

# **Federation Forum, 16 April 1998**

## **Chairmen's Conclusions**

On 16 April 1998, Federation President Ganic, Vice President Soljic, other Federation officials and representatives of the international community met at a session of the Federation Forum in Mostar to discuss issues related to the Cantons with a Special Regime, the continued existence of parallel structures, media matters, municipal reform and other Federation issues. The meeting was co-chaired by Senior Deputy High Representative Ambassador Hanns Schumacher and US Ambassador Richard D. Kauzlarich. The following was agreed:

### **Returns**

1. Participants condemned in the strongest terms the murder of two elderly Serbs in Drvar on the evening of 15-16 April. The couple was found by SFOR troops in a burning house after having been beaten and shot. Participants were shocked by this inhuman act, apparently designed to deter return. They called for an immediate police investigation to identify and bring to justice those responsible for this act without delay. The return process which has started in a promising manner and has further been supported by the relocation of soldiers from civilian housing will be continued. The Federation President and Vice President agreed to visit Drvar jointly to ensure that appropriate measures are taken by Cantonal and municipal authorities.
2. Participants endorsed the partial return plan for eight municipalities prepared by the Herzegovina-Neretva Canton Ministry for Refugees and ratified by the Canton

government on 20 March 1998. They welcomed the agreement on the remaining disputed questions on the first return phase in the Mostar city – municipalities ([Annex 1](#)) and called on the Canton government in its next session to adopt these solutions as part of the overall return plan.

3. Participants appealed for co-operation on the part of both returnees and current inhabitants in other areas of the Herzegovina-Neretva Canton where the implementation of the return plan has commenced. They welcomed the positive role played by the new municipal authorities in Stolac and also appealed to leaders of municipalities outside of the Canton, such as Bugojno, Kakanj, Travnik and Vares, as well as within the Canton, such as Jablanica and Konjic, to increase their efforts to enable return to their municipalities and to foster a climate of confidence for returnees. Municipalities with close return related links, also across Canton boundaries, should open a mutual dialogue on the question of return, on the basis of already existing Cantonal return plans.
4. Participants noted that the European Commission had allocated significant funds to supporting returns in Central Bosnia Canton, and urged the Cantonal authorities to increase their efforts to ensure that the return of all previous inhabitants of the Canton becomes a reality, noting that the allocation of assistance should be adjusted to the dynamics of the returns. Specifically Cantonal authorities should establish functioning information centres for returnees and prevent double occupancy. Some 1,000 heads of Bosniak families have already returned to the municipality of Jajce, returns of Croat families continue to municipalities such as Bugojno, Travnik and Donji Vakuf, and preparations for returns of Serbs have been made.
5. Participants were concerned that the Sarajevo Canton had not fully lived up to commitments to implement measures

under the Sarajevo Declaration, especially those related to return in individual cases and to the launch of public information campaigns on the Federation Law on Amnesty and on Cantonal Police plans to improve the security climate for returnees. Federation officials committed themselves to use their authority to ensure that the competent Canton authorities take urgent measures to resolve all individual cases mentioned in the Sarajevo Declaration. The participants welcomed the start of work of the Sarajevo Housing Committee. They called upon Cantonal and municipal housing authorities to lend it their full support, and urged the Sarajevo Canton to intensify its efforts to identify and resolve the 500 cases of multiple occupancy that were due on 1 April.

6. Participants were encouraged by the timely and orderly manner in which the Federation military authorities relocated parts of the First Guards Brigade from civilian housing in Drvar. They were reminded that appropriate permanent relocation of all soldiers who remain in civilian housing should take place as soon as possible to purpose-built barracks, and that the practice of "reserving" empty civilian houses for soldiers must stop. The participants also commended the recent returning of the military training facility in Vares to its pre-war civilian owner. They reiterated that they would ensure that vacated housing would be handed over to pre-war inhabitants.
7. Participants stressed the importance of facilitating the return of elected officials to their homes of origin. They took note of the fact that this is an obligation under the PEC Rules and Regulations, and obstruction of this process could result in the revocation of Final Certification.
8. Participants acknowledged the need to achieve concrete steps regarding return to the Republika Srpska, both in the field of legislation on housing and displaced

persons and in practical terms. Return particularly to empty areas in Posavina and elsewhere will be especially encouraged.

## **Parallel Structures and Separate Financial Channels**

9. Participants acknowledged the fact that although officially disbanded, illegal structures of the former "Croat Republic of Herceg-Bosna" and "Republic of Bosnia and Hercegovina" continue to exist at different levels, preventing the full establishment of the Federation of Bosnia and Herzegovina. These parallel structures include, for example, separate intelligence services, judicial systems, public utilities and financial institutions, which need to be integrated, dissolved or privatised. They welcomed the annexed report on parallel structures submitted by the Federation Government (Annex 2) and called on the competent Federation authorities to strictly abide by the deadlines given in the report for the next steps to be taken. Participants agreed that the World Bank and CAFAO would forward additional suggestions and comments on the Federation Government's report on parallel structures to the office of the Prime Minister, his Deputy and the Federation Forum co-chairs for their further consideration. The Federation Prime Minister, Deputy Prime Minister and the Federation Forum co-chairs will meet by 1 May 1998 to discuss progress in disbanding these parallel institutions.
10. Participants were particularly concerned about the dual financial institutions within the Federation. The Payment Operations Institution is split between one fund in Sarajevo and one in Mostar through which tax and customs revenue from Cantons is channelled. Pension funds and health insurance are similarly split between different branches. Participants agreed to solving this problem as set out in the Annex.

