

Security Council Sixtieth year

5147 th meeting

Wednesday, 23 March 2005, 10 a.m. New York

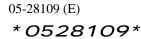
President:	Mr. Sardenberg	(Brazil)
Members:	Algeria	Mr. Baali
	Argentina	Mr. Mayoral
	Benin	Mr. Adechi
	China	Mr. Wang Guangya
	Denmark	Mr. Faaborg-Andersen
	France	Mr. Duclos
	Greece	Mr. Vassilakis
	Japan	Mr. Kitaoka
	Philippines	Mr. Mercado
	Romania	Mr. Motoc
	Russian Federation	Mr. Denisov
	United Kingdom of Great Britain and Northern Ireland	Sir Emyr Jones Parry
	United Republic of Tanzania	Mr. Mahiga
	United States of America	Mr. Holliday

Agenda

The situation in Bosnia and Herzegovina

Letter dated 10 March 2005 from the Secretary-General addressed to the President of the Security Council (S/2005/156)

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Provisional

The meeting was called to order at 10.15 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Bosnia and Herzegovina

Letter dated 10 March 2005 from the Secretary-General addressed to the President of the Security Council (S/2005/156)

The President: I should like to inform the Council that I have received letters from the representatives of Bosnia and Herzegovina and Luxembourg, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

On behalf of the Council I extend a warm welcome to His Excellency Mr. Barisa Colak, Minister of Security of Bosnia and Herzegovina.

At the invitation of the President, Mr. Colak (Bosnia and Herzegovina) took a seat at the Council table; Mr. Hoscheit (Luxembourg) took the seat reserved for him at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Lord Paddy Ashdown, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

There being no objection, it is so decided.

I invite Lord Ashdown to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Security Council is meeting in accordance with the understanding reached in its prior consultations. Members of the Council have before them document S/2005/156, which contains a letter dated 10 March 2005 from the Secretary-General, transmitting the twenty-seventh report of the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

I now give the floor to Lord Paddy Ashdown, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

Lord Ashdown: It has been just four months, I believe, since I last spoke to the Council. As the President just indicated, members have before them a detailed report on developments in the second half of 2004. So, given that our time is somewhat constrained this morning, I hope the Council will forgive me if I do not intend to cover in detail all the ground in that report. Let me just pick out the main highlights.

First, perhaps the Council will recall that, when I was last here, just 16 weeks ago, I wanted to warn in rather stark terms of the threat posed to Bosnia and Herzegovina's future by the failure of the Republika Srpska authorities in particular to honour their obligation to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia (ICTY), Republika Srpska being, of course, one of the two entities of Bosnia and Herzegovina. I warned the Council bluntly that that failure was now the biggest stumbling block to a brighter future for Bosnia and Herzegovina — an obstacle that risked bringing to a complete halt the country's progress towards the European Union and NATO, that being the only future the country can have.

A few weeks later, regrettably, the NATO Ministerial had to reject for the second time Bosnia and Herzegovina's application to join the Partnership for Peace. I followed that announcement with further measures, adding to those I took in July of last year, to address individual obstruction of the ICTY — the Hague process — and to address systemic changes to Republika Srspka's security structures that had been identified by NATO and the Chief Prosecutor, Carla Del Ponte, alike. Shortly afterwards, Foreign Minister Ivanic, together with his colleague Prime Minister Mikerevic of Republika Srpska, resigned briefly in protest. Foreign Minister Ivanic has now had a change of heart, and the Government in Republika Srpska has changed its leadership, but not its makeup.

But now it seems that I am able to report to the Council rather more hopefully. I am happy to tell members that now, at last - 10 years after Dayton the Republika Srpska has started to hand over indictees to the Hague Tribunal. It is early days, and it is only natural that seasoned observers - many around this table — of events in the Balkans should remain sceptical; that is the default position until this has been properly opened up. But, since I am here to make political judgements, I now believe that we may be seeing a change in the attitude of the Republika Srpska authorities and an acceptance that the way to Brussels, to the European Union (EU), to NATO and to the country's future must lie through the Hague Tribunal. Here, let me pay a tribute to the Chief Prosecutor, Carla del Ponte, for her implacable, iron determination to ensure that this process begins and ends in full. Thanks to that, we have been able to make the progress we have seen over the past two months.

In the past two months, the Republika Srpska authorities have transferred, either on their own or working with the authorities in Belgrade — and that itself is a step in the right direction — five of the major Hague indictees to the Hague Tribunal, whereas in the nearly 10 years previous they had not transferred a single one. Four of those transfers have taken place in the past two weeks.

Earlier this morning, Vinko Pandurevic arguably the third most senior indictee, after Mladic and Karadzic — who has been indicted for genocide and crimes against humanity at Srebrenica, arrived in The Hague. Pandurevic and the other generals have handed themselves in, but their commander, Ratko Mladic, remains on the run. General Mladic might take a moment now to reflect on the fact that it is a curious military code in which a general lets his subordinate officers carry the can for actions carried out in his name while he scurries from safe house to safe house like a common criminal. A question on which he might reflect is whether or not he might have the courage of his own generals and do the right thing — submit himself to The Hague — which he has so far failed to do.

Now, I do not claim that the events of the past few weeks yet constitute the full cooperation that the Tribunal requires and that the international community demands. Ten years after Srebrenica — and we commemorate the dismal tenth anniversary of that terrible event this year — the call of justice does not fade away and must not be allowed to fade away. This process will not end until Karadzic and Mladic and all of the other main indictees are in custody. The sooner that day comes, the sooner Republika Srpska will be able to discard dishonour in this matter and the sooner Bosnia and Herzegovina will be able to begin to discard the chains of history and concentrate on its future.

This process has only started; it is not yet completed. Nevertheless, I commend the Republika Srpska authorities for the progress of the past few weeks. The crucial thing now is that it continue. We cannot tolerate any slackening of this effort; there is no scope for that. Because — and this is my second point — as winter gives way to spring, Bosnia and Herzegovina faces some fundamental decisions by the European Union and NATO about its future. For both organizations, cooperation with the Hague Tribunal is non-negotiable, as the European Union's recent decision on Croatia has shown. NATO, I know, is keeping the question of Bosnia and Herzegovina's Partnership for Peace application under close review, and it may well be that, around the third week of April, NATO will again consider that question.

For its part, the European Commission has made clear that it hopes to be able to form a view as to whether Bosnia and Herzegovina is ready to begin negotiations on a stabilization and association process as early as mid-May.

So these are crucial weeks. Those two steps the Partnership for Peace and the beginning of the long road that leads to European Union membership — are a watershed for Bosnia and Herzegovina, a moment when, once those gates have been passed through, everything within the country changes, and the international community's relations with the country ought to change as well.

On Monday, European Commission Enlargement Commissioner Olli Rehn met with Bosnia and Herzegovina Prime Minister Adnan Terzic in Brussels. In addition to ICTY cooperation, he made clear that the other cardinal issue on which the European Commission expected to see significant progress before mid-May was police restructuring — the creation of a single national, statewide policing structure for policing in Bosnia and Herzegovina — in line with the three principles that the Commission has repeatedly espoused and has required the country to conform to.

The Police Restructuring Commission, under the chairmanship of former Belgian Prime Minister Martens, finalized its work in December 2004 and presented its recommendations in January 2005. The Commission — which is the greatest concentration of security and police experts ever drawn together in Herzegovina from Bosnia and domestic and international resources - recommends the creation of a single state-level policing structure, but with operational policing delegated to the local level. It proposed a map drawing up the new police areas based on operational efficiency, not political control. What that means is that, where it is necessary for police and security reasons that police areas cross the inter-entity border line, then that should be done where it is operationally expedient.

The Commission's proposals are currently being widely debated in Bosnia and Herzegovina. Most agree that the system needs to change. Most citizens of Bosnia and Herzegovina believe that there is too much political influence in policing, and they are right; that they receive poor service from their police, and they are right; and that the criminals get away far too often in Bosnia and Herzegovina, and they are right in that too.

But there is, I must admit, a great if unfounded anxiety in Republika Srpska that an end to poor policing arrangements is really part of a clever ploy to abolish Republika Srpska itself. Let me state categorically again, before this body, that that is not the case. The position of Republika Srpska is protected by Dayton, and my job as High Representative is to protect and enact Dayton. The position of the Republika Srpska within Dayton is guaranteed. There is neither policy nor intent on the part of anybody in the international community to alter that arrangement. It is not correct to say that police reform is part of a general policy aimed at that outcome.

Nevertheless, police restructuring must happen, in line with the European Commission's principles, if Bosnia and Herzegovina wants to get the green light from Brussels in May and embark on that historic road to Europe. Whether or not that happens now lies, once again, with the authorities in Republika Srpska, who are the only significant body now blocking that reform. Thirdly, we are continuing to move ahead with the rest of our reform agenda, in line with the four core tasks set out in the mission implementation plan of the Office of the High Representative.

The new War Crimes Chamber and maximumsecurity prison facilities were opened in Sarajevo earlier this month. It is one of the attributes of sovereignty and statehood that a State should be able to try even the most egregious crimes within its own domestic institutions. Bosnia and Herzegovina is now the first country in the Balkan region to have set up its own domestic procedures for trying its own war criminals to international standards. I want to pay tribute here to Judge Theodor Meron, President of the Hague Tribunal, who has been such a powerful advocate and a dynamo driving that process forward.

