Peace Implementation Council Steering Board Communiqué

Peace Implementation Council

Steering Board Ambassadors

Political Directors of the Peace Implementation Council Steering Board (PIC SB) met in Sarajevo on 29-30 March 2011. Representatives of selected state-level institutions participated in parts of the meeting.

This is a defining period for Bosnia and Herzegovina following the general elections last year. New authorities are in the process of formation. There are opportunities for progress towards European integration. The PIC SB expressed concern that political leaders have lost focus on these opportunities. More than fifteen years after the signature of the Dayton Agreement, the PIC SB is deeply concerned at continuing problems in fulfilling its terms and in embedding the rule of law in Bosnia and Herzegovina. This is the time for political leaders to demonstrate strong qualities of realism, constructive compromise and political will. The international community stands ready to assist in every way possible, but the essential decisions to move forward must come from within Bosnia and Herzegovina, from the demands of its citizens and the far-sighted actions of their elected leaders.

The PIC SB called upon Bosnia and Herzegovina's political leaders to engage in a spirit of compromise to urgently agree on the formation of a broad-based government at the state-level which will permit progress in many issues, including addressing the outstanding urgent reforms necessary for European and Euro-Atlantic integration.

The PIC SB called for a rapid resolution of legal questions surrounding the creation of the new Federation government, and

welcomed the High Representative's efforts in support of that objective.[1] The PIC SB urged parties to support a stable government that can provide for the needs of Federation residents. The PIC SB urged all parties and authorities to act responsibly and in line with the General Framework Agreement for Peace (GFAP), the Constitutions and relevant laws, and reiterated that it will not allow any actions that will undermine the constitutional and legal order in the country. In view of announced plans for creating an All-Croat Congress and inter-cantonal and inter-municipal bodies, the PIC SB underlined that such actions must fully conform with the GFAP and the Constitution. It called on the Cantons that have so far not formed the Cantonal legislatures and have not elected delegates to the Federation House of Peoples to do so without further delay, and the PIC SB noted that these steps should have been completed by 2 December 2010 in accordance with the Federation Constitution. The PIC SB remains fully committed to supporting the equal rights of all the constituent peoples and others in Bosnia and Herzegovina in accordance with the Dayton Constitution and law. The Steering Board noted the aspirations, in particular, of leaders of the Croat community to seek reforms to address perceived concerns relating to the full and equitable participation of all constituent peoples and Others.

The PIC SB expressed its appreciation for the work and integrity of the Central Election Commission throughout a very complex and challenging electoral process. Its members should be praised for having maintained an independent stance in the context of complex electoral legislation.

The PIC SB called on all authorities to ensure the proper functioning of institutions at all levels, and it emphasized that state-level competences must not be undermined. Equally, entity competences should continue to be fully respected. It condemned public statements, particularly those challenging the existence and the responsibilities of the Court and the

Prosecutor's Office of Bosnia and Herzegovina.

The PIC SB reminded all parties of their obligation to abide by the GFAP, which *inter alia* guarantees the territorial integrity and sovereignty of Bosnia and Herzegovina. The PIC SB also noted continued negative statements and rhetoric from some elected officials. It unequivocally condemned and rejected all such statements, including particularly those referring to the dissolution of the state.

The PIC SB welcomed the European Union's decision of December 2010 to grant visa liberalization to Bosnia and Herzegovina's citizens. However, it expressed concern with the lack of progress, in particular with the obligations stemming from the Stabilisation and Association Agreement. Bosnia and Herzegovina must take urgent steps to align its Constitution with the European Convention on Human Rights, and adopt state-level laws on State Aid and a Population Census for further progress on its EU integration path.

The PIC SB urged the authorities to quickly establish a transparent and effective mechanism for developing concrete constitutional reform proposals, to address as a matter of legal priority the discriminatory provisions identified in the December 2009 European Court of Human Rights ruling. The PIC SB stressed moreover the importance of improving and strengthening the efficiency and functionality of the state institutions, including through necessary constitutional changes, adopted in line with current constitutional provisions. In particular, the country will need to be in a position to adopt and enforce laws and rules of the EU in accordance with the wishes of the citizens of Bosnia and Herzegovina.

The PIC SB welcomed that the EU is further strengthening its engagement in Bosnia and Herzegovina. The PIC SB took note that it would do this through a broad and balanced set of instruments. It took note of the EU's preparations to

establish a reinforced presence, with a single EU representative in Bosnia and Herzegovina taking the lead in supporting the country on EU related matters. The PIC SB also welcomed the EU's support for the GFAP and took note of the possible use of restrictive measures in this regard. The PIC SB also took note of the EU's views that the CSDP missions, namely the EU Police Mission and EUFOR Operation Althea, are important elements of the EU's overall strategy for Bosnia and Herzegovina and will be kept under regular review on the basis of the situation on the ground.

The PIC SB called on Bosnia and Herzegovina to meet those outstanding objectives and conditions from the 5+2 agenda, completion of which remains necessary for the closure of the Office of the High Representative.It is the responsibility of Bosnia and Herzegovina's political leaders to build consensus and reach agreements necessary to fulfill these objectives and conditions.

In particular, the PIC SB reiterated that there is a need for a resolution of the apportionment of state and defence property agreed between state and entity governments. It took note that in addition to blocking the transition of the Office of the High Representative, failure to resolve this issue impedes Bosnia and Herzegovina's ability to meet the criteria for Euro-Atlantic integration and creates an atmosphere of legal ambiguity.