11. Participants agreed that official documents, excluding car licence plates and vehicle registration documents on which deadlines have already been agreed, carrying the seal or symbol of the former CRHB or the former RBiH will not be recognised in accordance with the "Law on the Recognition of Public Documents on the Territory of the Federation of BiH" published in the Official Gazette of the Federation of BiH No: 4/98 of 18 February 1998 and will be considered null and void. Issuers of such documents will be liable for financial and other losses suffered by individuals disadvantaged by not obtaining documents with proper seals.
12. Participants further agreed that until the passing of an amendment to the Law on the Coat of Arms and Flag of Bosnia and Herzegovina, local flags and insignia will only be used on public buildings and in public spaces – such as canton government buildings, municipal administration buildings and police stations – if accompanied by the Federation flag. Otherwise, no flag or insignia will be displayed. The ECMM will forward a report to OHR on implementation of these provisions by 7 May 1998.

## **Organisation of the Cantons with a Special Regime**

13. Participants welcomed the adoption of the Law on Ministries by the Herzegovina-Neretva Cantonal Government and the Cantonal Assembly. They called for the passing of the following laws within fourteen days following the announcement of the OHR arbitration decision on the Law on the Courts: "Law on Public Prosecutor's Office," "Law on Magistrate's Courts," and "Law on Public Legal Office." The following laws are to be passed within twenty-one days of April 16: "Law on Cantonal Administration" and "Law on Local Self Rule."
14. Participants acknowledged the fact that the Herzegovina-

Neretva Cantonal authorities cannot start functioning effectively until such a time as they are working in the same building and Ministers have adjoining offices. They welcomed that the Blue Bank building, the Velmos building, and the former Socialist Union building have been identified as the future seat of the Cantonal Government offices (the Prime Minister and Deputy Prime Minister of the Federation will confirm that these buildings are available for this purpose). These arrangements may be modified by the mutual agreement of the Cantonal Governor and Deputy Governor. The Governor and Deputy Governor will identify temporary joint offices for key cantonal officials within twenty-one days. If they are not successful, the OHR will arbitrate a solution.

15. Participants further agreed that it is now essential that the necessary reconstruction work is costed as a matter of urgency, so that bids can be made on available funds. Similarly, it is most important that the site for the permanent location of the Federation Government in Mostar and Mostar City Administration Offices in the Central Zone is agreed by the City as soon as possible.
16. Participants expressed their dissatisfaction that the adoption of the budget and the relevant legislation by the Herzegovina-Neretva Cantonal Assembly on 30 March did not yet result in a single joint budget for the Canton. They agreed that taxes should be collected jointly from all the municipalities in the Canton and be directed into a single budget. Participants agreed to ensure that the City Administration is fully funded under a joint budget and that all separate accounts will be closed within twenty-one days from the date of this document.
17. Participants deplored the inability of the authorities of the Herzegovina-Neretva Canton to reach an agreement on a package of legislation on the Cantonal judicial system. The High Representative has decided to issue a

decision on the issue, following requests for arbitration from the concerned parties.

18. Participants welcomed the arbitration decision on the Mostar Airport submitted by the High Representative. They requested a report on progress by 15 May from the airport authorities. They further agreed that the hydro-electric plants on the Neretva and the Mostar railway station as part of the Central Zone should be managed by applying the same principle of joint oversight by the City of Mostar in accordance with the Rome Agreement. A solution will be found within twenty-one days of April 16.
19. Participants requested the immediate re-establishment of full and unrestricted interconnection of telephone lines between the areas of Mostar served by HPT Mostar and BiH PTT. Until the establishment of a fully integrated telephone coding system, participants requested that a solution be found to the incompatibility of the numbering used by HPT Mostar and the programming of the exchange with the numbers used by BiH PTT.
20. Participants noted that the procedure for nominating judges to the Central Bosnia Cantonal Court had not been fully in accordance with applicable laws, constitutions and international standards, and recommended that the Cantonal assembly address these concerns. In particular, since the Cantonal Assembly did not approve the appointments with a two-thirds vote as set forth in the Canton Constitution, the appointments made on 30 March 1998 to the Cantonal Court are invalid and the process must be reopened. A commission composed of qualified legal professionals from the Canton and Federation will be created to review all applications and make recommendations to the Canton Governor and his Deputy on appointments to the Assembly. The appointments must reflect the national structure of the population in accordance with the 1991 Census as required by law. This work must be completed by May 1. Participants also

called for a review of judicial appointment procedures throughout the Federation, to ensure that they comply with relevant laws, constitutional provisions and international standards, and to remedy any shortcomings which may now exist.

