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THE WORK OF THE OFFICE OF THE HIGH REPRESENTATIVE IN BOSNIA AND HERZEGOVINA WITH A FOCUS ON THE REUNIFICATION OF THE CITY OF MOSTAR

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In his paper author describes the work of the Office of the High Representative in Bosnia and Herzegovina with a focus on the reunification of the City of Mostar. Author's conslusions are that there will be no peace and progress in Bosnia and Herzegovina withouthe rule of law and reforms in economy life of the country. The paradigm of the reform process in the Bosnia and Herzegovina represents the City of Mostar.

I am delighted to speak to you this late afternoon on the issue of peace implementation in Bosnia and Herzegovina and especially on the reunification process in Mostar.

Before coming to the Herzegovinian capital, allow me to make some introductory remarks about the work, mandate and focus of the Office of the High Representative.

The OHR is the chief civilian peace implementation agency in Bosnia and Herzegovina. The 1995 Dayton Peace Agreement designated the High Representative to oversee the implementation of the civilian aspects of the Peace Agreement on behalf of the international community. He is also tasked with coordinating the activities of the civilian organisations and agencies operating in the Bosnia and Herzegovina.

The internationally brokered Dayton Peace Agreement was negotiated by representatives of the parties involved in the 1992-1995 war in Bosnia and Herzegovina, including the neighboring Republic of Croatia and the Federal Republic of Yugoslavia, at US-led talks in Dayton, Ohio, in November 1995. On November 21, the parties successfully concluded the negotiations, and on December 14, they signed the Dayton Peace Agreement in Paris. The Agreement is formally referred to as the General Framework Agreement for Peace (GFAP).

The Peace Agreement established Bosnia and Herzegovina as a state comprising two Entities, each with a high degree of autonomy: the Republika Srpska (RS) and the Federation (FBiH). The Agreement includes the State Constitution (Annex 4) and other provisions designed to build a peaceful, stable country.

The mandate of the High Representative is set out in Annex 10. It declares the High Representative the final authority in theatre to interpret the agreement on the civilian implementation of the peace settlement. In addition, the HR, who is currently Paddy Ashdown, was given the so-called Bonn Powers by the PIC in December 1997, in order to counter anti-Dayton activities by removing

obstructive politicians from office. Lord Ashdown also refocused the organization's priorities when he took office in spring 2002 on the "Jobs and Justice Program" as the Leitmotiv for BiH's integration into Euro-atlantic structures. As BiH passes from a post conflict to a more conventional transition country, OHR's core tasks are now designed to accelerate progress toward a Stabilisation and Association Agreement for BiH and achieving BiH's membership in NATO's Partnership for Peace:

- Entrenching the Rule of Law
- Ensuring that extreme nationalists, war criminals, and organised criminal networks cannot reverse peace implementation
 - Reforming the economy
- Strengthening the capacity of BiH's governing institutions, especially at the State-level
- Establishing State-level civilian command and control over armed forces, reforming the security sector, and paving the way for integration into the Euro-Atlantic framework

One former priority of the OHR, the return of refugees and DPs has already been handed over to the national authorities. But please let me shortly elaborate on this – I believe – milestone not only for BiH, but for the further development of International Law in general. According to my knowledge, for the first time in history, an individual "right to return" to the place of origin and "right to repossess property" was granted to each BiH citizen in Annex 7 of the General Framework Agreement for Peace in BiH, the Dayton Peace Accords. Who would have thought that after less than 10 years, more than 1 million refugees and DPs returned to their place of origins. Amongst them more than 400,000 so called minority returnees (people who returned to municipalities where they are now in the minority).

Many other successes have been achieved that are nowadays taken for granted but seemed unreachable after the war

The Inter Entity Boundary Line no longer serves to divide people. Freedom of movement for all citizens has been established, and is now a fact that is taken for granted.

