

Christian Haupt and Jeff Fitzgerald

NEGOTIATIONS ON DEFENCE REFORM IN BOSNIA AND HERZEGOVINA

I. Introduction

This paper will provide an overview of developments concerning defence reform in Bosnia and Herzegovina, which have mainly taken place through the work of the Defence Reform Commission in 2003 and 2004. No attempt is made to provide an analysis of these developments, and this is by no means an exhaustive description of all events within the sphere of defence reforms. Primarily, this paper endeavours to present the most significant achievements within Bosnia and Herzegovina that led to the Defence Reform Commission and its report²⁹³.

To present an accurate picture of the extent of negotiations on defence reform, it is also necessary to provide an insight into developments and actors engaged in defence reform prior to the current period, which paved the way for recent reforms. As such, any description of the recent negotiations under the mandate of the Defence Reform Commission would be incomplete without the wider background and presentation of the work that had been completed previously by the four main actors present in the military sphere.

Without providing protracted details concerning the constitutional arrangements of Bosnia and Herzegovina, we should be aware of the nature of its defence system as prescribed by the Dayton Peace Accords, and thus the situation that all actors have faced since the end of the conflict.

²⁹³ <http://www.oscebih.org/documents/12-eng.pdf>

The Dayton framework contained little legislated provision for State-level defence and security institutions, and the resulting situation was that this vacuum was filled by other means, and thus arrangements for defence were divided into two distinct levels and competencies: the State and entity.

At the State level, the Constitution of Bosnia and Herzegovina did and does not explicitly provide for a defence competency with a State prerogative (apart from the Standing Committee on Military Matters, Article V(5)(a) and (b) which was essentially only an advisory body), but contains several provisions pertaining to defence in a wider sense (that later became the linchpin of reforms and the strengthening of State-level defence capacities).

At the entity level, at that time, defence competencies were prescribed by their respective constitutions, defence laws, and laws on army. The entities thus assumed the leading role in defence; each had its own, separate armed force, and Bosnia and Herzegovina lacked unified and effective State-level command and control competencies over any armed forces.

These arrangements effectively divided the country in a military sense and were not sustainable for a country with a weak economy dependent on foreign financial assistance, burdened by an unaffordable accumulation of armed force personnel and weapons.

With such structural arrangements, systemic weaknesses, and forces incommensurate with the security and defence needs of the country, Bosnia and Herzegovina could not expect to be fully integrated into Euro-Atlantic organisations. Significant legislative and (entity) constitutional amendments had to be agreed upon and implemented in order to develop a strengthened State-level defence capability.

Consequently, the focus of the international community after Dayton through to 2003 was to overcome the military division of Bosnia and Herzegovina and to strengthen State-level arrangements for defence and security.

II. Actors

The international community has played and continues to play a significant role in promoting the need for substantial reform of security and defence arrangements in Bosnia and Herzegovina. Four organisations of primary importance must be distinguished in the initial, post-Dayton phase of defence reform, acting based on different mandates. Each of these has covered a specific area defined: by the Dayton Peace Accords; by subsequent decisions of the Peace Implementation Council (PIC); by Bosnia and Herzegovina's fulfilment of its international obligations deriving from membership in the United Nations (UN); and, by its status as an OSCE participating state.

A. Office of the High Representative (OHR), Military Cell

Mandated by Annex 10²⁹⁴ of the Dayton Peace Accords, the High Representative was given the task of leading the “establishment of political and constitutional institutions in Bosnia and Herzegovina”, to “co-ordinate the activities of the organisations and agencies involved in the civilian aspects of the peace settlement”, and to “attend or be represented at meetings of the Joint Military Commission and offer advice particularly on matters of a political-military nature”. A Military Cell led by the Military Advisor to the High Representative, so far senior general officers from the United Kingdom, was established to assist the High Representative in the execution of these tasks.

In particular, the OHR Military Cell led the gradual development of the Standing Committee on Military Matters (SCMM), established under Article V(5)(b) of the Constitution of Bosnia and Herzegovina, with its subordinated Secretariat. These developments involved the elaboration of the Presidency of Bosnia and Herzegovina's Decision on the Organisation and Func-

²⁹⁴ http://www.ohr.int/dpa/default.asp?content_id=366

tioning of the Defence Institutions of Bosnia and Herzegovina (adopted August 2002), and the Terms of Reference of the SCMM (adopted December 2002).

