

Statement: Presidency Payment to Covic Illegal

The illegal continuation of payments to Dr. Dragan Covic, following his removal from his position in the Presidency on 29 March 2005, is a direct and flagrant contravention the High Representatives removal decision.

OHR is in possession of documentation confirming the authorisation that these payments should continue. This issue was discussed in detail by the Presidency, who agreed to authorise continuation of payments to Dr. Covic, in direct contravention to the High Representative's Decision.

Although the Presidency has ordered these payments stopped it does not change the fact that the initial authorisation comprises a most serious breach of a Dayton Instruction.

The High Representative today gave the Presidency until 29 June to:

- 1) Ensure all payments to Dragan Covic are stopped. This includes any allowance or privileges he may still be enjoying, for example use of Presidency cars or flats.
- 2) Confirm that Dragan Covic no longer enjoys any use of the Presidency's facilities.
- 3) Specify any and all Presidency privileges Dr Covic enjoyed following his removal.
- 4) Explain exactly how this decision to continue payments was taken and who had political responsibility for taking that decision.
- 5) Identify a mechanism to speedily recover all illegal payments.

“Apart from the clear breach of Dayton this decision entails, this appears to be yet another example of the failure of the Presidency – as highlighted by the BiH Auditor – to exercise proper financial controls and protect the interests of the BiH taxpayer” said the High Representative today. “These matters are for the local BiH authorities to resolve, but the Presidency’s financial procedures must be reviewed as a priority.”

Presidency Member Jovic yesterday claimed that Mirko Sarovic and Sefer Halilovic have continued to receive benefits once leaving office. The situation in both of these cases, and that of Mr. Jelavic, is very different to that of Dr. Covic:

- Mirko Sarovic resigned from the Presidency. This allowed him, under the law, to continue receiving payments as prescribed by law.
- Mr. Halilovic similarly stood down voluntarily from his position and was therefore in the same position.
- The High Representatives decision to remove Mr. Jelavic contained no provision stating that privileges should cease.