

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

Brussels Meetings An Opportunity for Progress

As you know, the Peace Implementation Council Political Directors are meeting today and tomorrow in Brussels , under the chairmanship of the High Representative and EU Special Representative, Christian Schwarz-Schilling.

Unusually, the Bosnia and Herzegovina participants, led by Prime Minister Adnan Terzic, will consist not just of government officials but also of representatives of the political parties in the BiH Parliamentary Assembly.

This is the last meeting of PIC political directors ahead of their meeting in February when the PIC will meet to review and confirm their decision to close the OHR in June 2007.

Each of the party representatives will be invited to make a short presentation to the PIC. This departure from the normal format of the meeting reflects the strategic juncture which BiH has reached on its path towards Euro-Atlantic integration. More than two months after the General Election, and less than three months before the PIC is scheduled to review its decision to close the OHR, governments at the State and Federation level have not yet been formed and key reforms that must be enacted before an SAA can be signed and before BiH can take the next steps forward in its post-war recovery, have been put on hold.

This blockage in the reform process is unsustainable. It is damaging the country's prospects for stability and prosperity in the near time and it must be resolved in the coming days –

not months. Meeting with the PIC provides party leaders with the opportunity to make progress on coalition formation and the reform and the broader Stabilisation and Association reform agenda.

Political directors will make it clear to the party representatives that the international environment in which BiH operates is not static – conditionality gets tougher the longer BiH dithers over key reforms.

The Political Directors will also make clear that the International Community stands ready to work productively with all those parties that are resolved to complete the final stage of the SAA process and unblock the reform agenda.

Among issues that will be under discussion today and tomorrow are the urgent need to establish a BiH Fiscal Council and make the budgetary structure at every level of government consistent with available financial resources, and the need to complete police reform and reactivate the constitutional reform process that came so close to success in the spring of this year.

In addition to the usual communiqué, which will be issued at the end of the session tomorrow, there two media opportunities tomorrow.

The HR-EUSR will address media representatives together with Prime Minister Adnan Terzic after the PIC meeting with BiH party leaders at 13.00 on Thursday 7 December at the Justus Lipsius Building in the “Europa” press room.

The HR-EUSR will then give a press conference immediately after the PIC meeting has finished at 14.45 on Thursday 7 December at the Justus Lipsius Building in the “Europa” press room.