

Speech by the High Representative to the North Atlantic Council

Secretary-General Lord Robertson

Chairman of the Military Committee Admiral Guido Venturoni

Members of the North Atlantic Council

Ladies and Gentlemen

Six years after the signing of the Dayton/Paris Accords, Bosnia and Herzegovina remains in every sense at the heart of a region making slow but genuine progress towards a stable and prosperous future. There are those who believe that the time has come for the IC to pack its bags and move on. My message to you today is that we are not there yet – to depart now is to risk a failed State in the heart of Europe. As the case of Afghanistan so tragically confirmed, the consequences of failed States are felt in the very centre of our own countries. They generate problems that affect the world as a whole – through uncontrolled migration, cross-border crime and politically and ideologically inspired terrorism.

Over time international resources and attention are clearly being directed to more acute cases such as Afghanistan. The international community's commitment to BiH is not open-ended. We have finite military and civilian tasks. This is a point being repeatedly made to the citizens and officials of BiH. The situation is clear – more must be achieved with fewer resources. Already during my tenure I have overseen more than 20% reduction in the budget of the OHR. And this must continue with even greater speed and determination – with all

international agencies on the ground.

For a good part of 2001 my office was engaged in formulating detailed and comprehensive proposals for the streamlining of the overall international civilian presence in Bosnia and Herzegovina, an additional task which I received from the EU General Affairs Council and the PIC. The object is to optimise efficiency so that the remaining tasks can be completed in an even more near-focused, better-co-ordinated and less costly way. As international agencies complete their work in specific areas of activity, the transfer of responsibility to the domestic agencies must be accelerated.

In short, we are actively working ourselves out of a job and the Bosnians into one – taking responsibility for their own obligations and future. The concept of “ownership” and local responsibility has been at the heart of my strategy from the very beginning of my mandate. Ownership is a slow process and only now it is starting to take root.

I expect the major bulk of OHR’s core tasks to have been completed in the next two years. My task force model will contribute to this by substantially improving co-ordination and efficiency of the international community’s activities in Bosnia. At this point agencies such as OSCE, World Bank, UNDP, and above all the EC will play the role they are playing in other transition countries to firmly embed democracy and a functioning market economy. As Bosnia’s future lies in Europe and its integration into European structures, the role that the European Union plays and will play in the future is indeed crucial. There is still room for improvement of the European Union’s participation in Bosnia’s normalisation process.

Let me now turn briefly to a similar streamlining exercise, which I understand that NATO is considering. Just as the

civilian and military peace-implementation agencies have co-operated well over the last six years in complementary fields, I believe we can now co-ordinate our efforts to optimise efficiency – always keeping in view the tasks which still have to be accomplished and the resources which will be needed to accomplish them. I realise that troop strength is only one measure of capability. In the end, *capability* is what is important, not numbers. SFOR's capacity to maintain a secure environment while the remaining peace-implementation tasks are completed will determine the degree of success of Bosnia and Herzegovina's post-war recovery – NATO will be the judge of how many troops are required to do this job. I will continue to work closely with COMSFOR to achieve our ultimate goal.

The bottom line for us all remains results. What have we achieved and what remains to be done? Overall genuine progress is being made and clearly there is light at the end of the tunnel. However, our work is not yet complete. More needs to be done now by the BiH authorities – the pace of peace implementation and reform must be accelerated.

Our activities remain focused around the Brussels PIC priorities of:

1. Economic Reform

1. Refugee Return

1. The Consolidation of Institutions including the establishment of an independent judiciary ensuring the Rule of Law

1. In addition our attention is increasingly turning towards securing long-term security through military-security reform and restructuring.

Let me start out with economic reform. The last year witnessed notable progress with the establishment of a modern banking system. Furthermore, the BiH Convertible Mark has developed into a core pillar of stability with foreign reserves increasing from 1bn to 2.6bn convertible marks in the last year. However, this year must see the privatisation programme getting into full swing. Bosnia and Herzegovina has not yet turned the corner in the field of economic recovery and economic reform – unemployment is high, the volume of international trade is low, levels of domestic and international investment are modest, too modest, living standards are basic. Difficult social reforms such as in the pension sector have had to be imposed by me – the Bosnians must find a greater degree of political will.

