

Speech by High Representative and EU Special Representative Ambassador Miroslav Lajčák to the Foreign Affairs Committee of the European Parliament,



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Too Little Too Late for Too Long

Ladies and Gentlemen,

It is my pleasure and honour to be here with you today.

Let me begin by informing you on the latest developments in Bosnia and Herzegovina.

Last Thursday leaders of the six political parties in government met to discuss the main outstanding EU conditionality; police reform. As a result, they agreed on an Action Plan on implementation of the Mostar Declaration on Police Reform. The conclusion of the six party leaders is, however, that this Action Plan is irrelevant as long as the political crisis continues. It is encouraging though, that during the meeting all leaders expressed willingness to resolve the current political crisis. I will say more later about this process; however I want to note that only through dialogue and cooperation political solutions can be found.

While the security situation has remained stable and there are no indications it will deteriorate, the political crisis is deep and real, and we can not ignore it. It is the result of the underlying issues that have been poisoning the political atmosphere for almost two years. Simply sweeping the problem under the carpet will not solve it. A failure to acknowledge the seriousness of the crisis and to act accordingly, will carry a heavy price.

Dysfunctionality of the country stems from the lack of a common consensus on the country's past, present and future among the three constituent peoples of Bosnia and Herzegovina.

There are three different concepts of the organisation and functioning of the country and 2 out of the three are in clear opposition to each other.

Serbs' loyalty to the state is conditional upon the others' acceptance of the RS as a legitimate and permanent part of the constitutional architecture.

Croats remain fundamentally dissatisfied with a two-entity setup that they feel consigns them to the status of a minority in all but a few Federation cantons.

Meanwhile, most Bosniaks want a constitutional order that will do away with the entities and provide for an effective central government, even if it also devolves many powers to multinational regions.

Two years ago the European Parliament hosted a public debate with political representatives of BiH constituent peoples where these views were confirmed. Their stances have not changed since then.

In theory, these separate stances should be possible to reconcile. In practice, each of the political leadership is still not looking for the lowest common denominator to find a mutually acceptable solution, but clearly wants to impose its

own vision of the country. The legacy of war and the logic of nationally based and zero-sum politics make any significant compromise profoundly difficult if not entirely impossible.

The only way to permanently address these deep rooted problems will be a very serious internal debate on what constitutional arrangement the people of Bosnia and Herzegovina can agree on. This will be a vital process through which all the representatives of the population must work together and rebuild mutual trust. Bosnia and Herzegovina must be a place where all its citizens can enjoy and exercise all their human rights. For this process to succeed, serious divisions will need to be overcome.

Every day we wait for trust to be rebuilt and reconciliation to take place, future generations are growing up with 3 different histories and educational systems, cultivating hatred and suspicion of their neighbors.

Recognizing these deep rooted problems, the European Parliament has repeatedly underlined that constitutional and educational reforms are a pressing priority for the country.

While the political process is on hold the country cannot stand still. There are many serious challenges. Economic development is among them. The present growth rate is only about half of what the World Bank believes is necessary in order to move BiH conclusively out of poverty. The economic statistic 12 years after the war proves that half the population lives on or below the poverty line.

This is why my office is actively lobbying for measures that can help to attract investment, create jobs and raise living standards. Many of these measures are ready for implementation – but they have not been adopted by the governments or enacted by the parliaments because for eighteen months or more the political process has been virtually paralysed by party infighting.

One overarching issue, that is essential for economic development, is establishment of a single economic space across the country. The single economic space is one of the founding pillars of the European Union and today functions across 27 sovereign states. In Bosnia and Herzegovina, on the other hand, as a result of deep divisions on the structure of the country, there is still no consensus on establishment of the single economic space.

The reconstruction of Bosnia and Herzegovina's social fabric continues. Efforts to rebuild the shattered community of Srebrenica are a case in point. The state, entity and municipal authorities are involved in an initiative to identify social, economic, security and judicial improvements that can be made in the Srebrenica area.

