

Remarks by the Principal Deputy High Representative, Larry Butler, at the Presentation of the draft BiH Law on Agriculture

Ladies and Gentlemen,

Perhaps the most useful contribution I can make to today's discussion is to examine the draft Law on Agriculture in its broad political context – we have with us an impressive (I might even say *intimidating*) array of technical experts. I will offer thoughts on its political significance.

As you know, the High Representative has made it very clear that he sees fostering the development of a thriving SME sector in Bosnia and Herzegovina as a key part of his mandate.

This dovetails with the objectives of the EU-led effort to promote regional development – since SMEs are widely seen as key mechanisms for attracting and utilising domestic and international investment across the broadest possible geographical and industrial spectrum.

SMEs are central to the rural development. At the same time, the draft Law on Agriculture would establish an improved institutional environment, which would allow the private sector to begin to create jobs in the agricultural sector. The law would help establish a *productive* agricultural bureaucracy rather than – as is too often the case today – an *obstructive* bureaucracy, that in turn would underpin SME development.

The draft law is a pragmatic response to a major functional

challenge.

As things stand BiH agriculture is managed in a suboptimal way and the agricultural authorities are not structured so that they can interact with international agencies effectively.

EU and BiH stakeholders have worked together to produce a draft law that will give the BiH government the capacity it needs to address in a properly coordinated manner the core problems facing the agricultural sector (on which a majority of BiH's inhabitants depend, either directly or indirectly, for their livelihood). It will also equip the BiH authorities to interact with the European Union in the integration process, and – eventually – as an EU member.

Increasingly the government will be able to build on the work that is already being done through projects such as EU RED – ensuring that the vast untapped economic potential of BiH's rural sector begins to be exploited for the benefit of all.

This is a logical and rational response to an urgent challenge facing the country.

But we are in an election year.

At the best of times – and this is not just the case in Bosnia and Herzegovina ; it's the case in my country and in most others – getting politicians to behave in a logical and rational way is not always easy.

In an election year it becomes almost impossible.

In May this year the High Representative laid before the BiH Parliament a logical and rational agenda of practical reforms that would deliver real benefits to BiH citizens.

With the possible exception of the Law on Pharmaceuticals, none of these reforms has been taken forward by the BiH authorities.

There are rational and logical arguments for enacting these reforms.

But parliamentarians appear to have their own reasons for *not* enacting them.

In order to place the draft law in a realistic political context, we will need to ensure that the practical, functional, rational and logical arguments advanced to promote this initiative are advanced in such a way that they become overwhelmingly *compelling*.

The need for this legislation may be self-evident – but that, in the present political context, as we all know, will not be nearly enough.

Thank you