

# OHR's Statement at the International Agencies' Joint Press Conference in Mostar

## Bosnia and Herzegovina Must Not Miss Opportunity to Join CEFTA

In Brussels on Thursday and Friday, a negotiating team from Bosnia and Herzegovina, comprising the Ministry of Foreign Affairs and the Ministry for Foreign Trade and Economic Relations, will try to complete negotiations that will allow BiH to accede to the Central European Free Trade Agreement (CEFTA).

CEFTA was established by Poland, Hungary and the former Czechoslovakia in 1992. In the last decade, Slovenia, Romania, Bulgaria, Croatia and Macedonia have all become members. The founding CEFTA members have already joined the EU. Bulgaria and Rumania will join in January.

Acceding to CEFTA will take Bosnia and Herzegovina into what has been for other countries a kind of anteroom to the European Union.

This week's discussions will also reveal whether or not Bosnia and Herzegovina has the kind of realistic and determined outlook that is needed to bring complex and demanding negotiations of this sort to a positive conclusion – and that, clearly, will have a bearing on the country's prospects for negotiating accession to the EU.

The BIH side has sought to make a complete renegotiation of its Free Trade Agreements with neighbouring countries part of its CEFTA accession requirement. At this stage, it appears that real progress can be made on addressing some of BiH's concerns, but full renegotiation is not on the table. If a

deal is struck, the new BiH Council of Ministers when it is formed must endeavour to set in place as quickly as possible the kind of inspection regimes that will allow BiH exporters to compete effectively with exporters in neighbouring countries.

The OHR calls on the BiH Council of Ministers to do everything in its power to reach a deal in Brussels this week. The lesson of the CEFTA member states is that expanding free trade means expanding opportunities for job creation; CEFTA membership has also served as an invaluable preparation for EU membership.

### **Peace Implementation Council Meeting – Sarajevo 19 & 20 October**

The Political Directors of the Peace Implementation Council Steering Board will meet in Sarajevo on Thursday and Friday this week.

The Peace Implementation Council will consider the outcome of the 1 October elections in Bosnia and Herzegovina, progress that is currently being made in coalition building, and Bosnia and Herzegovina's prospects for fulfilling Stabilisation and Association Agreement requirements.

There will be a particular focus on two areas:

Firstly, on Police reform. This is the top political requirement that Bosnia and Herzegovina must meet to sign the Stabilisation and Association Agreement, entering into contractual relations with the EU;

And secondly on Constitutional reform. This is essential if Bosnia and Herzegovina is to make its administration functional and meet the future challenges of EU accession and integration. Political Directors will be looking to BiH

political leaders to pass the April package of constitutional reforms as soon as possible.

The Political Directors will gather late tomorrow afternoon ahead of a full formal session on Friday. Tomorrow evening there will be an informal opportunity for BiH party leaders and Political Directors to exchange views at a reception at the HR/EUSR's home. And on Friday morning, representatives of the BiH authorities led by Prime Minister Adnan Terzic will make a presentation to the PIC session.

As usual, there will be a number of media opportunities and you will be advised of these separately. The PIC will, as usual produce its communiqué on Friday afternoon.