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

SDS Financial Review

We have brought along copies of the Special Auditor’s financial review of the Serb Democratic Party. Some of the information uncovered by the auditor has been referred to the Public Prosecutor’s Office and cannot therefore be published, but the material that *can* be published today amounts to a catalogue of abuse, corruption and tax evasion in the SDS. The report found

- systematic accounting discrepancies
- underreporting of expenses, assets, and donations
- incomplete membership lists (violating the party’s own Statutes)
- failure by the party to pay social benefit and employment tax costs for members of its staff
- SDS use of municipal property free of charge
- unpaid bills owed by the SDS to public companies

Commenting on the report, the HR said: “It is clear from this review that we cannot be confident that the party is no longer providing financial assistance to its indicted founder, Radovan Karadzic. The party’s ties with criminality and war criminals have to be broken once and for all, and a new leadership must begin the task of cleaning up a party that has been pervaded by corruption and has in turn corrupted the institutions of the RS. Following the decisions I took yesterday, they now have an opportunity to do so. I hope they will take that opportunity”

The report can be accessed electronically on the OSCE's website.

Police Restructuring Commission

The High Representative, Prime Minister Adnan Terzic, the new Chairman of the Police Restructuring Commission and EUPM Police Commissioner Carty will give a press conference tomorrow in the BiH Joint Institutions Building, introducing the Police Restructuring Commission as announced yesterday by the High Representative.

Important improvements in police capability and capacity have taken place with the support of first the IPTF and now the EUPM, however, it is clear that the very structure of the police in BiH hinders effective action being taken against criminal kingpins and the organised crime syndicates that operate in and through BiH, to the cost of the ordinary BiH citizen. As you know, NATO's Istanbul communiqué and the EC's Feasibility Study specifically mention this area and call on BiH to strengthen its police structures in order to join PfP and move towards European integration.

The High Representative will tomorrow set out the remit of the Police Restructuring Commission – in which, as he said yesterday, "nothing will be ruled in, and nothing ruled out, the priority will be to ensure that the law-abiding citizens of this country get a police force that is structured in order to serve their interests, not the interests of a corrupt few."

We will issue a media advisory with the details of this press conference during the course of the day.