Meanwhile, the Indirect Taxation Authority, which will deliver the value added tax on a State-wide basis, started full operation in January this year. The single account operating State-wide is now working. Overall, preliminary information reveals that the revenues it is collecting are up compared with the same period for last year by some 5 per cent to 6 per cent, reflecting both greater efficiency and a greater capacity to be able to collect taxes which had previously been avoided.

On defence reform, NATO took over the leadership of the international community on the issue of defence at the turn of this year. The goals for 2005 include amalgamating the functions of the entity Ministries of Defence into a single State-wide Bosnia and Herzegovina Ministry of Defence, establishing a single defence budget and creating single personnel, logistics and training commands. Bosnia and Herzegovina needs to make progress on schedule on those objectives if it is to satisfy the requirements of the NATO Partnership for Peace and if it is to rectify, as it must, the systemic weaknesses in security structures which both NATO and Carla Del Ponte have highlighted as a primary cause of its failure to cooperate effectively with the Hague Tribunal.

If it does those things, it will have made huge strides forward — not just towards membership of the Partnership for Peace, but in due course towards membership of the Atlantic alliance itself. It pains me therefore to report that there have, however, been signs in recent days of backsliding on defence reform again, I regret to say — by the authorities in Republika Srpska. I accept that we are asking a lot of the Republika Srpska authorities; indeed, the reforms so far have been arguably more painful for them then they have been for the federation entity. I accept that we are asking a lot. But they must be clear about what is at stake, both for them and for the country as a whole. Just as we are, at last, making progress on the hitherto intractable issue of cooperation with the Hague Tribunal, it would be foolish in the extreme to go backwards on other key requirements on the reform agenda.

Finally, there has been one other significant development since I last spoke to the Council: the switch from the NATO-led Stabilization Force to the EU-led force; from SFOR to EUFOR. I am happy to report this ground-breaking change that of responsibility has passed off extremely well; that, I guess, is the definition of a seamless transition. The people of Bosnia and Herzegovina have not noticed the difference of command, profound though it has been. Today EUFOR is operating effectively, as is the new NATO headquarters, and the two are working well together. So much, so good. I think real progress continues to be made.

Before I finish my report, however, let me identify one area which gives me immediate concern for the future. We are now reaching a point where we must address the financial sustainability of the Government structures of Bosnia and Herzegovina. Both of the entities will face massive and unsustainable deficits this year. It is absolutely essential that we now look at the need for functional reform in order to increase the efficiency of governance in Bosnia and Herzegovina. At present, the State spends something between 60 per cent and 70 per cent of the citizens' taxes simply on governance, and only the remainder — 30 per cent or so — on services for the citizens. That is why there are poor health services, inadequate pensions and the lowest-paid police in Europe. Bosnia and Herzegovina has to spend significantly less on government, politicians and bureaucracy so that it can spend significantly more on its citizens. Unless it does that, it will be unable to build up loyalty to the State among its citizens, which is an essential requirement of Statehood.

In that context, let me say that the Federation Government has failed to live up to undertakings and promises it has given to the World Bank on cutting back on veterans' benefits. Unless that is addressed very quickly, then the whole country, grindingly poor, will lose about 130 million marks of World Bank programme aide. In that sense, while the Republika Srpska has held the nation to ransom on cooperation with the Hague Tribunal, the Federation is now going to hold the nation to ransom, unless that is addressed, in terms of the support given by the World Bank, and subsequently by the International Monetary Fund in its stand-by arrangements as well.

This will be my penultimate report to this Council as High Representative and European Union Special Representative. I will relinquish my post at the end of the year, my wife says. But there are nine months left between now and then, and we need to make full use of every single day. Because this is a crucial year for Bosnia and Herzegovina: the tenth anniversary of Srebrenica; the tenth anniversary, later in the year, of the Dayton Peace Agreement itself.

Like most people in Bosnia and Herzegovina, I want this to be a year, I hope this will be a year and I think this can be a year in which Bosnia and Herzegovina remembers its past, of course, but increasingly concentrates on its future. More than that, I want this to be a year in which Bosnia and Herzegovina makes a decisive break with that past by meeting the requirements for stabilization and association for the European Union and membership in the NATO Partnership for Peace, and so starts to embed itself firmly into the Euro-Atlantic structures which are its rightful home. Those structures are the best guarantee of the long-term stability, security and prosperity of Bosnia and Herzegovina. Once that happens — once those two gates are passed, as I think they can be in the immediate months ahead — then Bosnia and Herzegovina will really be into a new era. The era of stabilization under Dayton is drawing to a close. The next phase — integration and Brussels — is beginning.

The opportunity is now available to Bosnia and Herzegovina: the chance to show that, a decade after Dayton, it is a viable State, irreversibly on course for European integration, with politicians at the helm who accept the duties, obligations and standards expected of high office.

If that happens, it should, I suggest, open the way very soon for a new kind of engagement for us, the international community, as well. Once Bosnia and Herzegovina has passed through those two gates, I think it is our job, as the international community, to consider what steps we should take to make sure that our engagement with Bosnia and Herzegovina, as a sovereign State, is proper and, if necessary — and I think that it should be necessary — conducted on a basis that is less heavyweight, less interventionist, less intrusive and more like the structures in other international transitional democracies. But the next few months will be decisive.

The President: I thank Lord Ashdown for his statement.

I now give the floor to the Minister of Security of Bosnia and Herzegovina, Mr. Barisa Colak.

Mr. Colak (Bosnia and Herzegovina) (*spoke in Bosnian; interpretation provided by the delegation*): It is an honour for me to address the Council today, on behalf of the Council of Ministers of Bosnia and Herzegovina, and to take part in the discussions relating to the report of the High Representative of the international community in Bosnia and Herzegovina.

It is a particular pleasure to inform the Council — which has held a number of meetings dedicated to peace and stability in Bosnia and Herzegovina — that I have come here today to express our firm commitment to invest additional efforts in fulfilment of Bosnia and Herzegovina's remaining obligations, which will open the way for us to start negotiations on a stabilization and association agreement (SAA) with the European Union (EU).

Thus, peace and stability in Bosnia and Herzegovina have made possible a clear vision of what the future will mean for Bosnia and Herzegovina. It will mean Bosnia and Herzegovina as a member of the EU; that is the common position of all political parties in the country.

The reporting period was marked by the shift from the country's so-called Dayton era to the socalled Brussels era. We have improved the legal framework; to date, 38 new laws have entered into force. We are now in the final phase of complying with the recommendations of the feasibility study. We expect that the EU will recognize the significant progress on our part and give us the green light for the opening of SAA negotiations in May this year.

It is a fact that Bosnia and Herzegovina has achieved significant progress in complying with the 16 recommendations within a very short period of time, but it is also a fact that we will continue to make the process more dynamic, in order to be far along in the SAA process in time for the tenth anniversary of Dayton.

I would like to point out a few areas where we have, indeed, made huge progress: reforming the financial, customs and tax systems, the defence and security structures, the rule of law and border control. We have established a national crime prevention commission, and we have significantly reduced the number of illegal entries into the country.

The plan for restructuring the country's police forces has been completed under the remarkable guidance of Mr. Wilfred Martens. We are now making very serious efforts to ensure that a political consensus can be reached by all the stakeholders in the country in this regard. We understand that this is one of the most important conditions set out in the feasibility study, and we will do our best to fulfil it. That would not only be in the best interests of Bosnia and Herzegovina, but it would also serve to benefit Europe as a whole.

Finally, fulfilling our obligations arising from annex 7 of the Dayton Agreement is an ongoing process. Obviously, we still have a lot to do, but I assure the Council that the process of the return of refugees and displaced persons, as well as the issue of property claims, has advanced a great deal recently. The satisfaction of the international community in this area is a reflection of that.

The issue of the return of refugees and displaced persons is now being resolved through direct negotiations with neighbouring countries; that also provides new impetus for the final resolution of the problem. However, I would like to inform the Council that today, 10 years after we signed the Peace Agreement, the process of returns has still not been completed. The return of property has been successfully completed throughout most of the country, with certain exceptions. Of 2.2 million refugees and displaced persons, approximately 1 million have returned to their pre-war homes, and a further 250,000 wish to do so.

We are especially concerned about the cases of people who have moved out of their homes over the past five years. Approximately 10,000 Croats have left Banja Luka municipality alone since 1999. There are also some areas in which the scale of returns has been reduced to the very minimum. Sustainable return, therefore, must imply that people have full access to all of their rights. Bosnia and Herzegovina must ensure respect for the EU Copenhagen criteria, the rule of law and human rights for all.

This year will mark the tenth anniversary of Dayton. All of us present here have our reasons to consider Dayton a success. However, our jobs are not done yet. As part of the process of integration and embracing EU standards, we want to build a State in which all citizens can have trust. To that end, it is necessary to reform not only the military and police, but also the judiciary. The most important pillar of every democracy is an independent judiciary.