A few words on a major objective – Refugee Return. Since 1995, 1.3 million refugees and internally displaced persons have returned to their homes. The number of returns to areas where returnees belong to a minority community rose dramatically in 2000, and the momentum was maintained in 2001. In the last two years there have been more than 130,000 returns of citizens to areas where their ethnic group is a minority. This is crucial, as minority returns are the real yardstick for measuring our success in undoing the results of ethnic cleansing. If this pace is kept up – as I believe it can be – the bulk of the remaining refugees and DPs who wish to do so will be able to return to their homes by 2004. This achievement alone would validate the post-war recovery strategy – as little as two years ago comprehensive return was still being viewed by

sceptics as a near impossible task.

This would be nothing less than a historic achievement and a lasting example that humanitarian intervention can reverse the most terrible of crimes.

Political and institution-building matters continue to demand much of my attention. Until the beginning of last year, progress in establishing functioning institutions was severely hampered by the continuing ascendancy of the nationalist parties. The coming to power of the Alliance for Change coalition has itself changed the political equation and in this we can see the belated genesis of normal politics in Bosnia and Herzegovina. The painstaking efforts of the last six years are producing results.

The fall of Slobodan Milosevic and, earlier, the demise of Franjo Tudjman in Croatia, opened up possibilities for regional co-operation where previously the agenda was scarred by dreams of hegemony and partition. The core region around Bosnia is close to irreversibly entering a new era. The growing number of regional initiatives, facilitated by the Stability Pact and others, bear witness to the positive new mood in the region.

Functional integration an approach we have applied in Bosnia can, I believe, play a greater role in meeting our vision of the countries of the region through co-operation reaching their final destination of full Euro-Atlantic integration.

The specter of chaos, hate and destruction has not been totally eradicated, since indicted war criminals remain at large and nationalist forces await elections and another opportunity to build their fortunes on the misery of their own people. I have repeatedly during my time in office called on

the relevant authorities to arrest and transfer to The Hague Radovan Karadzic, Ratko Mladic and all others indicted for war crimes. Today again I urge, I beg, that this be done and that it be done very soon. Bosnia and Herzegovina cannot become a normal country as long as those accused of heinous crimes remain free. Local authorities must also play their role. Today, even in the RS there are some signals of improved co-operation with The Hague – though I will remain sceptical until I see solid results.

This year is an election year. For the first time since Dayton elections will be organised by domestic rather than international bodies. Under the terms of the Election Law, passed by the BiH Parliamentary Assembly in August last year, the State and Entity election cycles will be extended to four years from the present two. The longer cycle will allow elected officials to pursue significantly more ambitious and practical policy agenda. The four-year timeframe between polls means that painful reforms can begin to yield positive results before their promoters face re-election.

However, we cannot wait for results. The nine months of peace implementation that will precede the elections will not be allowed to slip away. I have also launched a dialogue with the elected authorities, through a Consultative Partnership Forum. The object of this forum is to ensure through regular meetings that the pace of peace implementation is accelerated and that the work of the International Community is responsive to domestic political realities, advancing the process towards full ownership.

The International Community has sought to foster the growth of civil society, the development of an authentic voice articulating citizens' concerns. In recent months I inaugurated a Civic Forum, a series of round-table discussions at which intellectuals, artists, educators, religious leaders

and others have contributed their ideas to the growing debate on what sort of society the people of Bosnia want to see emerging in their country.

Let me now turn to an issue, which I am sure, is of most interest to you – Security. The process of fostering social peace, political stability and economic growth in Bosnia and Herzegovina is a joint effort by the International Community and forward-looking elements in the civil and political society of the country itself. A safe security environment is a pre-requisite for this process – SFOR at this moment is the only real guarantee for security.

I would like to take this opportunity to thank NATO-SFOR for providing the security umbrella under which a host of agencies have laboured to set in place the institutions that will allow Bosnia and Herzegovina to function as a viable and peaceful democracy.

During 2001 several operations carried out by international agencies in BiH involved significant security risks. In the event, local police were unable or unwilling to provide adequate protection. Subsequent events highlighted the continuing need for SFOR's presence in Bosnia and Herzegovina with the capacity to provide security for domestic and international officials who come under attack from nationalist extremists. In May last year, local police failed to provide adequate security at the laying of a corner stone at the Ferhadija Mosque in Banja Luka. The original ceremony had to be abandoned due to violent demonstrations, in which one participant at the ceremony was killed.

