

# **OHR's Statement at the International Agency's Joint Press Conference in Banja Luka**

## **PIC Steering Board to Review Reforms Ahead of PfP Participation and Launch of EU Negotiations**

The Political Directors of the PIC Steering Board will meet in Sarajevo on 23 and 24 September. The Steering Board will review the progress that has been made in enacting and implementing reforms, particularly reforms connected to BiH participation in Partnership for Peace and the 16 steps laid out in the European Commission's Feasibility Study.

Representatives of the BiH authorities will brief the Steering Board on what they have done in the last quarter and what must be done as a matter of urgency by the end of the year if BiH is to have any hope of securing PfP membership in the coming months or starting Stability and Association negotiations with the EU in 2005.

**Cameras will be able to cover the opening of the Government's presentation from 9.00 to 9.05 on Friday 24 September at the OHR, Sarajevo.**

Media are cordially invited to cover this event. Please arrive early to allow for the necessary security checks. The PIC will issue its communique later in the afternoon.

## **OHR Welcomes Public Procurement Law**

As many of you will know, the BiH Parliament's Harmonization Committee yesterday adopted a harmonized version of the BiH Public Procurement Law, which is likely to be debated today by

the House of Representatives and by the House of Peoples at its next session. This is a significant and welcome step forward in the long struggle to reduce and finally eliminate the scourge of corruption from public life in BiH.

Procurement covers government spending, from multi-million dollar contracts to budgets for stationery supplies – and it offers easy opportunities for cheating. The new Procurement Law will protect citizens from cheats, for example, by making government officials give written explanations to companies whose tender bids have been rejected, so that winning and losing bids can be compared transparently. By shedding light on bidding procedures, the new law will open up government contracts to thousands of companies all across BiH which have been excluded till now from government business because they did not have the right personal connections in government departments.

The Law on Public Procurement is one of a package of five laws for which the three prime ministers committed their public support last year in the wake of the Special Auditor's reports into public companies. As you know, the Special Auditor uncovered a network of systemic fraud and incompetence at public companies and in government departments, which was defrauding the BiH public of hundreds of millions of KM every year. Of the four remaining laws, the BiH Law on Auditing and Accounting and the BiH Law on the Registration of Businesses have been passed. The RSNA has passed the Law on Public Enterprises (which lays out in detail the duties and responsibilities of senior managers at public companies), but the Federation Government is still considering this law, nine months after it was first proposed. The RSNA is scheduled to adopt the Law on the Investment of Public Funds (which specifies which government bureaucrats can spend public funds and how they should do this) at its next session, but hasn't yet been sent to the Federation Parliament by the Federation Government.

OHR urges the ministers responsible to secure the speedy enactment of the remaining legislation. These laws protect citizens from thieves; there is no adequate explanation for the continuing delay in their enactment.