As mentioned before, this summer the mark of one million people – refugees and DPs – who have returned to the homes they fled from years ago, has been reached. The infrastructure – heavily destroyed - has largely been rehabilitated. The security situation has improved drastically, and that fact has been reflected in the steady decline in the strength of the NATO-led Stabilization Force from around 60,000 to now 7,000 troops. And in a few days NATO will hand over command to the EU. Indicted war criminals are steadily being brought to justice, although we still await the transfer to The Hague of two of the most infamous – Radovan Karadzic and Ratko Mladic. BiH now has single car registration plates, a single passport, a flag, an anthem and a stable currency, the Convertible Mark (KM) – the most stable, in fact, in the Balkans. The BiH State Border Service is

controlling all border crossings. The police forces operate in an increasingly professional and efficient way.

So, the straight question of war and peace is – we can dare to hope - now behind us. But the stability of the State and the region is still not assured. Today it is organized criminal structures, sadly too often linked to certain parts of the political establishment, that threaten BiH's and the region stability.

Rule of Law

Our overriding priority is to entrench the Rule of Law. Without it there will be no economic growth, no foreign investment and, consequently, no jobs. We have made a start and good progress on this.

We have reorganized the international community in BiH, and have begun to assembly the institutional and legal tools needed to fight, and win, the battle against crime, especially organized crime.

This January a BiH State Court was established, comprising special chambers that should deal with the gravest cases of corruption and organized crime.

An Independent Judicial Commission (IJC) was established by a HR Decision to strengthen the judicial system through a restructuring of the courts and through professionalization of the country's judges and prosecutors.

Economic Reform

BiH's economic situation is very difficult. Burdensome registration procedures for establishing businesses, an inefficient tax system, and endemic corruption are some key culprits responsible for BiH's high unemployment rate, slow growth and low level of domestic and foreign direct investment.

BiH's government urgently needs to put in place a framework for business in BiH: the right business environment; the rule of law; sensible regulation; minimum burdens on business; encouragement and support for small and medium sized enterprises; the necessary certification procedures to take advantage of available export opportunities, not least in the European Union. The major tool for dismantling obstacles to business growth and job creation has been the so-called "Bulldozer Committee". This is made up of Bosnian and international partners, such as business associations. In a joint effort, 150 economic roadblocks and their legal solutions had been identified, presented to the relevant authorities (State and Entity Governments) and were passed by the respective parliaments.

The cancer of corruption and smuggling is consuming a huge part of BiH's wealth. Organized crime, corruption and a governmental structure with too many and too often inefficient layers of power are the core problems. This is a country with 13 Prime Ministers and 145 Ministers for less than 4 million people! Strong structures on the state level that could counter and balance these threats do not exist or are still in the process of being established developed and strengthened.

Talking about inefficiency, corruption and waste of government, the 7 (!) units of local self government that comprised the City of Mostar were a negative example par exellence. Each of the former City Municipalities and the Central Zone with the "united" City Administration had separate and ethnically divided municipal administrations – three Coat one in the West and three Bosniac ones in the East -, municipal councils with more than altogether 150 councilors, six mayors and deputy mayors and a rotating Mayor and Deputy on the city – or central zone level.

The most destroyed town in the former Yugoslavia waited for many years for a solution. The just described unbearable and unjustifiable de facto division of this beautiful European City came to and end when High Representative issues a decision on the city's reunification in January this year. This was done after two Commissions in 2003 had failed to produce an agreement for a new Statute of the City of Mostar, unwilling and unable to abolish the municipalities and to agree on an election system. Apart from that, politicians from all parties came – under the chairmanship of former Ruesselsheim Mayor Norbert Winterstein – remarkably close on most contentious issues. But the remaining two blocked the way. In order to bridge the gap, the HR decided to impose and enact the Statute that the second commission had drafted. By this Decision the former City Municipalities and all six councils were abolished. The mandate of the mayors and councilors ceased. The Decision stipulated that all former employees from the various city municipalities would be from now on employees of a united Administration of the City of Mostar. Nucleus for this joint and multiethnic and multinational administration was the City Administration of the Central Zone. All seven budgets were joint and a financial controller started overseeing all expenditures. An election system, which prevents one constituent people to dominate, was introduced with the new Statute. At the following election on 2 October each of the six former municipalities elected – as a constituency – three City Councilors. In addition, 17 councilors were elected through a city-wide list. One provision of the Statute stipulates that no political party may have more than 18 councilors, and no constituent people more than 15. This required all parties to form multiethnic lists. In addition, four seats are reserved for Serbs and one for a councilors from the "others".