The second attempt succeeded because -among other reasons- SFOR secured a safe environment. In April, OHR staff and staff of the Provisional Administrator that I appointed to oversee

the affairs of the Hercegovacka Bank, were manhandled and beaten when they visited offices of the bank to examine documents. They were able to enter the bank's offices, several days later, only under SFOR protection. These two examples underline the necessity, the need and the importance of a significant SFOR presence in BiH, if our task is to be completed successfully. I cannot emphasise enough the absolute necessity of maintaining a robust security presence in Bosnia and Herzegovina ahead of, during, and immediately after the October general elections.

It is crucial for security in future that SFOR has a continued international police partner on 1 January 2003 when the UN IPTF mission is dismantled. I would urge my EU colleagues to act promptly in order that a speedy decision can be taken on the police follow-on-mission.

Significant improvements have been achieved in Bosnia and Herzegovina's domestic security architecture. Let me highlight the most important of these:

- First, De-mining. Work has also continued apace this year.

- Second, State Defence Policy. On 11 May the BiH Presidency approved a groundbreaking State Defence Policy Document, which incorporates a military doctrine based on defending the integrity of the State of BiH.

Third, downsizing of Entity Armed Forces. There is a comprehensive plan for the restructuring of the Entity armed forces. In November, they presented their plans for downsizing. The Federation armed forces are to be cut from 22,000 to 13,200 men by the end of 2003, while the RS armed forces will be reduced from 10,150 to 8,000 by 2003 and to 6,600 by 2005.

– Fourth, a Security Policy for BiH. The expanded SCMM has made significant progress in the drafting of a vital strategic framework document, the BiH Security Policy.

Reformed local police structures and a functioning independent judiciary represent a crucial element in securing and ensuring security and the Rule of Law – they represent major pieces in the security jigsaw. As I stated to you in our meeting in Sarajevo, in mid-July of last year, I see a clear necessity to have a State-level police.

While the future of the BiH armed forces could conceivably follow the highly devolved model of the British army – with its region-based regimental system – consensus has been reached on the command and control of a joint BiH Composite Unit of around 130 men which will be deployed on UN peacekeeping missions outside BiH. Such a unit has the potential to demonstrate that soldiers from all over BiH have the capacity to work together professionally, despite the recent conflict. SFOR and the International Community should continue their efforts to place BiH on a more regular military footing, with integrated armed forces.

In light of these developments and a growing local awareness of the need to reduce military expenditure, I now believe that a window of opportunity exists to accelerate reform in this sector. This is crucial for SFOR to be able to hand over soon and will obviously require new levels of co-ordinated activity on the part of the IC. After all, there is just one project – the Peace Agreement – with two aspects intimately tied into each other: military and civilian. These two aspects have been dealt with an excessive degree of autonomy, which in my opinion should be revised. The BiH military can play a more active role in developing civil society in the country if it undergoes genuine and proper reform. Costs must be reduced, activities must change so they are more relevant to the

challenges of transition and last but not least the mindset of the military must shift decisively in the direction of civic values. The downsizing of the Entity armed forces represents a unique opportunity to carry out reforms in this direction. SFOR can make a useful and decisive contribution in this respect. With this in mind I am proposing the establishment of Military-Security Task Force. I have had a preliminary discussion with COMSFOR on this and he has offered his initial support.

We are not in Bosnia and Herzegovina to dabble in a good cause. We are there to do a job, for the people of Bosnia and Herzegovina – and for the people of our own countries. We must finish the job if we are to ensure that the achievements of the last six years are not squandered.

Your support remains the principal bulwark against a reversion to wholesale violence. Our approach must remain event driven and not time driven – but it must be tempered with a renewed vigor to meet the core objectives that will make BiH a stable state in the shortest possible time.

The country's Europeanisation process is slowly but surely gaining momentum. There is only one future that will ensure the country's long-term security and prosperity – it is a future grounded in Euro-Atlantic integration. It is no coincidence that the first signs of progress in the Europeanisation process come at a time when the Bosnians are showing the first signs of taking ownership through their calls for increased partnership with the international community.

In the final analysis, Bosnia and Herzegovina must be run by the country's elected leaders, not by foreigners. There are those who want to take ownership – those who want a European

future – they still need our help – they are not yet ready to stand alone.

Our final destination is in sight, but there are still those who seek to wreak chaos, hate and destruction – they still need to be guarded against. Your presence in Bosnia is still required.

Thank you very much.