More important, was the development of the Defence Policy of Bosnia and Herzegovina which provided the basis for the eventual development of the SCMM and its Secretariat. This work was begun by the SCMM in July 1999 and a working group at ministerial level was formally established; however, the intensive work on the development of a defence policy was initiated by the PIC in May 2000²⁹⁵ with the aim of creating armed forces under a “...*unified command and control capable of joint deployment and action under international and regional security organisations.*”

Following a series of workshops and working group meetings, attending by local and international community actors, the defence policy document was prepared in close co-operation with the OHR Military Cell and approved by the Presidency of Bosnia and Herzegovina on 11 May 2001.

At that time, these documents were the clearest definition of defence competencies at the State level, and in many senses went far beyond what was then seen as the level of defence capability at the State level. These developments, painstakingly developed over more than three years consequently, must be highlighted as two activities of the highest priority leading to decisive progress in defence reform, and prepared the ground for the work of the Defence Reform Commission in 2003.

As with the Defence Policy, the development of a Common Security Policy was initiated by the PIC in May 2000. The PIC directed the SCMM to “...*develop and oversee a common security policy for Bosnia and Herzegovina.*” In contrast to the Defence Policy, the overarching security policy document was drafted by a working group established by the Council of Ministers of Bosnia and Herzegovina, with the participation of representa-

²⁹⁵ http://www.ohr.int/pic/default.asp?content_id=5200

tives from all six State ministries and the SCMM Secretariat. Due to the glacial pace of work, the final document could not be approved by the Presidency of Bosnia and Herzegovina before June 2003, including a shortened, improved version of the Defence Policy. In the meantime, the Parliamentary Assembly of Bosnia and Herzegovina has requested that an update version of this document be prepared, but no revised document has yet been produced.

B. NATO led Stabilisation Force (SFOR)

SFOR is mandated under Annex 1-A of the Dayton Peace Accords²⁹⁶ to provide a “safe and secure environment” in Bosnia and Herzegovina through the implementation of the military aspects of the Dayton Peace Accords. Article VIII of this Annex has particular relevance for co-operation with the Armed Forces of Bosnia and Herzegovina, and provides for the establishment of the Joint Military Commission (JMC). This is the central body for all parties to this Annex to direct military questions and issues to the attention of the SFOR Commander. Since year 2000 the JMC has significantly evolved into a consultative, co-operative body, following the initial period from 1996 – 1999 as a coercive body.

With the intention to support actively defence reform, the JMC established the Joint Restructuring Steering Board (JRSB) in July 2000, co-chaired by SFOR and the then OSCE Mission to Bosnia and Herzegovina Department for Regional Stabilisation (which was later renamed to the Department of Security Co-operation). Initially, three JRSB working groups, later expanded into nineteen working groups, were engaged in numerous aspects of defence reform. Unfortunately, these groups proved to be inefficient not only due to the large number of meetings, but also because of political obstruction and limited resources to provide qualified members on both the international community and local side. At the end of 2002 (October), the dormant JRSB was abolished and three task forces established under the

²⁹⁶ http://www.ohr.int/dpa/default.asp?content_id=368

Common Security Policy Working Group (CSPWG) took responsibility for activities within defence reform.

One of the primary actors within SFOR's organisation is the Joint Military Affairs (JMA) office participating in defence reform efforts. This office focuses on the development of the structure of the Armed Forces of Bosnia and Herzegovina based on the Defence Reform Commission's recommendations.

Following the recommendation of the Defence Reform Commission in September 2003 to reduce the end-strength of the Armed Forces of Bosnia and Herzegovina from 19,800 to 12,000, the JMA office has played an important role in the facilitation of that recommendation. The Presidency of Bosnia and Herzegovina recently formally adopted that recommendation in March this year with its Decision on the Size and Structure of the Armed Forces of Bosnia and Herzegovina. The JMA office will continue to exercise an important role in the implementation of that decision.

C. OSCE Mission to Bosnia and Herzegovina

Based on Annex 1-B of the Dayton Peace Accords²⁹⁷, the OSCE was given the responsibility of facilitating negotiations to establish a balance of military forces in Bosnia and Herzegovina and the region. In particular, the OSCE was tasked with the provision of a framework for co-operative arrangements to reduce the effects of the divided entity defence structures and armed forces. These tasks led to activities through the Article II / Vienna Agreement, which, at its inception has helped, if not to provide a solution, at least to assist to overcome the divisions and pave the way for further reforms.

