of failing to transfer a single war criminal to The Hague, the RS has in the last ten months either transferred or assisted in the transfer of 11 individuals indicted by the ICTY to The Hague," said the High Representative. "The SDS has begun to meet its obligations in this key area and its finances are it seems back within the limits of the law."

Today's Decision will lift the freeze on public funds intended for the SDS, and will be applicable from October 1, 2005.

However, the money that was collected between January and September this year, amounting to just over half a million KM, will continue to be withheld from the SDS and will only be released if Karadzic is transferred to the ICTY by the end of

this year. If this has not happened by 31 December 2005 , the funds will be re-allocated to support other aspects of BiH's justice structures, such as the War Crimes Chamber, SIPA, or the Election Commission.

The SDS party funds will also be subject to spot checks by the OHR, the BiH Election Commission and the RS Supreme Auditor.

"I hope that today's Decision will serve as an incentive to encourage the SDS led Government to continue and complete, with the arrest or transfer to The Hague of Radovan Karadzic, the work begun on ICTY co-operation during the course of this year," said the High Representative.

But he warned that he would reverse today's Decision if he sees any evidence that SDS party funds are being use to support war criminals an their networks. "I see any decline in RS cooperation with the ICTY, or any evidence that SDS party funds are being redirected to persons indicted for war crimes and their networks, I will not hesitate to re-introduce my decision of June 2004," he said.