The High Representative could tell the Council that 877 judges and prosecutors have been appointed in Bosnia and Herzegovina. But there are cases in the Court of Bosnia and Herzegovina in which, when it comes to bringing charges, final decisions - including the verdict — are made by international personnel. That is the result of the fact that judicial councils consist of two international judges and one local judge. The European Convention on Human Rights has been incorporated into the Constitution of Bosnia and Herzegovina and therefore enjoys supremacy over any local laws or regulations. In some instances, however, international judges have not adhered to it. Examples relate to length of detention, the changing of charges during detention, incomplete and constantly changing lists of evidence, public statements by prosecutors and public availability of indictments before delivery. All such practices are contrary to our usual practice and to the European Convention on Human Rights. We believe that the European Convention must be implemented, as we are to become a member of the EU. Building trust in the judiciary is yet another step towards the rule of law and reconciliation in, and the stabilization of, Bosnia and Herzegovina.

At the global level, Bosnia and Herzegovina has become a partner of the international community by participating in international efforts in United Nationsled peacekeeping missions throughout the world. We stand ready to invest further efforts; in this context, I am referring above all to our obligations towards the International Criminal Tribunal for the Former Yugoslavia (ICTY).

The judicial structures in the country are ready to take on the processing of war crimes now that we have established war crimes chambers in the State Court and the State Prosecutor's Office. We have also set up an inter-agency working group that is in charge of cooperation with the ICTY; that is a huge step forward. Bosnia and Herzegovina institutions are now taking over responsibility for coordination and control of all the agencies in charge of arresting war criminals still at large.

As to the issue of decertified police officers, the Chairman of the Council of Ministers has turned to the Venice Commission of the Council of Europe for assistance and guidance, and we hope that, working together with the Venice Commission and the Security Council, we will find a suitable solution for this problem.

We expect that with the signing of the stabilization and association agreement a new era will come about in Bosnia and Herzegovina. Therefore, we wish to underline our readiness to take on full responsibility for all the ongoing processes. Our goal is to see a Bosnia that will not require the Bonn powers of the High Representative.

Although the final decision on extending or modifying the current mandate of the Office of the High Representative is up to the Security Council, I wish to emphasize the willingness of the authorities of Bosnia and Herzegovina to take up full responsibility for the further development of our country. We wish to be a partner of the international community in joint efforts leading to full membership in both European and NATO structures.

Mr. Mahiga (United Republic of Tanzania): We thank Lord Paddy Ashdown, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for his detailed report on the progress achieved in the implementation of the Peace Agreement during the period between July and December 2004. We also thank His Excellency Mr. Barisa Colak, Deputy Chairman of the Council of Ministers and Minister of Security of Bosnia and Herzegovina, for his detailed statement on the situation in that country. We commend the success registered in Bosnia and Herzegovina since the Dayton Peace Agreement and the London Peace Implementation Conference of 1995.

The report is divided into several parts, but I will limit my comments to only four of them. First, with regard to the transition from NATO to the European Union (EU), we commend the smooth and successful handover from a NATO-led to an EU-led peacekeeping force in December 2004. We also commend the European Union for the comprehensive approach and assistance programme that it has put in place for the country. Now is the opportune time for Bosnia and Herzegovina to work for progress, stabilization of the country and a peaceful and viable multinational society as it prepares for entry and integration into the European Union.

Turning to the economy, we welcome the positive developments in the reform of the economy. Durable peace can be achieved in a post-conflict situation only if it is accompanied by progress in the economic sector. We are pleased to note that, with the assistance of the Office of the High Representative, patterns of mismanagement, incompetence and political manipulation in public companies have been reversed by amending legislation and applying general reforms of the economy of Bosnia and Herzegovina.

Thirdly, as regards the return of refugees and internally displaced persons, Tanzania is very encouraged by the return of the one-millionth refugee in Bosnia and Herzegovina, which took place during the High Representative's reporting period. We note the encouraging progress made by the authorities in the implementation of property law to permit the return of refugees and a smooth reintegration of returnees. My country, as members are aware, has over the years provided shelter to hundreds of thousands of refugees from neighbouring countries. Experiences like that of Bosnia and Herzegovina raise our hopes that a refugee presence in a host country is, after all, a temporary situation, and that countries of origin have ultimately to take responsibility for the return of their citizens. We pay tribute to the Office of the High Representative, the EU and all others that in one way or another have contributed to the return of refugees to Bosnia and Herzegovina in safety and dignity.

On war crimes, we welcome the positive development reported this morning by Lord Ashdown on forthcoming cooperation by Republika Srpska in apprehending suspects and handing them over to the Hague Tribunal. The establishment of the War Crimes Chamber within the Court of Bosnia and Herzegovina and the appointment of judges and prosecutors constitute a very significant step. What is essential now is to ensure that the prosecution of individuals accused of war crimes and organized crime is carried out and that the rule of law is upheld. We take this opportunity to encourage Bosnia and Herzegovina and all parties concerned to continue cooperating fully with the International Tribunal for the Former Yugoslavia.

Finally, we wish to urge Bosnia and Herzegovina, in cooperation with the Office of the High Representative and the EU Force, to continue to monitor weapons smuggling and to apprehend all war criminals to ensure that the stability achieved is durable and sustainable.

Mr. Wang Guangya (China) (*spoke in Chinese*): I would like to begin by thanking Lord Ashdown for his report (S/2005/156, annex, enclosure) and for his supplementary briefing. I also appreciate the efforts he has made in promoting the peace process in Bosnia and Herzegovina.

We are pleased to note that, since the second half of last year, the Bosnia and Herzegovina authorities have carried out much positive work and have achieved a great deal in the field of consolidating national authority, economic recovery and reconstruction, accelerated institutional reform, facilitating refugee return and national reconciliation and inculcating the rule of law. We express our appreciation for all its achievements.

The Office of the High Representative has also played a positive facilitating role in those areas. We welcome the smooth handover from the Stabilization Force (SFOR) to the European Force (EUFOR). We believe that the European Union (EU) will make a useful contribution towards the maintenance of stability in Bosnia and Herzegovina.

This year marks the tenth anniversary of the signing of the Dayton Peace Agreement. Thanks to the efforts exerted by all sides in Bosnia and Herzegovina, with the assistance of the international community, welcome progress has been made in all areas of national reconstruction in that country. These achievements in the Bosnia and Herzegovina peace process are hard won and should be cherished by all sides.

We expect all sides in Bosnia and Herzegovina to further advance mutual trust and solidarity in order to lead their people, of all ethnicities, on the road to peaceful coexistence and common development.

China has consistently been concerned with the development of the situation in Bosnia and Herzegovina and, together with the international community, we will extend our own efforts for the achievement of lasting peace and economic development in Bosnia and Herzegovina.

Mr. Adechi (Benin) (*spoke in French*): I, too, would like to thank Lord Ashdown for his presentation, which highlighted the outstanding progress made by Bosnia and Herzegovina as it moves towards admission to the Partnership for Peace programme and towards the commencement of negotiations for the conclusion of a stabilization and association agreement with the European Union (EU). Those national projects are decisive for peacebuilding and for the sustainable development of the country. They also are indicators of the degree of the country's integration within the European family.

The encouraging information that the High Representative has provided us demonstrates that the Bosnia and Herzegovina authorities have correctly understood the full importance of this question for the future of their country.

With the support that the country has enjoyed for the strengthening of its judicial system, we hope that the issue of war crimes can also be resolved through the establishment of the War Crimes Chamber and the actions taken to allow it to operate free from outside influence so that it can carry out its mandate in a spirit of impartiality and political neutrality.

Turning to another area, reform of the economy seems now to have attained full speed in terms of the actions that have been undertaken. We welcome the positive measures taken in the context of monetary and tax policy, which allowed the country to rebalance the State budget for 2004.

The substantive progress made in various key sectors such as transportation and energy and in the renewing of ties to the European network is indeed decisive. The Bosnian authorities must therefore be encouraged to persevere in that positive direction in order to overcome the effects of war.

We also welcome the efforts made in the area of defence designed to strengthen the central State through the restoration of the competences exercised by the entities. The resulting savings could help in the mobilization of the financial resources necessary to implement the bold measures required to achieve rationalization of the sector. We deem it particularly important to strengthen efforts to inculcate a genuine culture of peace through the promotion of national reconciliation, of which the reunification of the city of Mostar, now under way, is clear evidence.

However, the situation with respect to the establishment of a control and monitoring policy with respect to the media in the country is not satisfactory, although it seems to us to be of the greatest importance. We hope that those obstacles which have prevented the adoption of broadcasting legislation will be overcome soon.

In conclusion, we would like to pay a welldeserved tribute to the High Representative and his Office for the far-sighted and prudent work done with respect to the implementation of the Dayton Peace Agreement. We also welcome the role taken on by the European Force, which has seamlessly taken over from the Stabilization Force in maintaining the commitment of the international community to peacebuilding in the country.

