

Canadian NATO  
Parliamentary Association



Association parlementaire  
canadienne de l'OTAN

**Report of the Canadian Parliamentary Delegation  
respecting its participation at the Joint visit of the Committee  
on Civil Dimension of Security (CDS) and the Sub-Committee  
on East-West Economic Co-operation and Convergence  
(ESCEW)**

**Canadian NATO Parliamentary Association (NATO PA)**

**Sarajevo, Bosnia and Herzegovina**

**October 25-27, 2011**

# Report

## SUMMARY

A polarised political atmosphere in Bosnia and Herzegovina (BiH) is raising serious concerns about that country's capacity to develop functioning state institutions and move towards Euro-Atlantic integration. This was the primary finding of a NATO Parliamentary Assembly delegation visiting that country from 25-27 October 2011.

Canada was represented by Ms. Christine Moore, M.P. and Mr. Terence Young, M.P.

Failure to form the central government one year after the parliamentary elections, deeply divergent views on constitutional arrangements, delays in implementing essential reforms, endemic corruption and criminality and the unresolved question of defence property registration are the clearest manifestations of political paralysis. Yet, major players in Bosnian politics continue to cling to rigid positions that undermine the construction of a functioning state; the people of this beleaguered country are paying the highest price for this failure.

"If politicians in BiH are serious about their stated goal of joining the Euro-Atlantic community, they must be prepared to revisit their entrenched positions", said Lord Jopling (United Kingdom), Chairman of the NATO Parliamentary Assembly's Committee on the Civil Dimension of Security (CDS). Lord Jopling cited the manner in which political leaders in Northern Ireland managed to pull back from their entrenched positions as an illustration of how building peace is possible in deeply troubled and insecure regions of Europe.

Fifteen members from six NATO countries, representing the CDS and the Sub-Committee on East-West Economic Co-Operation and Convergence (ESCEW), travelled to Sarajevo and Banja Luka to meet with top politicians and government officials, such as the Bosniak representative in the BiH Presidency, Bakir Izetbegovic, and heads of the Assembly and the government of the Republic of Srpska (RS), as well as with leaders of several key international organisations, policy experts and NGOs.

Members of the NATO delegation repeatedly told their Bosnian interlocutors that the institutional structures established in the Dayton agreement can only be revisited through a genuine dialogue engaging political leaders and civil society. Failure here will trigger sustained political and economic crisis and this, in turn, could very likely lead to a degradation of the security situation. The reform of the defence sector, one of the few success stories in building functioning state institutions, provides a potential model.

Delegation members learned that there is no clear consensus on the precise role that the international community should play in fostering reconciliation and reform. The special role played by the UN Office of High Representative (OHR), for example, is not universally embraced. Some see it as essential in a system where compromise remains elusive, while others argue that it only provides an excuse for the political class to evade responsibility. The EU mission in BiH has recently been reinforced in order to

generate more positive incentives to build a functioning democracy; but even this cannot substitute for the role that leaders and civil society must play to affect positive change.

Finally, members of the NATO PA delegation felt that the international community must remain strongly engaged in BiH, particularly as mounting political, economic and social tensions could otherwise have appalling humanitarian and security consequences for BiH and for the region as a whole.

## **DOMESTIC POLITICAL LANDSCAPE**

The NATO PA delegation met with Bakir IZETBEGOVIĆ, Bosniak member of the BiH Presidency. The President said that the current political crisis in Bosnia was the “aftershock” of the war of 1992-95. Such aftershocks are inevitable but they will be of ever less consequence as the country matures politically. Reconciliation takes time, he noted, but the people of BiH are growing accustomed to living together. The last ethnicity based attack took place seven years ago, and this level of security was unimaginable a decade ago. He also said that three co-presidents have found a way to collaborate in a constructive manner.