In addition to the mandate defined by the Dayton Peace Accords, the OSCE, through its Department of Security Co-operation, has constantly widened its

²⁹⁷ http://www.ohr.int/dpa/default.asp?content_id=369

range of activities to support the implementation of Bosnia and Herzegovina's obligations as an OSCE participating state. One of the key bases for its work has been the OSCE Code of Conduct on Politico-Military Aspects of Security (Budapest 1994).

In particular, key aspects of reform activities have centred on the democratic control of armed forces and the provision of assistance to ensure that Bosnia and Herzegovina maintains only such forces as are commensurate with its legitimate security needs. Moreover, it has helped to ensure compliance with standards set by OSCE documents, budget transparency, small arms and light weapons issues, weapons production and trade related legislation, and demobilisation of soldiers.

These activities have resulted with progress in a number of areas; most significantly, in the areas of defence budgets and development of parliamentary oversight capacity. In particular, in 2000, the OSCE played an integral role concerning defence budgeting, which culminated in the conduct of extensive audits of entity military expenditures. The results of these audits revealed an unanticipated high level of defence expenditures and provided valuable information for the continued work to reduce defence expenditures in close co-operation with the ministries of defence. The OSCE's line then was that the affordable level of Armed Forces Strength was around 11,000. Furthermore, the revelation that these high levels of defence expenditures related primarily to personnel paved the way for the process of armed force downsizing in 2002, which produced a drawdown of approximately 14,000 personnel (from approximately 34,000 to 19,800). The OSCE continues to play an integral role in monitoring the current downsizing of armed forces and ministries of defence numbers and in assisting with the retraining and reintegration of the ex-soldiers.

The OSCE has also played an integral role in the development of a parliamentary oversight capability over the armed forces; these activities have manifested themselves at the State and entity levels.

At the State level, activities centred on the establishment of a permanent defence and security committee in the Parliamentary Assembly of Bosnia and Herzegovina came to fruition at the end of December 2003. In cooperation with OHR, a number of seminars were organised and extensive consultations were held with *ad hoc* committees of both the House of Representatives and the House of Peoples of the Parliamentary Assembly of Bosnia and Herzegovina towards the strengthening of the position and work of committees. In particular, these endeavours focused on the establishment of a defence and security committee at the State level. The Defence Reform Commission's recommendation that a joint committee of both parliamentary chambers be established provided the added impetus that culminated with the quick stand-up of the Joint Committee on Defence and Security Policy. Such rapid action, in-line with the recommendations of the Defence Reform Commission, showed the high level of awareness among parliamentarians of the importance of this issue. This awareness has continued to increase with the further work of the committees; in particular at State-level, where the committee has started to exercise its authorities.

D. United Nations Mission to Bosnia and Herzegovina (UNMIBH), Office of the Military Advisor

The Military Advisor to the Special Representative of the Secretary General and Co-ordinator of UN Operations in Bosnia and Herzegovina assumed the lead role in the provision of assistance to Bosnia and Herzegovina to participate in Peace Support Operations (PSO). Despite the successful participation of a number of military officers from both entity armies in several peace-keeping Missions (Eritrea and Congo), decisive progress was not reached concerning the formation of a State-level Composite PSO unit. As a result of continued negotiations in 2002, a general consensus was established on the structure and size of a State-level PSO Transport Unit, but final agreement on the command structure, including a commanding officer from Bosnia and Herzegovina, was not reached. As a compromise solution, the two entities decided to propose a joint unit with an international commander; however, this solution was deemed unacceptable by the UN, and a

prerequisite was set that participation would only occur if Bosnia and Herzegovina provided a commander for the unit. A subsequent solution was not forthcoming.

With the completion of the UN Mission to Bosnia and Herzegovina's mandate and its departure at the end of 2002, less attention was paid to the formation of this unit until the end of 2003, and the signing of the report of the Defence Reform Commission. This event again fuelled debate and activities concerning the participation of a PSO unit from Bosnia and Herzegovina.

