

Statement by the High Representative, Carl Bildt to the Contact Group Ministerial in Moscow

BY CARL BILDT, HIGH REPRESENTATIVE

to the Contact Group Ministerial

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We have now concluded the first phase of the implementation of the Peace Agreement. Dominated by the military implementation issues and the establishment of the new Inter-Entity Border Line (IEBL), it has been an over-all success, and has provided a good basis for the following three phases during this year.

The phase to follow – up until the Rome Review Conference of the Peace Implementation Conference in mid-June – will be dominated by the efforts to get economic reconstruction going, the beginning of the return of the refugees and the preparations for the free and fair elections.

The next phase will be the phase of the election campaign itself, and the final and decisive phase will be the phase of setting up the common institutions of Bosnia and Herzegovina after these elections, the withdrawal of the Implementation Force and the resolution of the outstanding issue of the Brcko area.

In the compliance report I have delivered, I have highlighted the fact that the Parties have not – in spite of their clear undertaking as recently as in Geneva earlier this week – released all of those detained in connection with the conflict. This failure of theirs not only shows a lack of

commitment to an important part of the Peace Agreement, but also carries significant risks for the future. As long as prisoners are not released – and new persons are detained – there will be no confidence in freedom of movement, without which refugee return to important areas is unlikely to happen and the election campaign will be most difficult. It is my firm belief that specific measures must now be taken by the countries of the Contact Group as a result of this.

While noting that, with these exceptions, there has been formal compliance with the provisions of the Peace Agreement on most points, developments in a wider sense have not been in the spirit of reconciliation and reintegration which will be necessary for the [Peace Agreement](#) to be fully and genuinely implemented.

The situation in Sarajevo illustrates this. The unification of Sarajevo has meant the division of Bosnia. To the millions of refugees from war have been added the tens of thousands of refugees from peace. A question mark has been put over the future reintegration of the country as we have seen tensions rise inside the Federation and existing points of contact between Serbs and Bosniacs being reduced by the developments in Sarajevo.

This notwithstanding, we must push ahead resolutely and even aggressively with the implementation of all aspects of the [Peace Agreement](#). This meeting provides an opportunity to reinforce the political commitment by the Parties as well as the Contact Group countries to this.

The focus during the coming phase will be on economic issues, on refugee return and on the preparations for elections.

The economic issues are of great importance. But I would like to stress that it is not simply a matter of the international community providing the funding that will be necessary for the reconstruction of infrastructure and other parts of the

economy. It is no less a question of the parties adopting sensible economic policies, eliminating barriers to trade and enterprise and starting a partnership between the Entities on all those economic and infrastructure issues on which co-operation will be necessary.

I attach great importance to all projects that can link the economies of the Entities – the Federation and the Republika Srpska – together, and believe that the international community, with the World Bank and the European Commission in the lead, should look particularly favourably on all such projects. Indeed, I believe we should be reluctant to fund projects or programs in which inter-Entity cooperation should be possible but where it has not been taken into account.

The resources that the international community can mobilize will be limited in relation to the vast needs. The rebuilding of Bosnia during the coming decades will be the result of the trading skills, entrepreneurial talents and broader policy strategies of the Bosnians themselves. But we can and we must help. With immediate help in the order of 5 billion USD during the next three-four years. And with trading arrangements that will help in opening markets in Bosnia, in the region, in Europe and in the world beyond.

The immediate focus must be on the restoration of electricity – on which so much else is dependent – the setting up of a telephone system that works – essential not least in view of the elections – and essential repairs to the road and rail system of the country.

There are also urgent needs when it comes to help agriculture restart, and in the establishment of a financial system that can support the small and medium-sized enterprises Bosnia will be so dependent on. If this is achieved, it will help in providing the new housing that is so urgently needed, as well in preventing the armies of soldiers from turning into armies of unemployed with all of the social and political

consequences of such a development.

We are now beginning active preparations for the Ministerial Donor's Conference in Brussels April 12-13, although it can not avoid being affected by the non-compliance on important issues that I have reported today.

I need not spell out the importance of this conference for you. Civilian and economic implementation are never going to be even nearly as expensive as military implementation, but it will be absolutely crucial when it comes to deciding whether the money spent on military implementation in the final analysis was worth spending at all.

In parallell with the work on the economic issues, preparations for elections will now accelerate. The rules and regulations issued by the PEC February 22 must be developed further, and major decisions taken on issues of voter registration and absentee balloting.