21. Participants deplored the continued functioning of a dual payment system in the Central Bosnia Canton despite the passing of legislation for a joint budget. As in Herzegovina-Neretva Canton, they agreed that taxes should be collected jointly from all the municipalities in the Canton and be directed into a single budget. The governments of both cantons are obliged to implement the conclusions contained in Annex 2 which lie within their competence by the given deadlines.
22. Participants agreed that for the purpose of bringing the Central Bosnia Canton Constitution in line with the Federation Constitution, it is necessary for the Central Bosnia Canton assembly to adopt an amendment in its next session on the organisation of Travnik as the seat of a Canton with a Special Regime. This amendment will begin the process of structuring Travnik as a city consisting of more than one municipality. The Prime Minister in consultation with his Deputy will appoint an expert Working Group, to assist the Cantonal and municipal authorities in preparing a proposal on this restructuring by 1 June 1998. The municipal authorities will submit a report on the option for the Travnik reform to the Commission within 10 days after its establishment which will also be made available to the OHR.
23. Participants requested the Governor and Vice-Governor of the Central Bosnia and Herzegovina-Neretva Cantons to pay joint visits to the municipalities in their Cantons to accelerate the merging of parallel municipal administrations. They will pay specific attention to the continued existence of parallel structures, full functioning of joint municipal administrations, problems



with implementing the Canton return plans, and the return of elected officials. They will report to members of the Federation Forum on unresolved questions and include recommendations for action to be taken.

24. The participants agreed that the continued functioning of parallel municipalities after the establishment of joint municipal authorities could not be tolerated. The Federation President and the Vice-President will personally engage themselves in municipalities in all Cantons in which parallel administrations continue to exist, and ensure that these will be united.

## **Police and Security**

25. Participants agreed that instructions issued by the OHR and the UN IPTF on 6 February 1998, reconfirmed in the letter of 28 March 1998, and outlined in the table of responsibilities submitted by the UN IPTF on 2 April 1998 would be implemented in full. They also recommitted themselves to the Bonn-Petersberg declaration provisions which stipulate, based on the Constitution of the BiH, that all Cantonal police forces be staffed in accordance with the national structure as represented by the 1991 census. The same principles of restructuring would be applied throughout the Federation. The instructions of the UN IPTF of 2 April will be implemented by 14 May 1998 at the latest.
26. Participants condemned incidents of home destruction and intimidation of returnees that had occurred in a number of municipalities. They called for the thorough investigation of such incidents by the police in co-operation with UN IPTF, and for punishment of perpetrators to the full extent of the law. They also called on local politicians to make responsible political statements with the aim of avoiding violent counter-reactions.
27. Participants recalled their Federation Forum commitment

of 14 April 1997 that police and security forces other than the restructured Cantonal police forces will cease to function by 22 April 1997. With reference to ongoing discussions on the merging of the security services, they expressed their support for efforts to come to a rapid solution. They will also support the establishment of the Federation police in the shortest possible time frame.

## **Media Issues**

28. Participants agreed to do their utmost to encourage freedom of speech in the Federation and to prevent negative public statements or political bias that perpetuate intolerance and ethnic hatred. In the run-up to the elections, they also stressed their commitment to ensure media space opened to provide for an equitable access for all political parties. In this context, participants reaffirmed their support for the Media Experts Commission (MEC) and its subordinate regional sub-commissions and their commitment to abide by their decisions.
29. Participants took note of the initiative submitted by the High Representative to the Bosniak Chair and the Croat Member of the Presidency on the transformation of RTV BiH into the Federation BiH central public broadcaster. Subject to their decision, they agreed to speed up the process and called on all involved to facilitate and expedite this. This will require RTV BiH to be operated in accordance with democratic media practices and for it to represent all legitimate political and cultural opinion through its programmes.
30. Participants agreed to lend their full support for the establishment of the Intermediate Media Standards and Licensing Commission (IMSLC). They agreed to ensure that the framework structure of the IMSLC, in particular the licensing of broadcasting, would be established by mid-

April 1998.

## **Municipal Reform**

31. Participants welcomed the adoption of the Law on New and Split Municipalities by the Federation Parliament on 21-22 January 1998 and decided to initiate the second phase of municipal reorganisation. For this purpose, an Inter-Ministerial Commission chaired by the Ministers of Justice and Urban Planning and Environment, and consisting of representatives from these Ministries, as well as the Council of Europe and the OHR, will be established to prepare the reform in the area of municipal organisation, with the aim of submitting an agreed proposal by 31 December 1998. Participants acknowledged the fact that a number of applications had already been made for the creation of new municipalities and changing of boundaries, but agreed that these would be considered within the overall work of this Commission.
32. Participants noted that in preparation of the Federation Forum the issue of the name of Gornji Vakuf had been discussed with local officials without any result. They reconfirmed that the official name of the municipality was Gornji Vakuf, but agreed that the Gornji Vakuf municipal assembly could accept the use of the name Gornji Vakuf-Uskoplje. They reconfirmed that the question of the name can under no circumstances be connected to the implementation of the election results and the establishment of a unified municipal administration.