Mr. Faaborg-Andersen (Denmark): I should like to join others in welcoming the High Representative, Lord Ashdown, and the representative of the Government of Bosnia and Herzegovina — the Minister of Security, Mr. Barisa Colak — to the Council. I thank them both for their interesting and enlightening briefings today. I thank also the Secretary-General and Lord Ashdown for the written report to the Council, which is an impressive and detailed account of the notable advances that are being made on the ground in Bosnia and Herzegovina, not least with regard to structural reforms. Although key legislation to a large extent still remains to be implemented, the achievements made so far do, indeed, give good reason for the optimism expressed here today.

The Ambassador of Luxembourg will shortly make a statement on behalf of the European Union. Denmark fully associates itself with that statement.

As we share most of the views and observations already expressed by others today, I can limit myself to three main points.

First, looking at the developments that have taken place since November, when the situation in Bosnia and Herzegovina was last debated in the Security Council, it is appropriate to commend the European Force (EUFOR) for the smooth transition from the Stabilization Force (SFOR) and, not least, for the proactive and hands-on efforts to reinforce security and stability made by EUFOR from the very beginning of its mandate. The division of labour and cooperation with the remaining NATO headquarters in Sarajevo have proved faultless, and, thus, as we see it, there is no need for change here.

Secondly, we commend the High Representative, Lord Ashdown, for the way he has managed to achieve visible progress while maintaining the difficult balance between, on the one hand, using his Bonn powers proactively and, on the other, ensuring a gradual transfer of responsibility and political ownership to the polity of Bosnia and Herzegovina. We support the gradual downsizing of the Office of the High Representative. But the job is not finished yet; and as we may be contemplating adjustments to the Bonn powers, we should do so in a measured way and with due attention to the likelihood of new crises in Bosnia and Herzegovina.

Finally, and most importantly, with regard to cooperation with the International Criminal Tribunal for the Former Yugoslavia, Denmark is strongly committed to the European destiny of Bosnia and Herzegovina. Membership in NATO's Partnership for Peace programme is within reach, and, hopefully, Bosnia and Herzegovina will soon take up the demanding but also fulfilling task of negotiating a stabilization and association agreement with the European Union. The road ahead is clear, but so are the conditions that the Government in Sarajevo will have to fulfil.

That is particularly true with regard to full and unconditional cooperation with ICTY by both the national Government and the entities. We welcome the progress that we have seen lately, which was confirmed this morning by Lord Ashdown, but more is required for full cooperation. The fact that Radovan Karadzic, Ratko Mladic and other persons indicted for war crimes are still at large continues to cast a dark shadow on all of the other progress achieved in Bosnia and Herzegovina and on the efforts that the international community has been making for more than a decade now in that country.

I should like to end on a positive note. After listening to the briefings today, we are convinced that developments in Bosnia and Herzegovina are on track, but not to the extent that foreign assistance should cease right away. Denmark is presently preparing a substantial assistance programme focussing on local economic development, and our support for civilsociety-building will continue. But I think that we all sense the strong commitment of the Government and the people of Bosnia and Herzegovina to take charge in the forming of a better, more prosperous and democratic future together, and we welcome that.

Mr. Mercado (Philippines): My delegation joins other delegations in thanking Lord Paddy Ashdown for his comprehensive briefing on the developments relating to the Peace Agreement on Bosnia and Herzegovina. We also welcome the presence this morning of the Deputy Chairman of the Council of Ministers and Minister of Security of Bosnia and Herzegovina.

The Philippines is encouraged to hear that much has been accomplished since the international community stepped in a decade ago to put an end to the senseless bloodshed in Bosnia and Herzegovina. Bosnia and Herzegovina has come a long way. We were also pleased to hear from Lord Ashdown of the successful transition of authority from NATO's Stabilization Force (SFOR) to the European Union (EU) multinational Stabilization Force (EUFOR).

The significant progress made in achieving political and economic structural reforms, particularly as concerns the rule of law, legislation and defence, has brought about a promising future for Bosnia and Herzegovina, which is moving towards being a peaceful and viable State on the path to its integration in Europe.

As concerns institutional reforms, we believe that Bosnia and Herzegovina is on the right course towards peace and stability with the creation of the War Crimes Chamber within the Court of Bosnia and Herzegovina to prosecute war crimes and organized crime through its own judicial system. The appointment of the first group of judges and prosecutors represented a big leap towards instituting reforms in the judiciary. On this point, we particularly welcome the statement made by the Minister of Security of Bosnia and Herzegovina that the most important pillar of every democracy is an independent judiciary.

The establishment of a fully fledged State-level police agency to combat organized and international crime, corruption and terrorism, and of a Police Restructuring Commission is also important. The holding of the first municipal elections last October is another accomplishment in the context of instituting political reforms.

We are pleased to note that there has been progress in the economic reform agenda of Bosnia and Herzegovina. The successful rebalancing of the Government's budgets and the significant advancement made in the implementation of a single set of tax rules throughout the country are decisive steps towards moving economic reform forward. The establishment of a single economic space and the creation of a level playing field for all businesses is evidence of the commitment of Bosnia and Herzegovina to pursue a sound fiscal foundation to secure stable funding for its requirements. We hope that the steps taken by Bosnia and Herzegovina to reform its economy will address the expected financial deficits reported by Lord Ashdown this morning.

My delegation also welcomes the progress made in the process of the return of refugees and displaced persons. The recent signing of the memorandum of understanding between the United Nations High Commissioner for Refugees and the Council of Europe Development Bank to bring more development funding to help refugees and displaced people of concern to resettle on their land is another major realization in the process of bringing normalcy to the country.

It is therefore unfortunate that those positive accomplishments are being clouded by the inability of Bosnia and Herzegovina to overcome the remaining obstacle to its Euro-Atlantic integration, namely, its lack of cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). Despite the remarkable progress it has made on the defence reform front, that hampers its application to join NATO's Partnership for Peace. The authorities of Bosnia and Herzegovina should remain seriously committed to bringing to justice those who committed war crimes, as well as to continuing efforts to investigate and prosecute other war crimes, so that the country can emerge from this bloody chapter in its history.

While recent steps taken by Republika Srpska to turn in indictees and the recent transfer of five major Hague indictees do not yet constitute full cooperation, we hope that the steps taken by Bosnia and Herzegovina, along with the establishment of the War Crimes Chamber within its State Court, are positive steps that will eventually lead to Bosnia and Herzegovina's full cooperation with the ICTY.

Much has been achieved in rebuilding Bosnia and Herzegovina since it emerged from the devastation of war. We are hopeful that, in the next report of the High Representative, next August, there will be positive developments related to cooperation with the ICTY on the part of the authorities of Bosnia and Herzegovina.

Mr. Motoc (Romania): I will keep my comments short, since we fully associate ourselves with the statement that Ambassador Hoscheit of Luxembourg will make shortly on behalf of the European Union.

First, I would once again like to congratulate the High Representative for his inspiring and thorough work in Bosnia and Herzegovina. As usual, his report is upbeat about the country's progress, especially in core areas such as defence and economic reform. Lord Ashdown's results there and the course that he is charting are exemplary in proving one of Romania's cherished and long-standing beliefs, namely, that the prospects for European and Euro-Atlantic integration are fundamental to the re-launching and durability of the recovery in the Western Balkans.

At the same time, those results could not have been achieved without the commitment of the authorities in Bosnia and Herzegovina. I welcome the participation of Mr. Barisa Colak, Deputy Chairman of the Council of Ministers of Bosnia and Herzegovina, at today's meeting, as well as the statement he has made.

Romania hopes that Bosnia and Herzegovina will make progress this year in its top goals, namely, joining NATO's Partnership for Peace and launching negotiations with the European Union on a stabilization and association agreement. Cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) remains the essential precondition to Bosnia and Herzegovina's progress down the path towards European and Euro-Atlantic integration. We therefore join others in calling upon the authorities in Bosnia and Herzegovina, and especially those of Republika Srpska, to cooperate fully with the ICTY. All the international organizations that that country aspires to join are very firm and unequivocal in their position that there will be no compromises on that issue. We take note of the reasons for cautious optimism in that regard that have been reported today by Lord Ashdown, and we encourage the authorities in Bosnia and Herzegovina to continue along that path and deliver on their cooperation with the ICTY.

Finally, we are pleased with the smooth and seamless transition to the European Union-led peacekeeping force, to which Romania contributes troops and military aircraft. We welcome in particular the fact that the European Force (EUFOR) has an explicit mandate to provide support in the fight against organized crime, which is an important aspect in stabilizing the region. Moreover, EUFOR's assistance to the efforts of the European Union's Police Mission in that regard is of particular relevance and value.

Sir Emyr Jones Parry (United Kingdom): I would like to associate myself with the remarks soon to be made by the Permanent Representative of Luxembourg on behalf of the European Union. I would also like to join other colleagues in thanking Lord Ashdown for his report and the welcome account of the progress being made in Bosnia and Herzegovina, as well as for the drive and determination he has shown in his role as the High Representative.

If the Council will forgive me, I would like to express a lateral thought that owes little to Bosnia and Herzegovina. We have before us, following the recommendation made by the Secretary-General on Monday, a proposal for a peacebuilding commission. Part of the debate on that commission involves the question of whether it is going to be an advisory body or a decision-making body. If it is to be the former, how would one actually get out of it a coherent indication of policy and the implementation of policy?