At this stage, however, politicians are still hostages to earlier promises aimed to mobilise and retain their electorate, President Izetbegovic said. Some Bosniak politicians seek greater centralisation of the country; some Bosnian Serbs want greater sovereignty for or even secession of the Republic of Srpska, while some Croats insist that their community needs to have a separate territorial entity.

Mr. Izetbegovic stressed that none of these options are feasible: the Bosnia-Herzegovinan government will not excessively dominate the country, the Republic of Srpska will not separate and there will not be a separate Croatian entity.

Opening the visit at the Bosnian parliament, Milorad ŽIVKOVIĆ, Head of the BiH delegation to the NATO PA, said that much has been achieved in the 16 years since the signing of Dayton, but the Bosnian people do not recognise these achievements as sufficient. While the security situation is satisfactory, the country still faces a plethora of challenges, including domestic political stalemate, a failing economy, human and drug trafficking, organised crime and slow elimination of weapon and ammunition stockpiles. One year after parliamentary elections, the country is still without a new Council of Ministers and the national budget for 2011 has not been adopted. Serious tensions exist not only between the Federation and the Republic of Srpska, but also within the Federation itself.

Several speakers lamented the lack of space for negotiation in Bosnian politics, a problem that has become even more apparent over the last several years. The country's institutional and political structures now must be changed in order to implement the ruling of the European Court of Human Rights (ECHR) in the Sejdic-Finci case. Parliamentary interlocutors told the delegation that the decision-making process was so complicated that even well-developed countries would find it

challenging. It undermines the country's Euro-Atlantic integration as well as attempts to pursue effective economic policies. Failure to undertake these fundamental reforms will result in unacceptable delays in the Euro-Atlantic integration process.

The current political arrangement, based on the Dayton Agreement, proved an effective vehicle to put an end to the war in 1996. Virtually all political forces agree that the constitutional system must be altered, but there is no agreement on the nature of these changes. The parliament is currently considering a dozen options. As Srečko LATAL from International Crisis Group put it, "The Bosniaks want something more, the Bosnian Serbs want something less, and the Bosnian Croats want something different". Representatives of the Social Democratic Party of Bosnia and Herzegovina have argued for a political system based on multi-ethnic all-Bosnian political parties. They also stressed that while seeking integration into the EU market, BiH must first achieve greater integration of its own domestic market. The controversial matter of defence property registration also essentially boiled down to different interpretations of the nature of the state of BiH. Regrettably, representatives of the Croatian community were not present in the meetings with the Assembly delegation.

Several speakers expressed their concern that current political and economic difficulties might ultimately trigger renewed inter-ethnic conflict. Mr. Latal chronicled the rise of what he characterised as nationalist rhetoric and lamented the lack of planning for scenarios that might involve renewed violence. Representatives of civil society organisations pointed out that the current education system is highly flawed and tends to reinforce divisions in the society. Ethnic segregation of schools jeopardizes efforts to foster reconciliation in BiH, according to Majda BEČIĆ and Zeljka SULC, representatives of the Atlanska inicijativa. The mobility of Bosnian citizens within their own country is far too constrained. This needs to change: people-to-people contacts across internal borders are essential to building a coherent and democratic political culture. Civil society organisations need to focus on programmes relevant to all people regardless of their ethnicity, such as gender issues or children's rights. This path towards reconciliation is more promising than negotiations among politicians, they said.

Members of the NATO PA delegation were alarmed that major political forces in BiH are clearly unable to agree on the fundamental principles upon which the country ought to be constructed. They stressed that unless Bosnian politicians are prepared to make concessions and seek compromise, the country's Euro-Atlantic integration would remain a pipe dream. NATO parliamentarians clearly recognised that memories of the war were raw and divisive in politics.