The High Representative also issued a Decision, which created the Mostar Implementation Unit. The MIU is tasked to drive through the reforms necessary for the unification of Mostar and provides assistance and advice to the City Administration and the Mayor (Hamija Jahic) and his Deputy (Ljubo Beslic). Both were appointed by the HR as interim mayors until a new mayor would be elected. The position of the Deputy has also been abolished, in order to avoid and prevent parallel structures.

The MIU is quite a unique institution. On the one hand it is integrated into the City Administration on the other it is closely linked to the International Community. In comparison to the supervisor in Brcko charged with the implementation of the Brcko Award the MIU is a small and light institution. The MIU is in no case running the Administration of Mostar. Therefore Citizens who

address questions to the MIU on ordinary administrative issues get the answer: See the respective department of the City Administration. The MIU is not something like an arbiter between the City and the Citizen. But more an arbiter between the different departments and political interests with the clear own interest: Unification and better services for the citizens through structural changes.

As in any large company or administration restructuring can hardly ever been done from the inside alone. Companies very often ask consultants from the outside to do the job from a neutral point of view. The MIU is something like such an independent team of consultants. However, in Mostar we have the additional task to overcome some political obstacles.

The implementation process is well on track. Restructuring an administration is a complex task; especially when you also have to consider the complicated political situation in Mostar. Therefore the progress might look small in the eyes of the Citizens, whilst we did already a lot. We reached for example already full transparency of the budget drafting process. It is not anymore possible to effectuate dubious political transactions. The atmosphere has changed from confrontation to cooperation. The fire brigades are the best example for this. Other institutions will be unified soon.

The MIU has to concentrate on administrative unification. Confidence building has to be done by the Citizens. However the Descision of the High Representative created a Confidence Building Measures Committee. This Committee is eager to get ideas from anybody in the town.

The Unification of Mostar is not directly linked to the two Universities. The High Representative made recently clear, that the existence of the Mostar Universities is not at all endangered. However students of both Universities should demand extended cooperation between both universities.

The next decisive date will be the municipal elections on 2 October. Then Mostar will have a City Council elected in compliance with the new Statute. But before that we will already have taken decisions on the structure of the administration. And very important: the key positions in the administration will be filled in accordance with the Civil Service Law. If we progress as we do, in spring 2005 we will implement the new structure of the administration. The MIU than can slowly disappear and close down in early summer 2005. Quit quickly for such a task as to unify Mostar.

But how long it will take that the scares of the war to disappear depends more on the Mostarians themselves. And some will never.

O RADU UREDA VISOKOG PREDSTAVNIKA U BOSNI I HERCEGOVINI S NAGLASKOM NA PONOVNO UJEDINJENJE MOSTARA

Sažetak

U tekstu autor analizira djelatnost Ureda Visokog predstavnika OESS-a u Bosni i Hercegovini posebno naglašavajući djelatnost Ureda na ponovnom ujedinjenju grada Mostara. Interes autora prije svega pobuđuje rad na afirmaciji vladavine prava u Bosni i Hercegovini, odnosno Mostaru te otvaranje i potpora ekonomskim reformama bez kojih nema napretka u mirnodopskom životu Bosne i Hercegovine. Za autora Grad Mostar pritom predstavlja paradigmatičan primjer svekolike reforme.