I would like to suggest that we have a model before us this morning, and that is what the High Representative has done in Bosnia, because what he has succeeded in doing is to weld together various international organizations. He has produced a coherent implementation of policy — even though that policy is being carried out by different actors — and involved a very large number of Governments in cooperation. I think that, as an exemplar for us, it is a very good one.

The European Union and NATO have been a motor for peaceful economic and democratic development across the European continent. I agree very much with Lord Ashdown that, actually, they will be the real drivers for change, for progress in Bosnia and Herzegovina — so that, as soon as we can, we are able to move into a stability and association process with the European Union and a partnership for peace with NATO. That will be the watershed, and that, I think, will lead to an acceleration of the progress we are now seeing. Those two organizations, in the manner they have carried out the transition from the Stabilization Force (SFOR) to the European Force (EUFOR), are actually demonstrating how they are working together for the benefit of Bosnia and Herzegovina. That progress is very welcome.

I was glad to hear the largely positive briefing by Minister Colak. However, I must say that his comments on the role of the judiciary struck me as being a little bit surprising, especially those pertaining to the role of international judges, who I had thought were present in Bosnia and Herzegovina in their existing roles at the request of the authorities of Bosnia and Herzegovina.

But I would strongly agree with two statements made by the Minister in relation to the judiciary. He said something that I very much endorse, taking those statements directly from his comments: "The most important pillar of every democracy is an independent judiciary". I agree with that totally, so I take his remarks as indicating full support for their independence. Secondly, the Minister stated that all provisions of the European Charter on Human Rights should apply. I very much agree with that too. I think both of those statements are a better basis for moving forward than reliance, in the Minister's words once again, on "the usual practices" of Bosnia and Herzegovina, because "usual practices" in the Balkans carries with it a connotation that I, frankly, would rather not indulge in.

There is, however, an impediment to progress: full cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) is still not in place. We have heard encouraging accounts of recent transfers — and, indeed, of decisions taken in Republika Srpska for the first time. Those are very, very welcome. They reflect the pressure of the international community, as well as the self-interest of Bosnia and Herzegovina and its neighbours, to actually see progress. The Security Council has, on a number of occasions, made quite clear the obligation incumbent upon all Member States to do everything they can to bring fugitive indictees to trial in The Hague. That remains our position, and it must do. But a blot — a stain on all our consciences — is the continued freedom of Karadzic, Mladic and Gotovina. Bringing those indictees to face the Tribunal now is an essential

element of justice and reconciliation within Bosnia and Herzegovina, and it is a precondition for Euro-Atlantic integration.

Can I put it bluntly, Mr. President? Those who offer support, those who finance and shelter Mladic and Karadzic, be they criminals, be they agents of governments or any other institutions in the region, they are not patriots. They are a reminder of everything that has disfigured the region in the last 15 years. They represent nationalist hatred and criminal networks. They are the biggest obstacle to the success of those countries. They are, in my view, criminals by association, at least. They reject the principle of international justice, and thus they deny on a daily basis their compatriots the prospect of international progress. That is what is happening as a result of all this shelter. That is why the apprehension of those indictees in particular is vital if Bosnia and Herzegovina is to take its rightful place in the international community, which is what we all very much wish.

Mr. Kitaoka (Japan): I thank you, Mr. President, for convening this public meeting concerning the situation in Bosnia and Herzegovina. I also wish to offer my thanks to the High Representative for Bosnia and Herzegovina, Lord Paddy Ashdown, for his comprehensive briefing.

Almost 10 years have passed since the signing of the Dayton Agreement, and the tasks called for in the peace process have been steadily fulfilled in Bosnia and Herzegovina during this period. My Government commends the vigorous reform efforts made by the Government of Bosnia and Herzegovina in order to consolidate itself as a stable, multi-ethnic State integrated into Europe. Among the achievements, we particularly appreciate the economic reform policy measures, as exemplified by the completion of the legislation concerning the value-added tax and the establishment of the Ministry of Defence and of the Intelligence and Security Agency at the State level. We are particularly appreciative of the efforts made by the High Representative for Bosnia and Herzegovina and his staff.

Nevertheless, there is still much to be done in Bosnia and Herzegovina. It is necessary to resolve the remaining problems so that Bosnia and Herzegovina will be able to stand on its own feet. For that purpose, we expect the political leaders of Bosnia and Herzegovina, with the cooperation of the international community, to take the initiative to make further progress on the most urgent tasks, such as the consolidation of the rule of law, the further reform of the economy — which must include improving the investment environment — and the strengthening of State institutions.

The Government of Japan is of the view that resolution of the issue of war criminals is essential for true implementation of peace in the former Yugoslavia. We are approaching the tenth anniversary of the atrocities that took place in Srebrenica. We continue to call upon the relevant authorities in Bosnia and Herzegovina to fully cooperate with the International Criminal Tribunal for the Former Yugoslavia and to extradite every person indicted for war crimes to the Tribunal.

At the same time, we wish to underscore the importance of the War Crimes Chamber, which was established to prosecute war crimes inside Bosnia and Herzegovina and which is expected to be effective in fostering reconciliation in Bosnia and Herzegovina through its rapid prosecution process. Japan has contributed to that important project by providing staff training and equipment for the Chamber through the United Nations Development Programme.

My Government is pleased to hear that the handover from the Stabilization Force to the European Union-led peacekeeping force (EUFOR) was accomplished smoothly. We would especially like to commend EUFOR's proactive initiative in dealing with organized crime, and we look forward to a continuation of those efforts.

As a member of the Steering Board of the Peace Implementation Council, Japan has been actively contributing to the peace implementation process in Bosnia and Herzegovina. We have pledged \$500 million to support rehabilitation and reconstruction in Bosnia and Herzegovina and have been steadily implementing that assistance. Last April, in Tokyo, Japan co-chaired with the European Union presidency the Ministerial Conference on Peace Consolidation and Economic Development of the Western Balkans. At the conference, we expressed our view that in order to ensure that the stabilization and the development of that region is irreversible, there should be regional efforts focusing on the three key elements: consolidation of peace, economic development and regional cooperation. We are providing support in line with that view, dispatching advisers to help stimulate investment and co-hosting workshops on the promotion of tourism in the Western Balkans, among other measures.

Japan, in cooperation with the rest of the international community, intends to adhere to its commitment to achieving stability and prosperity in that region through activities including the follow-up to the Tokyo ministerial conference. In his meeting this month with Mr. Adnan Terzic, Chairman of the Council of Ministers, our Prime Minister, Mr. Junichiro Koizumi, reaffirmed Japan's intention to continue its support for Bosnia and Herzegovina's efforts. It is our firm belief that stabilization of the situation in Bosnia and Herzegovina is essential for the stability of all South-Eastern Europe.

Mr. Denisov (Russian Federation) (*spoke in Russian*): Allow me first of all to express our gratitude to the High Representative for Bosnia and Herzegovina, Lord Ashdown, for the report and the substantive briefing he gave the Security Council. I would also like to welcome my neighbour here, the Deputy Chairman of the Council of Ministers of Bosnia and Herzegovina, Mr. Barisa Colak.

We pay due tribute to the work done by the High Representative in the three years since he assumed his duties. He has just reaffirmed that he will carry out the mission entrusted to him by the Security Council until the end of this year. During that period of time — and we fully agree with him about this — a great deal of work still lies ahead in order to move forward on the path of Bosnia and Herzegovina's transition from the Dayton era to the Brussels era. That was addressed by the High Representative himself and by Mr. Colak.

We believe that the Dayton Agreement remains the cornerstone of the peace process in Bosnia and Herzegovina. The overarching objectives that inform the very philosophy of Dayton are just as relevant today as they were in the past. Those objectives are, above all, the strengthening of a climate of trust and constructive cooperation among the peoples of Bosnia and achieving consensus among all Bosnian parties in building a stable State of Bosnia and Herzegovina.

We note with satisfaction the progress in strengthening Bosnian institutions, which was referred to by Lord Ashdown in his report. In that regard, we consider it to be of fundamental importance that the High Representative continue to act in a spirit of partnership with the Bosnian authorities and focus on their adopting consensus decisions in an independent manner.

At the same time, we are firmly convinced that, along with changes in managing State affairs and military and police reorganization, there is a need to give greater attention to ensuring genuine equality among peoples throughout the territory of the country. In that context, there is a need to continue to focus on the issues of local self-government and the return of refugees and internally displaced persons. The data cited by Mr. Colak in his statement give rise to a certain optimism, although it was also stressed that a great deal of work remains in those areas.

On the eve of the tenth anniversary of the Peace Agreement, the issue of handing over to the Bosnian authorities responsibility for the situation in the country and encouraging them to adopt decisions on the basis of consensus — which was already mentioned — remains extremely relevant. In these circumstances, we believe that the array of sanctions implemented by the High Representative should to the greatest degree be used as an extreme measure. Maximum use should be made of political and diplomatic mechanisms in working with the Bosnian parties, including in their cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY).

Here, I should like to stress once again that Russia, as a permanent member of the Security Council, a guarantor of the Peace Agreement on Bosnia and Herzegovina and a member of the Steering Board of the Peace Implementation Council, has a clear and unequivocal position: all individuals responsible for perpetrating war crimes in Bosnia and Herzegovina must be brought to justice. Our country will continue to cooperate with the ICTY in the verifications and investigations carried out at its request under the relevant Security Council resolutions and the statute of the Tribunal.