## **THE ROLE OF THE INTERNATIONAL COMMUNITY**

There was a clear disagreement among the Bosnian parliamentarians on the role the international community might play in facilitating resolution of domestic political crisis. Some – particularly those representing the Bosniak Party of Democratic Action (SDA) – urged the international community to play a more proactive role as the UN Office of High Representative has done over the last decade. Others, particularly deputies from the Republic of Srpska, strongly believed that the primary responsibility addressing

fundamental internal political challenges lies with the Bosnian politicians themselves. President Izetbegovic said that OHR will eventually have to transfer its functions to BiH institutions, but stressed that there should be no vacuum of power before the OHR replacement mechanisms are developed.

Most interlocutors argued that ultimately the EU should fill this vacuum. However, it was noted that so far the EU's presence in the country was that of a financial giant and political midget. While the EU was urged to use its instruments more proactively, experts warned against the involvement of the international community in daily politics. The political scene in BiH is a minefield, said Mr. Latal, and assuming a clear position on specific domestic issues would almost inevitably alienate one of the country's communities.

At Camp Butmir near Sarajevo, the Assembly delegation met with senior officers of several key international organisations operating in BiH. NATO representatives Brigadier General Gary E. HUFFMAN, Commander of NATO HQ Sarajevo, and Rohan MAXWELL, Chief, Politico-Military Advisory Section, NATO HQ Sarajevo, stressed that NATO is not the only international player in the country, and that according to the Berlin Plus agreement, military security functions have been transferred to EUFOR. Nevertheless, NATO continues to be active: it assists the country in implementing the military aspects of its security sector reform and achieving greater interoperability with NATO. The Alliance supports Bosnia's path towards NATO membership through a number of instruments, including Planning and Review Process, Individual Partnership Action Plan and Intensified Dialogue. As noted, co-operation under MAP will be activated once the issue of the immovable defence property is resolved. NATO's role was instrumental in facilitating the creation of unified armed forces structure.

NATO representatives stressed that progress was evident, but significant political, structural and fiscal problems remain. While on a practical level cooperation with BiH proceeds smoothly, at the highest political levels, it is far less constructive. Apart from registration of immovable defence property, other key issues of concern for NATO include:

- 23,000 tonnes of high risk, unsafe or unstable surplus ammunition and weapons, some of it hidden, remains to be destroyed, but the pace of destruction is not satisfactory.
- The lack of political support for the proposals of the military leadership of BiH on Defence Review defining the long-term plan for the development of the Armed Forces of BiH by 2020.
- Technical and political challenges related to precise technical description of Inter-Entity Boundary Line (IEBL).

Major General Bernhard BAIR, the Commander of EUFOR, noted that while EUFOR continues to provide military deterrence capability to ensure safe and secure environment in BiH, the mission's focus is shifting more towards capacity building and

training support for the Bosnian armed forces. The size of EUFOR troops is shrinking (currently less than 1,400 military personnel), and there are some concerns whether it has a sufficient level of troops to carry out its mission. The Commander thanked Turkey for helping to fill this gap.

General Bair also mentioned the option for the EU to develop quick response forces that would be deployed in neighbouring EU countries and would be positioned to respond on very short notice to any major security threats in BiH. Due to their geographic proximity, these forces would not even require strategic lift capability. Joint exercises should be expanded to allow the international community to signal to BiH that it remains committed to the country's security, while phasing out the physical presence of foreign armed forces on Bosnian soil.

As the OHR winds down, the EU has significantly reinforced its presence and effectively emerged as the leading international organisation operating in BiH, according to Mihaela OSORIO, Political Advisor to EUSR and to EUFOR Commander, Delegation of the European Union in BiH. In September 2011, the European Union Special Representative to Bosnia and Herzegovina - under a mandate that is double-hatted with that of Head of the EU Delegation - took up office.

The EU is strongly committed to assist BiH on its path of European integration, but the Bosnian people will ultimately set the speed of the EU integration process. The principal message that the EU is sending to the Bosnian leadership is the following: "We are here to help, not to do the job for you." Accordingly the EU agenda should be decoupled from the general internal political disputes, Ms Osorio said.

