

# **“Money must go to Mostar Citizens, not politicians”**

The continued funding of Mostar's City Administration by the Federation Elektroprivredas will depend on timely implementation of the Statute uniting the City, the High Representative, Paddy Ashdown, said on Tuesday.

Mostar's City Administration is substantially financed through monthly payments from the Elektroprivredas that have hydro-power plants on the City's territory. This arrangement follows two Decisions issued by the High Representative in April 2003 reinstating these payments in order to fend off a financial collapse, then faced by the city administration. The Decisions issued by the High Representative in April 2003 are effective only until the end of April this year. This method of financing will have to come to an end as part of the process of restructuring the electricity sector in BiH.

The High Representative will need to take a decision shortly on whether to end this temporary funding arrangement in April, or in April 2005. Unless the City Statute is being effectively implemented and public funds are being properly spent on the citizens rather than bureaucracy, parallelism and obstructionism, the High Representative will not be able to justify a one-year extension of this funding.

“There is going to be a settlement in Mostar, in time to fulfill the six-month preparatory-period requirement for October's municipal elections, and in keeping with the clear desire of the vast majority of Mostarians that their city be run through a unified administration that is not dominated by any one people,” the High Representative said. “The International Community will ensure that the new city administration has the temporary financial tools it needs to discharge its obligations to citizens until the new Statute is

fully implemented, thereby making the City Administration more cost-effective and enabling the City in due course to expand the services that it provides. However, this temporary assistance will only be provided on condition that Mostar's politicians show they intend to spend the money on the citizens, and not on themselves."