We note with satisfaction that the States of the Balkan region are participating ever more actively in the resolution of their common problems. We welcome the meeting that took place in Sarajevo in January among representatives of Bosnia and Herzegovina, Serbia and Montenegro and Croatia and the resulting declaration on the return of refugees and the restoration of property rights. What is most important now is to ensure that the agreements reached in Sarajevo are carried out in practice. Here, the international presences must also play a positive and encouraging role.

Finally, there is a separate question: the issue of maintaining security. When we speak of the need for a carefully balanced configuration of international efforts concerning the arrangements for Bosnia and Herzegovina, we are speaking first and foremost about the link among the various hotbeds of tension in the Balkans. We believe that the further success of the processes under way in Bosnia and Herzegovina will depend in large part on the developments in the situation throughout the Balkan region.

Mr. Duclos (France) (*spoke in French*): Permit me at the outset to join others in thanking Lord Ashdown and in welcoming the presence of Mr. Colak, Minister of Security of Bosnia and Herzegovina. We listened very attentively and with great interest to their statements.

I associate myself with the statement to be made by the Permanent Representative of Luxembourg on behalf of the European Union presidency. I would like to perhaps supplement his remarks with three brief comments.

First, I believe that we have reasons to be pleased about the remarkable progress made in Bosnia and Herzegovina. I would cite in particular the economic reforms carried out with the support of the European Union, particularly the establishment of the valueadded tax; the judicial system, including the court charged with prosecuting war crimes; and the reform of the defence sector.

In that regard, I should like once again to express our thanks to Lord Ashdown for his activities on the Council's behalf in the country and to reaffirm to him France's support. We support his objective of moving from the era of Dayton to the era of Brussels — that is, to the full normalization of the country. The High Representative, who is also the Special Representative of the European Union, resolutely supports the Bosnian authorities in the gradual establishment of a structured and ultimately functional central State. The progress made in that area strengthens the chances for Bosnia and Herzegovina to begin to negotiate a stabilization and association agreement with the European Union. We can only encourage such a development. Secondly, I would like to reaffirm once again that we fully support the cooperation of all of the country's authorities with the International Criminal Tribunal for the Former Yugoslavia (ICTY). We note — and we are pleased — that concrete results are beginning to materialize. Here too, Lord Ashdown's activities and the pressure exerted by the international community are decisive. Positive developments are under way; they must continue.

Thirdly, we hope that the sense of responsibility on the part of Bosnia and Herzegovina's leaders will continue to increase. International action must serve as a supplement to — and less and less as a replacement for — decisions that fall to local officials. A relationship is beginning to be established between the local leaders and European forums. We are confident that that relationship will make it possible to strengthen the sense of responsibility of Bosnia and Herzegovina's leaders.

Mr. Baali (Algeria) (*spoke in French*): I, too, should like to thank Mr. Colak, Minister of Security of Bosnia and Herzegovina, for his statement. I should also like to thank the High Representative, Lord Paddy Ashdown, for his report and for his efforts to follow up the implementation of the Peace Agreement on Bosnia and Herzegovina.

It is indisputable that Bosnia and Herzegovina which has been carrying out its task of stabilization and normalization for more than a decade, thanks to the mobilization of the international community — will soon see the end of one of the saddest chapters in the history of the Balkan region. The report that we have just heard attests to the notable progress made in strengthening the institutional and administrative framework and in promoting the rule of law and economic reforms.

The profound changes that the Bosnia and Herzegovina authorities have brought about in various areas of public life undoubtedly represent significant progress in the building of a stable and peaceful State and bring Bosnia and Herzegovina closer to the standards set for the commencement of negotiations with the European Union to conclude a stabilization and association agreement and to participate in the Partnership for Peace programme of the Atlantic Alliance. In that regard, we believe that the strengthening of the legal framework by creating new competent bodies and the improvements in the functioning and effectiveness of the judicial system are positive results that help strengthen the rule of law and the fight against the threats of lawbreaking, organized crime and terrorism.

Moreover, my delegation welcomes the appreciable progress made in the process of reunifying the city of Mostar, which symbolizes in many respects the values of tolerance and peaceful coexistence, which must be firmly established in the region.

We also welcome the success of the Bosnia and Herzegovina authorities in the implementation of annex 7 of the Peace Agreement and, in that regard, the return of 1 million refugees and displaced persons. However, that significant progress cannot hide insufficiencies with regard to cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and the arrest of those indicted for war crimes. In our view, placing the perpetrators of war crimes before the Tribunal will help promote reconciliation and understanding among all citizens of Bosnia and Herzegovina and the creation of a tolerant and multi-ethnic society.

Finally, I would not like to end my statement without paying tribute to the work done by the Stabilization Force in Bosnia and Herzegovina, whose mission ended last December, and welcoming its replacement by the European Union peacekeeping mission.

Mr. Holliday (United States of America): I would like to thank Lord Ashdown and Minister Colak for their briefings to the Council.

We welcome the many positive developments that have occurred in Bosnia and Herzegovina. The creation of the War Crimes Chamber is a significant step forward in strengthening the rule of law. The return of the one-millionth refugee and the near completion of the implementation of property law mark important milestones in the implementation of the Dayton Peace Accords. Progress towards implementing a single indirect tax administration and value added tax throughout the country will have significant economic benefits. Additional progress in defence reform has brought membership in NATO's Partnership for Peace closer. Importantly, in all of those areas, the State and entity governments are taking on greater responsibility and ownership, allowing the international community to scale back its involvement.

In the 10 years since the end of the war, the people of Bosnia and Herzegovina have accomplished a great deal — more than most would have dared to predict in 1995. Few would have imagined 10 years ago, however, that so many years after the war, the obligations to the International Criminal Tribunal for the Former Yugoslavia (ICTY) would still be unmet.

The first steps towards cooperation by the authorities in Republika Srpska are welcome. The voluntary surrender of indictees from Republika Srpska marks the first time authorities there have cooperated in bringing to justice an ICTY indictee. Much more, however, is required. As called for in numerous Security Council resolutions, all persons indicted by the ICTY must be arrested and surrendered to the court in The Hague, particularly Radovan Karadzic, Ratko Mladic and Ante Gotovina.

Close to 10 years after the end of the war, it is time to resolve that issue and put the past to rest. Former United States Secretary of State John Foster Dulles once said, "The measure of success is not whether you have a tough problem to deal with, but whether it is the same problem you had last year". Bosnia and Herzegovina has faced this problem year after year. It is not a problem that will go away, but one that will exact a higher and higher cost the longer it remains unaddressed.

We commend the High Representative for his actions to identify and penalize individuals and organizations supporting war criminals. The political leaders of Republika Srpska are obliged to take action to arrest persons indicted for war crimes, as are all leaders in the region. It should not fall to the High Representative to compel action, but in the absence of sufficient action by Republika Srpska's leaders, and in the light of the damage their inaction causes ordinary citizens, he is left with little choice.

Hard work and difficult decisions have brought Bosnia and Herzegovina close to realizing its twin goals of membership in the NATO Partnership for Peace and membership in the European Union. Only by meeting the ICTY obligations, however, including the apprehension of Radovan Karadzic and other fugitives, can those goals be realized. We welcome the steps taken by the leaders of Republika Srpska towards meeting ICTY obligations and encourage them to finish the job. I would also like to commend NATO and the European Union for the successful handover from NATO's Stabilization Force (SFOR) to the European Union-led peacekeeping force (EUFOR) in December of last year. That successful transfer and the efficient current operations of EUFOR and the new NATO headquarters in Sarajevo are commendable.

Finally, in June 2004 the Security Council issued a presidential statement (S/PRST/2004/22) calling on all authorities in Bosnia and Herzegovina to ensure that the police certification decisions made by the United Nations International Police Task Force during its mandate in Bosnia and Herzegovina are fully and effectively implemented. So far that action has not been taken. We call on the relevant authorities to complete that task and expect them to do so.

Mr. Vassilakis (Greece): We too thank the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, Lord Ashdown, for the report transmitted through the Secretary-General (S/2005/156, annex, enclosure) and for his briefing this morning. My delegation also welcomes the presence among us of Mr. Barisa Colak, Deputy Chairman of the Council of Ministers of Bosnia and Herzegovina.

Greece associates itself with the statement which will soon be delivered by the representative of Luxembourg on behalf of the European Union.

The tenth anniversary of the end of the war is close. Bosnia and Herzegovina now faces a different time; a Euro-Atlantic future will reward the efforts of recent years. The launch of Operation Althea and its successful conduct so far epitomize this new era.

Greece welcomes the continuous progress of Bosnia and Herzegovina on the path of reform. The importance of the achievements made to date should not be underestimated or taken for granted. A new State is being created — from the beginning in certain areas. The country has come close to reaching its goals. It is imperative to tackle the areas where more progress and effort are required.