In order to get closer to the EU membership, the country needs first and foremost to address three key issues:

- Ensuring that the country's Constitution complies with the European Court of Human Right's Sejdic-Finci ruling.
- Further progress is made on the state aid legislation. The adoption of the state aid law by the BiH Council of Ministers in August 2011 has been a positive step. Now the BiH Parliamentary Assembly needs to adopt that law.
- The Population Census law at state level is a key priority and should be adopted by the BiH Parliamentary Assembly as a matter of urgency. Reliable and up-to-date statistics are needed for serious and sound economic planning, for the delivery of public services and for the general development of the country.

Unfortunately, the 2011 EU Progress Report for BiH, published on 12 October 2011, noted BiH is the only country in the region where very little progress has been registered on the EU integration agenda and on structural reforms. Nevertheless, the EU expects BiH to get back on track.

Ambassador Fletcher M. BURTON, the Head of the OSCE (Organization for Security and Co-operation in Europe) Mission to Bosnia and Herzegovina, said that the OSCE is in a unique position because BiH does not seek membership in this organisation, but is already a full-fledged member. Bosnians thus see the OSCE as a partner rather than as a target. It is deeply engaged in efforts to help the Bosnian people overcome ethnic divisions and political tensions.

Ambassador Burton stressed that his mission's cooperation with NATO is excellent. The two organisations work together on issues such as destruction of surplus ammunitions and strengthening of democratic oversight of the defence and security sector. On the latter point, the establishment of the position of a BiH Parliamentary Military Commissioner is particularly noteworthy.

Johannes VIERECK, Head of the PolMil Section of OHR, was not particularly optimistic in his assessment of the current situation in the country. He noted that since 2006 the country has failed to make progress. The steps BiH needs to take to qualify for EU and NATO membership have not been taken, largely due to the lack of culture of compromise among politicians. Any willingness to make compromises is unfortunately seen as a manifestation of weakness. Mr. Viereck suggested that there was a need to balance "carrots" and "sticks": currently the focus is on "carrots" and there is a reluctance to resort to "sticks" because the country is so fragile. The international community itself is fragmented and lacks a single strategy for Bosnia.

The international community generally concurs that the greatest threats to BiH lie in the nature of domestic politics. If anything, the regional context has improved dramatically: Croatia and Serbia are increasingly seen as a critical element of the solution rather than a source of tension.

## **MEETINGS WITH LEADERS OF THE REPUBLIC OF SRPSKA**

The Assembly delegation traveled to Banja Luka to meet with heads of government and parliament of that entity. The Prime Minister of the Republic, Alexandar DZOMBIC, opened his remarks by stressing that the authorities of the Republic of Srpska are committed to the Euro-Atlantic integration of the country. However, the question of NATO membership is so important that it should be decided by referendum, the Prime Minister said. Igor RADOJCIC, Speaker of the Assembly of the Republic of Srpska, also highlighted the importance of the Euro Atlantic integration for the country and said that public opinion has yet to be won over on this point and that much remains to be done to explain the true nature of the Alliance to the population of the Republic.

On the question of immovable defence property, the leaders of the Republic of Srpska said that the solution of this problem should include the right of the armed forces of BiH to use these objects at their discretion when they need them, while ownership rights should be transferred to the entity. This is not merely a legal issue, they argued, but it would also have serious financial implications for the entity. They claimed that this represents a pragmatic approach and are determined to continue negotiations in a constructive manner.

In terms of the EU integration, the leaders of the Republic of Srpska contend that their approach is proactive and that they remain committed to overcoming the outstanding barriers to progress, including the adoption law on census, and the law on state aid. The entity also has concrete proposals on how to resolve the discrepancy between the constitutional system of BiH and the decision of ECHR in the Sejdic-Finci case.

