

OHR's Statement at the International Agency's Joint Press Conference

HR in Banja Luka

As you know, the High Representative is in Banja Luka today. He's scheduled to have meetings with RS President Cavic, RSNA Speaker Kalinic, and RS Interior Minister Djeric.

He will emphasize the urgency of implementing reforms in the 16 areas identified under the EC Feasibility Study. If progress isn't made by the end of June, BiH won't be able to begin negotiating a Stabilisation and Association Agreement with the European Union. The High Representative will discuss the RS record of cooperation in security reform and improving the Rule of Law. He will make it clear to RS leaders that any obstruction will mean that BiH's road to Europe will end in Banja Luka.

OHR Economic Newsletter

The OHR Economic Newsletter has just been published. The latest issue surveys the BiH economy from Dayton until today. The object has been to present a comprehensible overview of what's been done until now, so that current reforms – those being instituted under the Mrakovica Action Plan and the RS Development Strategy and those being implemented in response to the Feasibility Study requirements – can be seen in context.

Citizens are skeptical about economic reform. The results so far have been modest. This is because when foundations are being laid, the benefits of the work are not immediately obvious. The Newsletter shows that a lot of the structures are

now in place that will allow BiH to build a prosperous economy – one that offers jobs and better living standards. However, this is only going to happen if the relevant authorities fulfill commitments they have already made and if they implement reforms more competently and more quickly.

By June, the EC expects the BiH authorities to have implemented the ITA Law and passed the Law on Statistics. Improvements must be made in budget management and a coherent and comprehensive trade policy has to be in place. In addition steps must be taken to integrate the electricity market and to consolidate the Single Economic Space.

As Principal Deputy High Representative Donald Hays notes in his introduction this is: “a formidable but not insuperable challenge.” He goes on to point out that, “Not only is there a limited amount of time, but the capacity of the governments to secure enactment of the necessary legislation and to implement the reforms will be severely stressed.” He adds that the International Community is willing to provide assistance in helping the governments reach their goals.