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

As you know, the OHR has supported the Bulldozer initiative from the start. Today, OHR would like to announce its full support for Bulldozer Phase II. Let me explain what that is: the six regional bulldozer committees have launched successfully. They are preparing their first round of reforms for this month. Two of them have even launched their very own public awareness campaign, self-financed by private companies participating: The Northwest and Central Bosnia committees now have ads on TV to rally more businesspersons to the reform agenda. All committees have started talks with local politicians.

The agricultural bulldozer committee has its first meeting in few days and will start doing public announcements on its program the following week. OHR is pleased to see positive development from the Council of Ministers and PM Terzic to work with business people on needed economic reform aimed to bring Bosnia and Herzegovina to European Union.

Talking about the work of CoM the emergency reform unit is being formed at the State level, with civil servants seconded from Ministries.

Implementation of Phase I reforms is underway. Nearly all reforms have now been gazetted. “Implementation Checklist” has been distributed for each reform to all governments and bulldozer committees. Governments have been asked to provide “proof of implementation”. Businesses are monitoring in the regions through the regional bulldozer committees.

Of interest to you specifically from Phase I reforms is that

the Sales tax point of collection will be moved to import or production for ALL excisable goods by August 1st. Why is this important? When amendments were implemented for tobacco last year, the extra revenue realized the first month after implementation was 1400% more than the previous month.

This reform and merging of custom administration, introduction of Indirect Tax Authority, VAT are essential reforms if we are to ensure that more customs and tax revenue goes to its citizens, rather then to criminals.

More money in the public cash-boxes means more money for citizens. It means that the pensioners will receive money checks on time, teachers will get paid, and hospitals will be able to function properly.