The Speaker of the Assembly stressed that the EU integration does not require more centralisation on a national level. He referred to Belgium as a possible model. He suggested that in Belgium, each entity has its own minister of agriculture and yet the country manages to speak with one voice in the EU Council of Ministers on Agricultural matters. What BiH needs in order to achieve the EU membership is better coordination between the entities and not greater centralisation, the speaker argued.

With regard to internal political crisis, the Prime Minister noted that the Dayton peace agreement was not only about putting an end to the war: it offered a concept of two entities and three constituent peoples as the basis of the BiH state. Some initiatives to change the political arrangement of the country clearly distort the Dayton principles of division of responsibility between the capital and the entities. The Republic of Srpska is against ceding more powers to central institutions. Some constitutional changes are necessary to accommodate the ruling of the ECHR, but they should not undermine the fundamental principles of the Dayton agreement. The Republic leadership is also calling for agreements to be reached within Bosnia and without external interference, the Prime Minister said.

The speaker of the Assembly explained that the “one person – one vote” model would not work in BiH. Applying the principle of simple majority would be counterproductive: sensitivities of ethnic groups must be taken into account and careful balances must be maintained to hold this country together, Mr. Radojic argued.

## **RELATIONS WITH NATO AND DEFENCE AND SECURITY SECTOR REFORM**

According to Selmo CIKOTIC, Minister of Defence of BiH, the defence sector reform represents the most significant achievement of post-Dayton Bosnia. The reform created a unified military structure, currently comprising of 10,000 professional military personnel (of which 5.9% are women). The multi-ethnic model of the armed forces (at least among larger military units) has been a force for integration in the country. The BiH armed forces essentially took over the role of providing military security for the country from EUFOR and NATO. However, Minister Cikotic stressed the important and positive role played by the international community in general. He said that the international community has to continue playing this role until the relevant Bosnian state structures are self propelling.

The reform stands in sharp contrast to the lack of progress in other areas. In addition to structural changes, the reform is facilitating the emergence of the new mindset among the people of Bosnia. There is a growing understanding that ethnic interests are best protected by strong state structures and progress in the defence sector should be a



model for other areas of governance. The key problem today is that other state structures are not moving forward at the same speed.

For Bosnia, there is no alternative to NATO membership, Minister Cikotic said. He also reaffirmed the determination of the Bosnian authorities to find a solution, in co-operation with NATO, to the outstanding issue of immovable defence property registration. The Ministry is prepared to implement a decision on this as soon as it is agreed upon on the political level. The issue of defence property is part of a larger package that Bosnian politicians are negotiating and its resolution depends on progress in other areas. Mr. Cikotic noted that in practical terms this problem is not so acute because the military is using this property already. However, resolving this issue constitutes a major test for the Bosnian politicians and it is one that has yet to be passed.

Bosnia is doing its best to implement the commitments it made to the Euro-Atlantic community with the limited budget and other resources. According to Marina PENDES, Deputy Minister for Resource Management of BiH, the country's defence spending is insufficient and remains substantially below the required level of at least 1.6-1.7% of GDP. Nevertheless, BiH is contributing to the ISAF mission in Afghanistan as well as the UN Stabilization Mission in the Democratic Republic of Congo. Major General Miladin MILOJCIC, Chief of the Joint Staff of the Armed Forces of BiH, also said that Bosnia is planning to send ten trainers to support the NATO Training Mission in Afghanistan.

In Banja Luka, both the Prime Minister and the speaker of the Assembly of the Republic of Srpska highlighted the need for "demilitarisation" of BiH. They noted that the economy of the country is not strong enough to sustain a military at its current size. Mr. Radojicic in particular supported the idea of downsizing the armed forces of BiH from 10,000 to about 2-3,000. The downsizing should be accompanied by increased focus on specialized capabilities, such as demining or medical units, that the country could provide to international peace operations, the speaker said. NATO Parliamentarians noted that while NATO countries have been moving towards smaller, more mobile and agile armed forces, it is up to the country itself to determine what size of the armed forces is adequate to ensure its sovereignty and security. Several members suggested that the levels proposed by officials from the Republic of Srpska were simply below that threshold.