My office is continuing to support and coordinate reforms in the justice sector, and is promoting a renewed assault on organized crime and corruption. We are bringing together all the key EU institutions and international organizations, potential donors and BiH authorities to develop strategic documents for the justice sector and war crimes. Only on the basis of concrete proposals further support and assistance from the International Community can be determined.

As a result of this initiative partial funding for the building of a state prison has been secured, and the Ministry of Justice has created a working group tasked with drafting a comprehensive war crimes strategy, so that war crimes cases can be properly prioritized and processed. Also a nationwide Strategy for the Justice Sector is being finalized.

For the sake of balance I should like to say that BiH leaders have sometimes shown a real capacity to build pragmatic consensus, when it is needed. As I stated at the beginning; last Thursday's meeting was a follow-up of a similar meeting on 28 October, in Mostar, where parties in the ruling coalition agreed on the broad parameters of police reform;

something they had been unable to do in the course of intense negotiations earlier in the year.

The Mostar Declaration was too little and too late to salvage BiH's attempt to sign a Stabilisation and Association Agreement this year, but it nonetheless serves as an important indication that the political establishment *can* produce constructive and creative solutions to apparently intractable problems.

Let us just put the situation into context. The fact that we eagerly welcome every meeting and agreement by the political leadership, shows the depth of the dysfunctionality of the country.

This isn't enough. The people of BiH have been receiving too little, too late, for too long. Even when politicians *want* to do the right thing, they are frustrated by legal and constitutional provisions that favour the obstruction of legislation, rather than its speedy enactment.

Against this backdrop political developments have unfolded in a far from satisfactory way. This deterioration of the political situation was highlighted by the Peace Implementation Council Steering Board at its last meeting in Sarajevo less than a month ago.

This dysfunctionality is directly responsible for the widespread poverty I mentioned earlier. Desperately needed economic legislation is ignored, overlooked, or filibustered and in consequence jobs remain scarce and investors put their money elsewhere.

This problem should be addressed in the context of Bosnia and Herzegovina's European integration process. As all of us can vouch, the European integration process is the best way to reform antiquated systems of administration and government.

However in September, by rejecting to find a solution to

police reform the political leaders in effect rejected a commitment they made to the EU 2 years ago. It is important to note that all three BiH Parliaments formally adopted a resolution to progress with police reform in line with the three European principles as a commitment to their European future. In 2 years they simply did nothing and in this way sent a clear message to the European Union. Following up on the Mostar declaration is the only way to reopen the European process.

If there is no European process to improve functionality of the state, this problem can and must be addressed through the existing framework of the Dayton Peace Agreement. As far as the people of BiH are concerned – particularly those on or below the poverty line – functionality of the government is not a leisurely pursuit. It is a matter of urgency.

This is the context in which I acted on 19 October to enhance the efficiency of the Council of Ministers and Parliament.

I enacted changes to the relevant legislation in order to resolve a situation in which members of the Council of Ministers can block the machinery of government simply by not turning up for cabinet meetings or important votings. Further, I invited the State Parliament to propose amendments to its rules of procedure that will make the assembly more effective with a view to enhancing delegates' capacity to enact legislation rather than to obstruct it, and asked them to do it by 1st of December.

Efficient government, effective parliament.

That is all. No constitutional changes, no taking away of basic rights.

Let me set the record straight.

My decision regarding the government does one thing – it obliges representatives of the constituent peoples to attend

sessions of the Council of Ministers. If they are present, there is simply no possibility of one constituent people being outvoted by the other two, and measures have been set in place to ensure that cabinet meetings cannot be held at short notice or in such a way as to exclude particular ministers. So, all they have to do, is to come to work.

Moreover, in order to dispel any concerns about implementation of the decision and to prove that they indeed are just, fair and balanced, I am the first High Representative who has ever offered to give an “authentic legal interpretation” of my decision.

Nevertheless the state government has not met for last five weeks and therefore important legislation, such as ratification of the Visa facilitation agreement with the EU are on hold and BiH will most probably miss the date of its possible enactment.