Full compliance and cooperation with the International Criminal Tribunal for a Former Yugoslavia (ICTY) is a precondition for a European future. The recent surrenders of accused individuals are an encouraging sign that we cannot fail to welcome. This trend should continue. Progress in the establishment and operationalization of the War Crimes Chamber is another welcome sign of political maturity. It strengthens the capacity of the Bosnia and Herzegovina authorities to uphold the rule of law.

The news from the point of view of economic reform is very positive. Progress towards the creation of a single economic area is well under way, and the impact on the everyday lives of the people of Bosnia and Herzegovina cannot be emphasized enough.

Security sector reform and police restructuring remain key factors, essential missing elements in the overall picture of progress. The adoption of new laws on police officials, on a new immigration service and on the State Border Service, and the other reported progress at the structural level, are welcome developments. Nevertheless, implementation will be the criterion upon which judgement will be passed and on the basis of which results will be measured.

The return home of the one-millionth refugee deserves to be seen as a turning point in the return process since the Dayton-Paris Peace Accords. The signature of a landmark memorandum of understanding between the Office of the United Nations High Commissioner for Refugees (UNHCR) and the Council of Europe Development Bank for the permanent housing of displaced persons is also a very welcome development.

Today, we have heard an encouraging assessment. Bosnia and Herzegovina is on the right track, and is very close to reaching the end of the journey. We encourage the authorities and the people of Bosnia and Herzegovina to find the strength and the will to complete this last mile.

Mr. Mayoral (Argentina) (spoke in Spanish): Like previous speakers, I am pleased to congratulate the Minister of Security of Bosnia and Herzegovina, Mr. Barisa Colak, for his statement and to thank Lord Paddy Ashdown, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for his comprehensive report on the situation in that country (S/2005/156, annex. enclosure), submitted in accordance with the provisions of the Peace Agreement and the Conclusions of the London Peace Implementation Conference.

We would like to stress the significant progress that has been made to ensure that Bosnia and Herzegovina can become a viable and peaceful State, moving towards Euro-Atlantic integration. As the report makes clear, the authorities have made progress towards fulfilling the legislative requirements for membership in NATO's Partnership for Peace and have begun to make significant structural changes in areas such as crime prevention, the judiciary and customs and taxation, as well as in the development of a single economic space and in the energy market.

In this context, we welcome the repatriation of the first 1 million refugees, which represents a milestone since the signing of the Dayton and Paris Agreements. We also believe that the unification of the city of Mostar with the rebuilding of the Old Bridge which restored to the city its pre-war characteristics represents a very significant step.

We would also like to recall that, during the most recent meeting of the Council on this issue, the High Representative stressed his concern about the unfavourable economic situation and the possibility that it could deteriorate — which did not, in fact, occur; that would have had negative implications for the stability of the country. That is why we would like to stress the significant progress that has been made in implementing the various aspects of the economic reform programme presented to the Peace Implementation Council, in particular with regard to, inter alia, the implementation of a single set of tax rules for the whole country, the rebalancing of Government budgets and measures to create equality among all companies.

Those actions, almost 10 years after the beginning of the implementation process of the Dayton and Paris Agreements, clearly demonstrate that progress has been made in that area, and we feel that Operation Althea marks the beginning of a new phase in the recovery of the country. As the report states, this marks the transition from the Dayton era to the Brussels era.

Despite that progress, however — including that made in the area of defence, with the armed forces now under the control of the State and with virtually all of the parameters set out by NATO having been fulfilled — NATO denied Bosnia and Herzegovina admission to the Partnership for Peace because of the lack of full corporation with the International Criminal Tribunal for the Former Yugoslavia (ICTY).

Argentina encourages full compliance with the Dayton Agreements and the effective implementation of related commitments. In this context, we consider it absolutely essential to highlight the need for cooperation with the ICTY as one of the ways to secure justice and the rule of law in societies that, like Bosnia and Herzegovina, have gone through conflict situations. Convinced that justice is an essential prerequisite for stability and peace, we urge the authorities — particularly those of Serbia and Montenegro, as well as those of Republika Srpska and all States, pursuant to Chapter VII of the Charter of the United Nations — to support the work of the Tribunal so that those who have not yet been brought to justice can appear before it.

We firmly believe that only by working together against impunity in the face of serious violations of human rights and international humanitarian law will we be able to promote the development of legal institutions and the reconciliation that are so necessary if a just and sustainable society is to be achieved.

The President: I shall now make a statement in my capacity as the representative of Brazil.

I join previous speakers in thanking the High Representative, Lord Ashdown, for his useful update on the situation in Bosnia and Herzegovina. I also welcome Minister Barisa Colak.

There is much that is positive in Bosnia and Herzegovina. The authorities have been showing increased commitment to progress. Structural, administrative and legislative reforms are continuing. The NATO benchmarks have, for the most part, been reached, and the launching of negotiations with the European Union (EU) is in sight. The ownership of the process is gradually being transferred to the Bosnian authorities, which testifies to the success of the efforts of the international community. The city of Mostar, ravaged by inter-ethnic strife not long ago, now offers an example of integration between different communities that are gradually learning to live together. The High Representative and his Office have also given able guidance to the process of reform.

Cooperation with the International Tribunal for the Former Yugoslavia, however, remains a thorny issue, despite the positive signs given by the handing in of some indictees. Bosnia and Herzegovina and, in particular, the authorities of Republika Srpska, must be encouraged to further improve their cooperation with the Tribunal. Failure to do so is preventing the country from achieving important national goals, such as acceptance in NATO's Partnership for Peace and the opening of negotiations on a stabilization and association agreement with the European Union.

Rebalancing Government budgets, enacting legislation on taxes and public procurement and other key initiatives have pushed forward much-needed economic reform. Progress can be noted on the path leading to a market economy that will help attract foreign investment. The transition between the Stabilization Force and the European Force occurred smoothly in December, marking the start of the transition between the Dayton era and the Brussels era. The fact that the EU is already considering reductions in the size of the force after June points, in our view, to the good level of stability already reached.

We are pleased to note that, according to the United Nations High Commissioner for Refugees, the situation regarding returns has improved dramatically, and the sustained return momentum continues. It is encouraging that the Governments of Bosnia and Herzegovina, of Croatia and of Serbia and Montenegro intend to combine their individual action plans to resolve the refugee issue by the end of 2006. In this context, we renew our call to Republika Srpska to do more to harmonize its legislation with State law on that subject.

The international engagement is consistently bearing fruit in Bosnia and Herzegovina. The remaining steps, although in some cases difficult, must be taken in accordance with the commitment to achieve a peaceful and fully multi-ethnic country on its way to economic prosperity and in harmony with its neighbours.

I now resume my functions as President of the Council.

The next speaker is the representative of Luxembourg. I invite him to take a seat at the Council table and to make his statement.

Mr. Hoscheit (Luxembourg) (*spoke in French*): I have the honour to speak on behalf of the European Union. The acceding countries Bulgaria and Romania, the candidate countries Turkey and Croatia, and the

European Free Trade Association country Norway, member of the European Economic Area, align themselves with this statement.

As we approach the tenth anniversary of the end of the war and the start of implementation of the Dayton General Framework Agreement, Bosnia and Herzegovina can be proud of its achievements, as outlined in the High Representative's report.

Since the Council last considered the situation in Bosnia and Herzegovina, in November 2004, the European Union's European Force (EUFOR), Operation Althea, has taken over from the Stabilization Force (SFOR), in what has been recognized by the international community as a seamless transition. The Force currently comprises some 6,500 troops from 22 European Union member States and 11 third countries. This new European Union military operation reinforces the Union's comprehensive approach with respect to Bosnia and Herzegovina and supports that country's progress towards European Union integration by its own efforts, within the stabilization and association process.

In synergy with other European Union actors on the ground, EUFOR is contributing to the Union's overall engagement in Bosnia and Herzegovina by supporting its assistance programmes and its ongoing police and monitoring missions. In a first high-profile operation, EUFOR supported local authorities in inspecting all underground military facilities throughout Bosnia and Herzegovina, including some suspected to be used by fugitives indicted for war crimes, sealing those not required for official civilian or military use. EUFOR is assisting efforts by the European Union Police Mission and the Customs and Financial Assistance Office in the fight against organized crime. Weapons collection activities have also been particularly successful and have yielded large quantities of arms and ammunition. In the coming months, EUFOR will continue to assist local authorities in improving their abilities and capacities in these areas.

The European Union welcomes the High Representative's twenty-seventh report (S/2005/156, annex, enclosure) issued pursuant to Security Council resolution 1031 (1995) and recognizes the good progress already made on the 16 reform priorities identified in the European Commission feasibility study, especially with regard to the legislative requirements. Implementation and enforcement of the adopted legislation is an important next step. Despite these encouraging developments, the European Commission is not yet in a position to declare that significant progress has been made across the 16 priority areas; some significant hurdles remain to be overcome in order for Bosnia and Herzegovina to advance towards the next stage of its relationship with the European Union.

Today, I would like to highlight two areas more specifically: cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and the restructuring of the police forces. Full cooperation with the ICTY, in particular by Republika Srpska, continues to be an essential requirement for Bosnia and Herzegovina's progress towards the European Union, to which the Union remains committed. The European Union welcomes the recent increase in the number of voluntary surrenders and transfers of indictees from Bosnia and Herzegovina to the Hague Tribunal. Continuation of this trend should lead to all indictees who continue to evade international justice being brought before the Tribunal. The European Union notes with interest the launching on 15 March of a public campaign in Republika Srpska highlighting the advantages of intensified cooperation with the ICTY.