The PIC SB urged the relevant State and Entity authorities to complete their assessments of current and future state property needs, which should then serve as the basis for an agreement on their respective ownership rights.The PIC SB expressed concern over recent initiatives by Republika Srpska which aim to unilaterally determine the ownership of state property. It stressed that the Republika Srpska authorities must fully comply with the High Representative's order of January 2011[2], and that they must respect the forthcoming Decision of Bosnia and Herzegovina's

Constitutional Court regarding state property legislation.

Regarding defence property, the PIC SB encouraged the parties to place a priority on concluding an agreement, in line with the *BiH Law on Defence*, on immovable property required for future defence purposes. The NATO members of the PIC SB and Japan underlined that this property will be registered in the ownership of Bosnia and Herzegovina for use by the Ministry of Defence. This would enable the start of the country's NATO Membership Action Plan. Finally, while the PIC SB praised the recent presidential decision requesting immediate suspension of weapons and military equipment export licenses from BiH, the authorities need to improve their efforts in destroying excess weapons, ammunition and explosives.

The PIC SB welcomed the contributions of the Office of the High Representative and the European Commission in resolving the Brcko electricity issue to the benefit of the citizens of Brcko. It anticipates the prospect of being informed soon of the recommendations of the Supervisor and the High Representative on closure of the Brcko Arbitral Tribunal, which would allow the PIC SB to take a decision about the closure of the Brcko Supervision. The PIC SB reminds the entities of the important and binding obligations arising from the Brcko Final Award and the Constitution of Bosnia and Herzegovina.

The PIC SB underlined the importance of freedom of expression and free and independent media, including appropriate oversight bodies and regulatory mechanisms. In this regard, it expressed its strong support to the Communications Regulatory Agency. It called on the authorities to ensure that journalists are able to operate without harassment. It urged all media to report objectively and in line with the highest international standards.

The PIC SB reiterated its support for the work of the BiH Missing Persons Institute (MPI) and its concern over efforts

underway to obstruct or delay the work of the MPI. It called on all relevant authorities in Bosnia and Herzegovina to ensure that the MPI and its staff and families are afforded their full protection and support.

The PIC Steering Board recalled that the UNHCR-endorsed Revised Strategy for the Implementation of Annex VII of the General Framework Agreement for Peace (Dayton Agreement) was adopted by the BiH Parliament in June 2010 and still awaits implementation. Political discussions and negotiations should not distract attention from the urgent need for the Strategy's implementation and translation into durable solutions for the remaining 113,000 displaced people in the country.

The PIC SB recalled that the fight against corruption and organised crime must be addressed as a matter of priority. A consistent track record of proactive investigations and prosecutions at all level is a key challenge. In this respect, it took note of recent law enforcement operations which led to the arrest of a large number of people suspected of links with organised crime networks, in conjunction with customs fraud, money laundering, aggravated theft and the forging of documents. The PIC SB called on competent judicial institutions to guarantee a proper follow up.

The PIC SB repeated its call to the authorities of Bosnia and Herzegovina to continue to cooperate fully with the ICTY, and to fulfill their obligations under international law to arrest and transfer all fugitive ICTY indictees – in particular Ratko Mladic – and to dismantle fugitives' support networks. It stressed that BiH officials at every level must fully comply with efforts by domestic judicial and law enforcement institutions to bring to justice individuals who committed war crimes. The PIC SB reaffirmed that genocide in Srebrenica, war crimes and crimes against humanity committed in the course of the conflict in BiH must not be forgotten or denied.

The PIC SB encouraged the intensification of regional

cooperation and reconciliation in the context of a wider reform agenda driven by EU Integration. Reconciliation efforts should include a more forward-looking and integrating approach to education by all the relevant authorities in BiH.

The PIC SB urged the relevant authorities to adopt the Global Fiscal Framework for 2011-2013 without delay, and in this regard it particularly emphasized the need to ensure sufficient revenues for and thus effective functioning of the state-level institutions. The PIC SB also called on the authorities to strengthen fiscal coordination by ensuring the proper functioning of the Indirect Taxation Authority and its bodies as well as the BiH Fiscal Council, and called on competent authorities to adopt all measures that can ensure their proper functioning.

The PIC SB underlined its strong commitment to Bosnia and Herzegovina's territorial integrity and sovereignty. The PIC SB reiterated its full support for the High Representative and his authority derived from Annex 10 of the GFAP and relevant UN Security Council Resolutions, it insisted on full compliance with the GFAP, all its annexes, and the Decisions of the High Representative, and reminded the authorities in Bosnia and Herzegovina to ensure that the High Representative and his Office have access to officials, institutions and documents in a timely fashion.

The PIC SB supports the engagement of EUFOR and NATO in relation to the Inter-Entity Boundary Line (IEBL). It reminded the parties that Annex 2 of the GFAP provides for the procedures to adjust if necessary the IEBL. These procedures must be complied with.

The next PIC SB meeting will be held in Sarajevo on 6-7 July 2011.

[1] The Russian Federation did not support the High Representative's Decision of 27 March 2011 to suspend the Decisions of the BiH Central Election Commission.

[2] The Russian Federation did not support the High Representative's Decision of 5 January 2011.