We must not underestimate the challenges it represents to organize a series of different election in a bitterly divided country, in which free media is a rare commodity and more than half of the population has been displaced as a result of the conflict. And time is a commodity in increasingly short supply when it comes to determining all of the questions that needs to be determined.

My office is working closely together with the OSCE Mission on these issues, as well as on the crucially important issues of freedom of the media. But I am concerned by the lack of preparation I see in different European countries when it comes to the election activities that will need to be carried out there, and increasingly convinced that we must jointly address the media issues more strongly than has so far been the case.

During the past phase, freedom of movement across the territory of Bosnia and Herzegovina should have been

established. But the reality has turned out to be different. While foreign nationals can enjoy the new freedoms of peace, the people of Bosnia itself has been prevented by fear from using their new possibilities. And the fears that were there after the war have also been fuelled by a pattern of arbitrary arrests, inclination to set up different check-points and general political reluctance to see reintegration and reconciliation as issues on the top of the respective political agendas.

This has obvious implications for the future. It will have an impact on the possibilities of the refugees to return. It will equally have an impact on the way in which the election campaign can be conducted, and accordingly on the results of the elections that will be held. If there is fear of movement rather than freedom of movement, partition will become an obvious possibility.

The contribution of the international community to confidence in freedom of movement is central. IFOR provides a military focus throughout the country that casts its political shadows in a way which should facilitate also the freedom of movement. UN-IPTF will play an increasingly important role in the monitoring of all the activities of the local law enforcement agencies. But final responsibility must rest with the parties themselves.

The return of the refugees and displaced persons is a central task. A person is now in place, the Human Rights Chamber will have its first meeting on Wednesday and my Human Rights Co-ordination Centre has started to work. But much remains to be done in this area, and we must not overlook the fact that the gap between the far-reaching commitments signed in Paris and the realities in villages and cities throughout Bosnia is often vast. We must make certain that things will develop in the right direction in the months to come.

The issue of war crimes will continue to be of central

importance. It will be as difficult as it will be important. We will continue to support and assist the work of the [ICTY](#) in all possible ways.

In my compliance report I note that indicted persons are free on the territories of both the Federation and the Republika Srpska, although the continued efforts by Mr Karadzic and Mladic to exercise public office in spite of the clear provisions of the peace agreement is particularly provocative, and is very clearly poisoning the political climate to the detriment primarily of all the inhabitants of Republika Srpska. They are served badly by leaders that refuse to see the also interests of their own people.

If we are to be serious about civilian implementation, we must be prepared to address urgently the funding shortfalls that otherwise are going to hamper our activities during the next few months severely.

The needs to fund reconstruction efforts are obvious. 550 million USD have already been pledged for this year, and the Brussels conference must provide an additional 1.2 billion USD if we are to meet the targets we have set ourselves. We are, in my opinion, a substantial distance from achieving this. In the coming week, I will write to all of the Prime Ministers of all of the countries of the Peace Implementation Conference expressing my concerns in this respect.

But the funding shortfalls are significant not only in this area. I urge government to give the support that is necessary to all of the activities of the United Nations agencies, notably the UNHCR. Without their efforts, we will not succeed.

We must also urgently address the funding needs of the coming election campaign. And we must make certain that the different important commissions set up – the Commission on Property Rights for Displaced Persons and Refugees, the Human Rights Commission and others – are properly staffed and funded.

My office has completed an assessment of the civilian funding short-falls that shows that these are substantial. We have convened a meeting of the Major Implementation Agencies 27 March where these questions will be on the agenda. I will urge all the countries of the Peace Implementation Council to contribute to the funding of these essential civilian implementation efforts.

The [Peace Agreement](#) signed in Paris December 14 is probably the most ambitious such agreement signed in modern times. The tasks of reconciliation and reintegration after the most bitter and brutal war in Europe since 1945 are truly enormous.

But there is no other way. The parties must understand that peace is not the continuation of war by other means, and we must all understand that a de facto-partition of the country would be no more than a pause before the conflict restarts. In spite of the difficulties, we must press forward. We must live up to our commitment during this year and the years to follow. And the parties must live up to the letter as well as the spirits of their commitments.

To start a war is far easier than to build a peace. The past three months have made us more aware of the magnitude of the challenges ahead. We are all obliged to redouble our efforts.