According to NATO's officials, public support for NATO membership varies greatly within BiH: while 86% of Bosniaks and 75% of Croats support membership, the figure is as low as 35% in the Republic of Srpska. Representatives of the Atlanska inicijativa NGO said that door-to-door interviews conducted by their organisation in the Republic of Srpska show that 80% are against joining NATO and 60% would like to receive more information about the Alliance. Younger and older people are more likely to be pro-NATO. Those who fought in the war – many in their forties now – are predominantly against membership in the Alliance. An additional observation was that those with higher education tend to have a more favourable attitude towards NATO.

## **ECONOMY AND CORRUPTION**

A number of Bosnian interlocutors stressed that for the people of BiH poverty, unemployment, the lack of economic opportunities and pervasive corruption constitute the most compelling set of problems the government confronts. The official unemployment rate is 47% (however, due to the existence of the black market, the real unemployment rate is probably around 25%).

According to Mr. Radojicic, speaker of the Assembly of the Republic of Srpska, the current distribution of tax revenues between the entities and the central government is unfair. He said that, in the times of economic hardship, the central government should show more solidarity and share the burden by cutting its own expenditures.

Lejla IBRANOVIC, representing Transparency International, stressed while corruption has permeated all levels of society, concrete actions need to be taken to fight the highest forms of political corruption. The existing legal framework with regards to corruption is sound, but there is a complete absence of effective enforcement mechanisms. Bosnia lacks strong institutions to implement the law, she said. The judiciary is highly inefficient and courts are susceptible to political influences. Corruption, not security is the primary impediment to investment in the country, according to Mr. Hadzovic from the Centre for Security Studies. Nevertheless, other speakers discerned a clear link among poverty, corruption and security. Experts from the Atlanska inicijativa said that Bosnian people overwhelmingly distrust their politicians who many believe to be corrupt and incompetent. There is a widespread sense of anger towards the institutions of the state and its leaders.

Mr. Latal warned about the possibility of a serious economic and social collapse within the next several months as economic, financial and social tensions are building up. The budget deficit is soaring. He feared that socio-economic protests might lead to an increased number of ethnic incidents. He urged the Bosnian politicians to stop internal fights and to form a government capable of tackling the formidable economic challenges the country now confronts.

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1 In 2009, the Court found the constitutional norm that only those belonging to one of the three Constituent Peoples of BiH can be elected to the House of Peoples or the Presidency to be discriminatory with respect to other national minorities. This norm derives from the Dayton Peace Accords.

Respectfully submitted,

The Honourable Senator Joseph A. Day  
Canadian NATO Parliamentary Association (NATO PA)

## Travel Costs

<b>ASSOCIATION</b>	Canadian NATO Parliamentary Association (NATO PA)
<b>ACTIVITY</b>	Joint visit of the Committee on Civil Dimension of Security (CDS) and the Sub-Committee on East-West Economic Co-operation and Convergence (ESCEW)
<b>DESTINATION</b>	Sarajevo, Bosnia and Herzegovina
<b>DATES</b>	October 25-27, 2011
<b>DELEGATION</b>	
<b>SENATE</b>	
<b>HOUSE OF COMMONS</b>	Ms. Christine Moore and Mr. Terence Young
<b>STAFF</b>	
<b>TRANSPORTATION</b>	<b>\$15,698.81</b>
<b>ACCOMMODATION</b>	<b>\$630.90</b>
<b>HOSPITALITY</b>	<b>\$0.00</b>
<b>PER DIEMS</b>	<b>\$406.54</b>
<b>OFFICIAL GIFTS</b>	<b>\$0.00</b>
<b>MISCELLANEOUS / REGISTRATION FEES</b>	<b>\$0.00</b>
<b>TOTAL</b>	<b>\$16,736.25</b>