

# **Press Conference Statement by Mr. Norbert Winterstein, Special Envoy for Mostar**

Good morning,

This is my first time to address you in this kind of forum.

First of all, I have to give you an explanation. Members of the press have a tendency to say that I am a diplomat or an ambassador. However, I am a mayor. I have been a mayor for 29 years, and have conducted various city administration duties. The job description of a mayor in Germany is similar to the job description a mayor has here. It is not only about representation or kissing babies and hand shaking, it is city management.

Now, I am the Special Envoy of the High Representative for Mostar. I have to remind you of the statement given to the press by Dr. Christian Schwarz-Schilling, in order to stop rumors regarding my mandate here.

The Bonn Powers are with the High Representative not with me. In cases of blockade I can make decisions, if the appropriate authorities ask me.

The way I work is as follows; first we will conduct negotiations to achieve a joint goal; the next possible step could be arbitration. But before that I would need to have authorization for arbitration from the sides in the dispute. The last step is that I give a recommendation to the High Representative for a final decision by him.

Dr. Christian Schwarz-Schilling has assured me that my recommendations will be taken into account.

I want to emphasize that I am not a supervisor, I am not above the mayor, and I am not some kind of commissioner.

Regarding the situation in Mostar and my first impressions. So far, I have not talked much with politicians, because it did not make a lot of sense to talk to politicians before the elections.

It is 12 years now that I have been working in Mostar, and I am sad because of the situation. Some reconstruction is evident; the symbol of this town – the Old Bridge – has been rebuilt. But economic development is poor. Cities around the world compete among themselves, competition in terms of economic development. Mostar is situated between Split , Sarajevo and Dubrovnik , three cities which are well known and respected in the world. Mostar is also well respected and Mostar has a name, but while other cities thrive economically, in Mostar we are dealing with problems of garbage disposal, reform of the city administration and urban planning. We do not discuss the city urban planning as such, but there are disputes about who is in charge of urban planning. But urban planning is not happening in this town. The war ended in 1995 with the Dayton agreement. The obligation should exist to move forward on urban planning so that this town can develop further.

I have analyzed the budget of the City Administration. The City has the largest personnel expenses in Bosnia and Herzegovina . Rationalization has not started yet. This means that here we have too much expense and too little investment. The City Administration is eating up the bulk of income. I have been told that this money is going to salaries, and that is correct. However, reconstruction has to happen. The investment budget is what creates jobs.

Public companies have too much debt, this has to be rectified, and these are just a few examples that Mostar is in stagnation. The new beginning must happen, and it is my task

to help create pre-conditions for this beginning.

I have to mention a third item, which is one of the current problems. That is conflict between the two bodies in Mostar; the Mayor and the City Council. I am talking about budget, and the blockade of finances from the budget. The City Council has allocated money for subvention of the cultural institutions, this means that the money exists. However the City Council has stopped the money from the budget for cultural institutions, they have conditioned these payments, and those conditions have to be fulfilled for the money to become available again. The conditions are to synchronize the Statutes of the Cultural institutions and to appoint members of their Steering Boards.

The Mayor says that everything is solved; the City Council has not received the requested documents. The City Council has its doubts about the conditions being fulfilled.

Yesterday I had a meeting with the City Council Caucus presidents. I told them the responsibility is with them, the City Council has to find a solution to this problem.

I have worked on the proposal together with the City Council Caucus presidents. They were reminded that the deadline for documents was 31 July. I have suggested that the deadline be moved to 31 October, and to have the Mayor to present the documents.

This proposal needs to have two-thirds majority support, as it is a budget issue. If this proposal does not get a two-thirds majority, the City Council can give me the authority with a simple majority to make an appropriate decision. For this, as I said, I need to have authorization from the City Council.

It is not a secret that I will order further payments, in my opinion the people should not suffer from this conflict.

There is also one special problem, and that is HRT . That is a very difficult question, and it is another conflict in the

relations between the Mayor and the City Council. The big parties, the SDA and the HDZ, in 2004, signed an agreement on further steps in Mostar. They agreed that the HRT issue should be solved jointly. Two years have passed and nothing has happened. The problem is difficult. I do not want to speculate further.

I have seen in the media different interpretations of what arbitration is. That is coming from political circles, and my advice to them is to check in the dictionary what arbitration is.

Arbitration comes when two parties cannot agree, and they include a third party as a judge. This means that the arbiter has to be legitimate for both sides. The Mayor, as one body, has already given me the legitimacy, the City Council was informed that I am ready to arbitrate, and I have asked them to give me legitimacy so that I can proceed.

I hope that this is clear. It is not my task to act instead of the City Council. The City Council is an elected body, and they have their responsibilities.

On Thursday we will have a session, and I hope we will reach a joint conclusion. I have sent some letters and documents to the President of the City Council and to the City Council Caucus presidents, and the decision is now with them.