The rules had to be improved, since the existing cabinet and parliamentary procedures have meant that in the last nine months the BiH government has adopted only twelve new draft laws and the BiH parliament only seven new laws. Too little for a country that has wasted so much time, country that is lagging behind all its regional neighbours!

The steps that I have initiated will equip the government and the legislature to tackle the huge backlog of business that must be dispatched in order to address Bosnia and Herzegovina's pressing social and economic needs, and also, to address the massive legislative agenda that will in due course, we hope, accompany EU integration.

I have reasons to believe that improving functionality of the institutions also has the support of the people of Bosnia and Herzegovina as a whole. As I said, they are the ones who have had to put up with too little, too late, for too long – and the changes I have initiated will help to redress that

unacceptable state of affairs.

But I want to make it clear that as soon as the BiH political leadership starts to resolve issues of dysfunctionality and political gridlock on their own, it will no longer be necessary for interventions by the High Representative.

Before the domestic political establishment can take that initiative in a sustained and effective way, they will have to reach a consensus over what sort of country they think BiH should be.

By constantly failing to reach this consensus the BiH politicians are failing their own people.

The European Union's engagement with Bosnia and Herzegovina is unique. In no other country have we deployed all our CFSP+EDSP instruments and yet Bosnia and Herzegovina has clearly failed to progress on its European path. At present, it is sadly at the bottom of the EU enlargement process. Despite the presence and active work of EUSR, EUFOR, EUPM, EUMM, EU COM Delegation and EU HOM's, BiH is today the only country in the Balkans that has not even initialled the Stabilisation and Association Agreement with the EU. This fact alone speaks volumes about the state of the country.

The vast majority of BiH citizens already know what sort of country they want – they want to live in a stable, prosperous parliamentary democracy that is fully integrated in the European Union and NATO.

Their leaders, unfortunately, are more focused on what they *don't* want.

The PIC Steering Board said at its October meeting that “it is time for BIH politicians to end the practice of questioning the fundamental structure of the state or its component parts.”

It is worrying that after 12 years of peace process and robust international presence in BiH, we still have to emphasize this fact. The International Community is not a well meaning bystander in the politics of Bosnia and Herzegovina; it has invested enormous financial and political capital in post-war rebuilding of the country and its institutions; it is a guarantor of the settlement that has maintained peace in the country for more than a decade and has not only the mandate but also the responsibility and all necessary instruments to achieve this goal. International community – and the EU in particular – therefore must show that it continues to take this duty seriously.

This is why the International Community has unequivocally assessed that the time was not yet right to leave Bosnia and Herzegovina. Last week the UN Security Council extended the mandate of the EUFOR peacekeeping mission in the country for another year. The EU Foreign Ministers also last week extended the mandate of the EU Police Mission until the end of 2009 and only 5 months ago the Steering Board of the Peace Implementation Council decided that Office of the High Representative will remain in place and carry out its mandate under the Dayton Peace Agreement. That meansfull mandate of the High Representative remains.

If we have learned one lesson from the recent history of Bosnia and Herzegovina and the region, it is: if we do not act quickly and decisively, problems will spiral out of control. This is a lesson from the early 90's and one which is relevant for the present and for the future.

After 12 years of investment what do we expect to see as a result? What do we expect Bosnia and Herzegovina will be, once this international effort is complete?

Will the country be left to linger in its dysfunctional clutter of governing structures and interethnic disagreements?

I, as the High Representative of the International Community and the European Union's Special Representative have not been appointed to allow this.

There is a clear path forward for Bosnia and Herzegovina and it is a path along which its people want to travel: it is the path towards Europe. It is the responsibility of all of us to help this country. If we work to unblock this path, we will have the people's support though we may encounter criticism from some of their leaders. We should be sustained by the former, and we certainly must not be discouraged by the latter.

I hope, I can count on your understanding and support in this endeavour.

Thank you.