Speech by the High Representative, Wolfgang Petritsch, at the SFRY Succession Negotiations in Vienna

Excellencies; Ladies and Gentlemen;

A year ago, I don't think any of us dared imagine that we would be here with the clear intention to move decisively closer to a final settlement of the outstanding issues of SFRY succession.

To date, the three main actors in the Bosnian war have left the stage — through death, an ignominious ride to a Belgrade jail and simple retirement. From the Vardar River in Macedonia to the Triglav peaks in Slovenia, we have governments right across the former Yugoslavia that are committed to democratic changes and economic reforms that will bring their countries membership of the European Union.

The wars, the economic, social and political turmoil that affected the new states at their birth left these countries with daunting obstacles to overcome on the path to Europe. But Slovenia and also Croatia are well on their way. Yugoslavia has come in out of the cold. The push to establish a unity government in Macedonia is the right way to solve problems which are still under threat of becoming a full blown crisis. If I didn't believe states like Bosnia and Herzegovina could make it to Europe, I wouldn't be doing the jobzegovina could make it to Europe, I wouldn't be doing the job I do there.

It is in all our interests to work to bring stability to the

region. But the violent events at ceremonies to lay foundation stones for mosques in Trebinje and Banja Luka last week show, tragically, that a handful of extremists are still willing to take hostage the futures of millions across southeastern Europe.

That is why I cannot over estimate the importance of your presence here today, Ladies and Gentlemen. Your countries made excellent progress at last month's round of negotiations in Brussels. I congratulate you for agreeing a division of the assets held at the Bank for International Settlements in Basel. This sends a signal — as bright as the gold in the vaults — to all peoples in southeastern Europe that regional cooperation, not costly, bloody war, will ensure the stability and prosperity that they crave.

You must build on this and use your time here in Vienna with the aim to reach agreement on the outstanding succession issues of the former Socialist Federal Republic of Yugoslavia. This will require compromise. No state can come home a "winner" on all counts. Through compromise and negotiation, you will be bringing your countries and the people you represent closer to Europe.

I wish you the best of luck.

I wish to thank fully the Austrian government for its generosity in hosting the negotiationsing the negotiations and continuing to be an important player in the region.

I also extend my heartfelt thanks to Sir Arthur Watts, the Special Negotiator for Succession Issues. I am in awe of his patience and his unstinting efforts over the last five years in what must have at times appeared a Sysiphean task! I hope that in the next two weeks you will see all your hard work bear fruit — Sir Arthur, thank you!

Ladies and Gentlemen, I declare the negotiations open!