

Remarks by the High Representative, Paddy Ashdown on the Mostar Implementation Unit Closure

Thank you all for being here.

Today not intended to mark an endpoint, but rather a point of transition for the unification process in Mostar.

MIU is closing down after nearly 2 years. But its closure does not mean IC disengagement; it does not mean that the OHR will no longer continue to support and monitor the unification process. Most of the MIU expertise will be handed over to OHR(S). They, under Anatoly Victorov, will stay closely engaged. OHR (S) will continue where the MIU ended. And I will continue to be personally involved.

Want to thank the MIU, the City Council, political leaders and the people of Mostar for all their hard work that has enabled us to reach the point where the MIU can hand over its role.

People are asking me 'why now'?

Well, not only have the last two years seen momentous changes for the City of Mostar, it has also seen momentous changes for BiH. On 25 November, BiH Statehood day, Commissioner Rehn opened the negotiations on a Stabilisation and Association Agreement in the Council of Ministers.

This is a historic milestone: 10 years after the end of the war, BiH has transformed itself; so much so that the EU has endorsed the start of the SAA process which will eventually lead BiH to full EU membership and sovereignty.

It also marks a watershed – No longer can the IC do the job for BiH's politicians. BiH is entering a new phase. It will be marked by a change in the International Community's engagement, with BiH's leaders taking on greater responsibility and initiative in delivering the reforms that will benefit BiH's citizens and keep the SAA process moving forward.

So that's why now. Because the OHR cannot get BiH into Europe; only BiH's Politicians can do that. And because the OHR cannot rebuild the spirit of Mostar; only Mostar's people and their elected representatives can do that.

I am aware that there is the possibility that the great progress made so far may slip a little; or that in the future, progress is not made so quickly. But this is not a reason for OHR to continue to involve itself so deeply in brokering deals which Mostar's politicians should be making themselves. Especially in the shadow of the opening of the SAA, where BiH has to demonstrate to Europe that it is capable of making concrete progress on the reform agenda without IC intervention.

I am not saying that everything in the implementation process has been done. With Mostar's difficult history, no-one pretended that the scale of change required would be quick or easy & indeed, it has been a long, hard road. And we all know there are still outstanding issues to resolve, specifically street names, HRT and the Cultural Centres. But those issues must now be resolved through compromise by Mostar's politicians, not by intervention by the High Representative

But we should not underestimate how much has been done. The left-over issues are the exception. Want to briefly review just how far we have come.

- The old city municipalities & councils have been

- replaced by single City Authority;
- There is a unified City Budget since summer 2004 & one democratically elected City Council from October, who elected a Mayor with cross-party support last December
 - Civil Service appointments are $\frac{3}{4}$ completed, with the goal of achieving as close a balance as possible with the '91 census at the end of the process;
 - The Gymnasium has been renovated, with children of all ethnic groups from across the city now attending.
 - The transfer of 5 Federation Ministries to Mostar is well underway &, as seen in press, actively pursued by the OHR.
 - The re-building of Orthodox Cathedral started this Summer and, of course, UNESCO granted World heritage Status to Old Bridge.
 - Mostar now has one unified City Attorney & one Welfare Service, Fire, Civil Protection, Old Peoples Homes & even Retired Associations. The airport functions as fully multi-ethnic facility with a rapidly expanding business, and even the Red Crosses announced they will join next month.
 - There is an impressive list of infrastructure improvements too, in public buildings, roads, the airport, Annex VII and the *Lucki* Most;
 - A surge in commercial development – *Aluminij* has been resolved at the Federation level, opening the way for future local expansion in the industry;
 - There has been the creation of multi-ethnic City Admin Departments & other institutions across City with staff appointed on the basis of merit.

There is an overwhelming need now for you all to continue this work together to create a more viable future.

As I made very clear to City Council caucuses last week, with BiH now in the EU accession process, I am not prepared to use my powers to intervene in areas that should and must be

resolved by local political leaders. All leaders – in opposition and in government – have clear responsibility to reach compromise on outstanding issues and they alone must shoulder that burden.

I will not say the immediate future will be easy. Mostar is subject to same financial & political pressures & problems as rest of country. 2006 Budget will require some tough compromises and a great deal of hard work still remains to be done.

I am convinced that the people of Mostar can continue to complete the process of Unification successfully. It is through your hard work and determination, and the spirit of the people of Mostar that we have come this far.

Mostar is a city with great prospects: Mostar could become an economic powerhouse in BiH, attracting foreign investment and tourists. But it is up to you: Mostar's citizens and the politicians they elect, how soon that opportunity is taken and how soon that prospect is realised.