

Inzko Urges FBiH Authorities to Tackle Economic Crisis



The Federation of Bosnia and Herzegovina must bring its expenditures under control to ensure financial stability and meet IMF requirements, High Representative and EU Special Representative Valentin Inzko told the FBiH authorities today. "Reducing expenses will not be easy, but it must be done, because doing nothing could have very dangerous consequences."

In meetings with President Borjana Krišto and her two deputies, Mirsad Kebo and Spomenka Mićić, and with Prime Nedžad Branković and his deputies Vjekoslav Bevanda and Gavriilo Grahovac, Inzko stressed that the challenges facing Bosnia and Herzegovina as part of the process of EU integration must be addressed in a more focused way.

Last weeks' visit of the Foreign Ministers of France, the Czech Republic and Sweden served to reaffirm the EU's commitment to Bosnia and Herzegovina. Now political leaders and parliaments in BiH must show that they can do more to advance the EU agenda in the country. "If membership is truly the goal, Bosnia and Herzegovina and its entities need to adapt to the EU's requirements. The EU will not adapt its structures to suit BiH", Inzko said. Constitutional reform will be a necessary part of the EU integration process, since BiH needs to have an administrative structure that can implement EU requirements in an efficient manner. In addition, constitutional provisions in BiH need to be brought in line with the Convention on Human Rights and the European Charter

on Local Self-Government.

Although most of the EU partnership priorities relate to the BiH level, some key economic reforms are also required from the entities. In this context, Inzko welcomed the idea to establish a Fiscal Council at the FBiH level, similar to the one established at the state level, to bring together entity and cantonal representatives. "The new Council should play an essential role in policy coordination, in particular in the light of the current financial situation in the Federation."