Another area in which significant progress by Bosnia and Herzegovina will be essential for further movement towards the European Union is the restructuring of the police forces. The European Union welcomes the recent work of the Police Restructuring Commission, in which the European Union Police Mission was fully engaged, and encourages the Bosnia and Herzegovina authorities to take advantage of the conclusions of the Commission's report and those of the High Representative concerning State competencies and territorial structures for Bosnia and Herzegovina's new police service. A modern, effective, financially stable and well equipped police force is an essential element in the fight against organized crime. To assist the country in reaching this goal, the European Union Police Mission has provided advice in the introduction of new border control legislation underpinning the new State Investigation and Protection Agency. At the local level, the European Union Police Mission is assisting in capacity-building to help local police achieve financial viability.

As a potential candidate, Bosnia and Herzegovina enjoys a special relationship with the European Union. We have stood steadfastly by the side of the people of Bosnia and Herzegovina throughout the past 10 years by providing significant financial, military and human resources. Today, the European Union is engaged more than ever in a large-scale endeavour to enable the people and the authorities of Bosnia and Herzegovina to take their future into their own hands and to occupy their rightful place in Europe by their own efforts.

The President: I shall now give the floor to Lord Ashdown to respond to comments made during today's meeting.

Lord Ashdown: I am conscious of the time and of the fact that the Council has extremely important consultations yet to take place, so I will keep my responses, in most cases, rather brief.

First of all, I would like to comment on Minister Colak's point about refugee return. Refugee return is now an issue that is out of the hands of the international community and that has been entirely handed over to the Bosnia and Herzegovina authorities. Of course, that return process has not yet been completed, but it is a miracle that a million people have returned home in Bosnia and Herzegovina. There are more yet to return; I concede that case. Minister Colak mentions the 10,000 Croats who have not yet returned to Banja Luka. How many of them wish to do so? They may well now be settled in other countries. Of course, this is a matter of conjecture, but the Council would not, I think, have a clear picture if they did not also recognize that there are, some argue, 25,000 Serbs in Banja Luka, driven out of Croatia by Operation Storm, who have not yet been able to return to their homes in Croatia. We have to look at this not just from one side, and we have to recognize that this is a regional problem. Of all the regional countries, Bosnia and Herzegovina has achieved more than any other of the countries of the Balkans region in refugee return.

I am very grateful for the support that has been expressed by other participants. Perhaps I may make just one or two very brief comments, and then I will have to touch on a rather more serious matter. I regret that I may perhaps have to end on a rather sour note.

First of all, the representative of Denmark mentioned the Bonn powers and the necessity to consider their further use or the further erosion of their use in a measured way. I absolutely agree with that. I would want to draw the Council's attention to the fact that when the stabilization and association agreement is in place, about 90 per cent of the territory across which the High Representative uses the Bonn powers will be *interdit*. We will not be able to use the Bonn powers across this territory, because it is a territory in which Bosnia and Herzegovina must negotiate with the European Union (EU) as a sovereign State. So, in any case, the Bonn powers are going to be very significantly reduced once that threshold is passed.

The representative of the Russian Federation called for a decline in the use of the Bonn powers. I agree with that. It has declined, and I anticipate that it will continue to decline. Here are some figures and terms of the use of the Bonn powers for the imposition of laws. In my first year I used the Bonn powers some 70 times, including 36 occasions left behind by my predecessor. In my second year, I used them less than 30 times; last year, twice; and this year, so far, once. I hope to be able to get to the end of the year without using the Bonn powers any further for the imposition of laws. This has to continue to decline in that fashion.

At this point, may I pay special tribute to Japan for the unwavering support that it has given; it is arguably the nation that is most closely engaged but that has least territorial or geographical interest in the Balkans, and yet its support over these nine years has been unwavering and immensely helpful. The representative of Japan was right to identify the need for economic reform, a factor also touched on by other speakers. This has to be driven forward; we are moving out of the era of aid for Bosnia and Herzegovina and into the era of attracting international investment. That means continuing the process of economic reform.

I am grateful to the representative of France for his comments about the fact that pressure on the ICTY issues has delivered dividends. My view is that we should now be prepared to modify that, in the light of the kind of successes I touched on earlier. But it seems to me that keeping in reserve the option of sanctions until this process is completed is an important part of Bosnia and Herzegovina's and the international community's strategy for the future.

In this case, let me agree wholeheartedly with the representative of the United States. We are involved in a process now. That process may have begun, but it will not be over until Karadzic and Mladic are in The Hague. It is extremely important that Republika Srpska and Serbia and Montenegro realize that we are not going to be bought off by any lesser price than the completion of that task, which includes ensuring that the most senior war criminals — above all, Karadzic and Mladic — are where they should be — answering for their crimes at The Hague Tribunal.

Oh dear — I fear I must end on a rather sour note. I am sad to do so, because the comments made in the Council Chamber have been extremely encouraging for Bosnia and Herzegovina, and I think Bosnia and Herzegovina has made real, indeed remarkable progress. In that respect, I think the real heroes are not the international community but the ordinary citizens of Bosnia and Herzegovina, and I am grateful indeed that that has been recognized.

But, like the representative of Great Britain, I have to express my surprise at the comments made by Minister Colak on the issue of the judges. Those comments cannot but undermine trust in the independence of the judiciary in Bosnia and Herzegovina. There is a basic principle established in the European Union and in most democracies that politicians do not interfere in the judiciary. When a Minister of Security does that, I think that is rather a serious matter.

We have an independent body in Bosnia and Herzegovina — the High Judicial and Prosecutorial Council — independent of politicians, independent of the High Representative. That is the body that governs the actions of the Courts, and, if there are criticisms to be made, then that is the body that makes those criticisms. It is a domestic institution, it is a standalone institution, and it pains me indeed to have to report to the Council that Mr. Colak has brought his criticisms of the Court here without first of all even taking the trouble to identify those criticisms to the High Judicial and Prosecutorial Council of Bosnia and Herzegovina.

Secondly, as the representative of the United Kingdom has clearly pointed out, Minister Colak believed it right to criticize the number and actions of the international judges in Bosnia and Herzegovina. International judges are not in Bosnia and Herzegovina assisting the work of Bosnia and Herzegovina's courts at our request; they are there at the request of the authorities of Bosnia and Herzegovina — indeed, if I may say so, at the specific request of the Government of which Minister Colak is a part.

But lastly — and it pains me even more to have to identify this — at the same time as Minister Colak is criticizing that Court, his own friend and member of the party of which he is President — the Croat elected President of the Presidency of Bosnia and Herzegovina — is now indicted before that Court for charges of high-level corruption, of bribery and of organized crime. Now I leave it to members of the Council to make their own decision as to whether or not it is appropriate to bring that matter to the Council under these circumstances.

What I know for certain is that those comments will have a major place in tomorrow's press in Bosnia and Herzegovina. I am bound to say that to make comments in these circumstances in the Council with a direct connection with someone who is now being indicted by that Court — criticizing the Court's actions is not a wise action for a Minister of Security. It will damage Bosnia and Herzegovina's international reputation as being attached to the principle that politicians do not interfere in the actions of the courts and will be unhelpful to the independence of the judiciary, which Minister Colak himself has identified as a basic principle to be observed.

I am sorry indeed to have to end this very optimistic report on such a difficult note, but I felt it was important that the Council should understand some of the facts behind that particular intervention.

The President: I thank Lord Ashdown for his comments.

I give the floor to the Minister of Security of Bosnia and Herzegovina, who has asked to make a further statement.

Mr. Colak (spoke in Bosnian; interpretation provided by the delegation): I will be very brief. I should like to thank all those speakers who expressed their support and their belief, based on the report of the High Representative and on my report, that Bosnia and Herzegovina has taken positive steps on the path towards European and Euro-Atlantic integration. I agree that we still have two very important obligations to fulfil: full cooperation with the International Criminal Tribunal for the former Yugoslavia, and police restructuring in Bosnia and Herzegovina. Those tasks must be carried out in full, because they are vital to our process of integrating into European and Euro-Atlantic structures.

I want to make clear that, when I mentioned the problem of the process of return, which has not yet been resolved, I did not say that 10,000 Croats had not yet returned to the area; I said that 10,000 Croats had left the area since 1999 — that is, in the past five years.

I believe that similar problems exist elsewhere, but I chose to underline this as one of the more drastic examples. When I spoke of the Court of Bosnia and Herzegovina, my intention was not to make any statement contrary to the truth — and I did not do so. My goal is to ensure that my country — my homeland — establishes the rule of law and adopts European standards, and I am convinced that this will happen.

I have no intention other than to state real facts. My goal — and, I believe, that of the High Representative — is the establishment of an independent judiciary and the rule of law. I am convinced that Bosnia and Herzegovina will soon achieve that goal.

The President: I thank the Minister of Security of Bosnia and Herzegovina for his comments.

There are no further speakers inscribed on my list.

The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 12.20 p.m.