

High Representative Takes Steps to Address Financial Abuses at Federation Ministry of Refugees

“The findings of the Special Auditor with regard to the Federation Ministry of Refugees and Displaced Persons are disgraceful,” the High Representative, Paddy Ashdown, said at a press conference in Sarajevo today. “Theft occurred right at the heart of government. The most vulnerable in BiH society – refugees and displaced persons – have been robbed by those charged with protecting their interests.”

This [Special Auditor's report](#) was prompted by poor results from the BiH Federation's financial support for reconstruction. It highlights systematic abuse of the financial controls for disbursing funds exercised by management within the Ministry. This includes the acting Minister during the period covered by the audit, Mijat Tuka, and some of his closest associates. The report finds that millions of KM of taxpayers' money have been wasted, probably stolen.

According to the report, deliberate mismanagement in the Ministry has allowed the tender process to be circumvented, and specific, often dubious, firms have enriched themselves with BiH tax revenue that had been allocated to help BiH's poorest citizens.

“A lack of proper accounting methods means that returnees who have been promised help are still without a roof over their heads,” the High Representative said. “Many of the abuses were highlighted in an audit in 2001, but nothing was done, indeed the situation got worse in 2002.”

Today the High Representative announced measures to prevent further abuses. Firstly, an independent temporary auditor has been appointed with immediate effect to ensure maximum control over expenditure and effective use of public money. Secondly, the High Representative has imposed amendments to the Federation Law on Refugees, tightening up the work of this Ministry.

The High Representative also announced that Senior Deputy High Representative Gerhard Enver Schrömbgens has written to FBiH Prime Minister Ahmed Hadzipasic, FBiH Finance Minister Dragan Vrankic, and FBiH Minister for Refugees Edin Music specifying the actions required to clean up and reorganise the FBiH Ministry for Refugees.

Mijat Tuka is an NHI representative in the BiH House of Representatives. The High Representative has written to Kresimir Zubak, the leader of the NHI, encouraging him to ensure that this issue is resolved as elsewhere in Europe. Those who have been found responsible for wrongdoing must accept that responsibility. The High Representative emphasised that if nothing happens within a week he will give this matter further consideration.

BiH Minister for Human Rights and Refugees Mirsad Kebo, Ambassador Schrömbgens, Interim Chief of the UNHCR Mission in BiH Udo Janz and OSCE representative John Ging also attended today's press conference