Speech by the High Representative for Bosnia and Herzegovina, Ambassador Wolfgang Petritsch at the Steering Board Ministerial Meeting

Thank you Secretary of State Albright for your kind words and for hosting us here this morning. Thank you Ministers for taking the time out of the busy week to meet here today.

We last met in Sarajevo at the end of July at the Stability Pact Conference. It is the Stability Pact that gives hope for a new future for the Balkans — and for Bosnia and Herzegovina. It presents new opportunities, but also new challenges — there is real competition: competition for our attention and competition for our funding. It against that background that I speak today.

My first month has been an intensive one. I have met all the key players in Bosnia and Herzegovina, both at the state and entity level.

I have been to Banja Luka and Mostar. I have visited minority return areas and spoken directly with the people most affected — the returnees and refugees from all three ethnic communities.

I have made full use of regular consultations with the Steering Board in Sarajevo and have met frequently with the Principals of our major implementation partners. But most of all I have listened to the people of Bosnia and Herzegovina.

Because it is only by working with **them** that we will see the fundamental change we all want. A change that makes the people responsible for their own future.

Let me briefly introduce my concept of Ownership.

I have outlined the comprehensive yet focused approach we are ready to take in my letter last week. Let me briefly describe the fundamental concept and explain why I think it will succeed.

In my view, the overriding objective of the International Community must now be to substantially accelerate the rate at which responsibility for governance and particularly the creation and effective operation of state institutions is assumed by the local political leaders.

We have to foster the notion of ownership as the very essence of modern civic society among all Bosnian citizens. And we have to do this by working directly with the people of Bosnia and Herzegovina. Not just the politicians, who more often than not are the problem. But also with those parts of civic society — embryonic though it might be — who truly want change.

We have to make quick progress in key areas. This requires the full cooperation of all international actors involved — OHR, and the Steering Board countries, SFOR, OSCE, the UN family and the IFIs — but most of all it requires a strategy to drive this process.

I see three specific priority areas for OHR's work in the coming year. These three pillars of our strategy are:

- First: Strengthening institutions and ensuring the Rule of Law. In many cases the legislation is in place my job is to ensure that it is obeyed.
- Second: Transforming the economy, the engine to propel our common projects. We must help root out corruption, encourage transparency, and create a climate where

private investors — the only real guarantee of growth —
are prepared to put their money.

• And thirdly: The return of refugees and DPs. The right to return is a fundamental right under Dayton. At last this year, four years after Dayton we have seen significant progress in minority returns. It is essential that we support these movements.

Why "Ownership"?

I have identified what I call the "dependency syndrome": this means that every piece of legislation that I impose with my authority as the High Representative, gives politicians in Bosnia and Herzegovina a perfect excuse not to do their job properly. And every dollar of aid has encouraged some to believe that the International Community will pay for everything — and for ever.

Advancing the peace process in Bosnia also means advancing the functioning of the necessary institutions of a modern state: The common institutions must be made to work. The Bosnians have to take ownership of the progress of their country. My job is to ensure that the direction in which they go is that of a proper **European** country — as envisaged by the Dayton/Paris Accords.

We must be realistic.

What can we achieve?

We can give strong incentives for change through the new election law and work to substantially alter the political reality in Bosnia.

We can educate the people: I intend to reach out to the people of Bosnia myself. We have the right media framework in place. My job is to use it to best effect.

We will strive for economic empowerment: When people take responsibility for their own business they become much less dependent on the existing anachronistic system that restricts their energies for change. In this context, the development of Internet access for Bosnian households and Bosnian schools should be a building block of such empowerment. It will expose the people, the young in particular to new thinking and new standards.

If "Ownership" is my vision, then "Transparency" is the tool to achieve it. Transparency in the economy, in government finances, in political processes. Corruption is evil. And ultimately it must be dealt with by the Bosnians themselves. My job is to make them tackle it.

The OHR's anti-fraud unit has already brought two important results.

First: It has increased the will and the ability of police, prosecutors and judges to investigate, prosecute and convict.

Second: it has permitted us to identify the kind of legislation and meaures which need to be taken in order to increase transparency and curb opportunities for corruption.

We are determined to pursue and further develop that teamwork, and also to associate and mobilise all our resources within OHR as well as the resources of all members of the Economic Task Force and indeed the whole Interntional Community in our fight for transparency and against corruption. I have decided to establish the Anti Corruption and Transparency Group (ACT). The ACT Group will meet regularly and coordinate all the actions of the International Community — and especially the members of the Economic Task Force — in order to speed up and reinforce the implementation of the Anti-Corruption Comprehensive Strategy. I am confident that this will provide a significant boost in our fight against corruption and fraud.

Also in this context, we can — and must — work against certain political forces but more than anything we have to build upon the will of the much-quoted "ordinary citizen" to get on with their lives. In my chance encounters in Sarajevo or when I met

refugees in Zvornik or Franciscan padres in Fojnica, I got the strong impression that there is this will with the Bosnians to rebuild their lives and their country — and accept their State as a fact.

But, how can we achieve results?

In order to achieve the desired results in implementing our new strategy, I have reassessed all the functions OHR has performed so far. I am restructuring the organisation to become even more result orientated and I am going to re-shape those areas that I do not consider to be core priorities.

And most importantly I am examining the respective roles of OHR and other International Organisations, in order to maximise coordination, eliminate overlap and to make the best use of the resources in your embassies.

I have already said that I do not intend to become just the third in a long line of High Representatives.

Nor do I ask for new powers or for budget increases. But I do ask for your support in re-invigorating civilian peace implementation and its main tool, the Office of the High Representative.

Together, and reaching out to the Bosnians, we can succeed.

With your support, I am ready to take the lead.

I look forward to our constructive discussion of the way ahead.