Currently, the Ministry of Defence of Bosnia and Herzegovina is working on the preparations to deploy an Explosive Ordnance Disposal Unit to Iraq, planned for September this year, in line with a decision of the Presidency of Bosnia and Herzegovina. The State-level budget, however, does not provide funding for the participation of a unit from Bosnia and Herzegovina in such operations; additionally, technical support and logistic preparations would be required, as well as legislative provisions allowing for the participation of the Armed Forces of Bosnia and Herzegovina outside the country's borders. Furthermore, this issue continues to prove controversial among public debate.

III. Co-ordination and Streamlining of the International Community

Having provided an overview of the main actors engaged in defence reform, it is useful briefly to consider the manner in which their endeavours have been co-ordinated, and, moreover, to describe efforts to streamline these activities.

Following the conclusions of the 1998 December PIC meeting²⁹⁸, a joint OHR, OSCE, SFOR think-tank was established to examine the politico-military strategy for and in Bosnia and Herzegovina. The think-tank primarily focused on the examination and definition of new joint approaches in

²⁹⁸ http://www.ohr.int/pic/default.asp?content_id=5190

order to strengthen and develop the State level, *vis-à-vis* a future common security policy and the development of State-level institutions. These deliberations culminated in the establishment of the Common Security Policy Working Group (CSPWG) in March 1999, which comprised of representatives from the four institutions outlined in the previous section, but notably without participation of local institutions.

Meetings were held on a monthly basis and proved to be of great importance for the work of the international community. Later, an advisory group to the CSPWG was established on a working level, and developed the ‘BiH Security and Defence Framework – Way Ahead’ document describing the future steps to be taken in the defence sector. Later this document was used as the template for defining the spheres of activity of three task forces, established by the CSPWG in the second half of 2002. These task forces examined issues connected to security policy and State-level command and control, defence plans and budgets, and restructuring. With the establishment of this limited number of task forces, replacing the numerous JRSB working groups, a more effective structure was created.

With the completion of the UNMiBH’s mandate and its departure from Bosnia and Herzegovina, the number of organisations actively working on defence reform and participating in the CSPWG was reduced. A few months previously (September 2002), the former OHR Military Cell was collocated with the OSCE Department of Security Co-operation, in-line with conclusions from the February 2002 PIC Meeting²⁹⁹. In 2003, the collocation of the Military Cell turned into merger. However, the Director of the OSCE Department of Security Co-operation still retains the position as Military Advisor to the High Representative. Since then, SFOR and the OSCE Mission to Bosnia and Herzegovina have been the main actors in defence reform.

²⁹⁹ http://www.ohr.int/pic/default.asp?content_id=7009

IV. Towards the Establishment of the Defence Reform Commission

Development of State-Level Defence Institutions

The previous sections have provided an overview of the actors engaged in defence reform in Bosnia and Herzegovina, and have presented some of the key developments in which these actors have been involved. It is now useful to highlight some of the specific events that led up to the establishment of the Defence Reform Commission, which in turn has led to the developments seen over the last year.

As previously described, the OHR Military Cell led negotiations on the reform of the SCMM and the decision to expand its Secretariat following the approval of the Defence Policy of Bosnia and Herzegovina. More specifically, the intention of the international community was to develop the SCMM Secretariat into a body capable to implement decisions of the Presidency of Bosnia and Herzegovina as the civilian commander of the armed forces in Bosnia and Herzegovina. As stated, the Presidency of Bosnia and Herzegovina's Decision on the Organisation and Functioning of the Defence Institutions of Bosnia and Herzegovina, and the SCMM Terms of Reference, represented the breakthrough in forming State-level structures and prepared the ground for the later work of the Defence Reform Commission.

The key aspect of the Decision was the expanded structure of the Secretariat with eighty-eight positions, led by a Secretary General with two deputies, which in-effect leaned towards a ministry-like structure. In addition, the decision allowed for the creation of a Military Commission (which only ever existed on paper and was never stood-up), which was intended to be a general staff-like body. For the first time, there was also a clear definition of responsibilities for the Presidency of Bosnia and Herzegovina as the civilian commander of the armed forces. With this step, for the first time, representatives from the three sides (Bosniacs, Croats and Serbs) agreed to develop a serious State-level identity in defence matters, despite the fact that two entity armed forces continued to exist.

Defence Pledges of Bosnia and Herzegovina, January 2003 to the PIC

A further five months later, on 30 January 2003, the SCMM Secretary General presented to the PIC in Brussels³⁰⁰ the defence pledges of Bosnia and Herzegovina. In his speech, the SCMM Secretary General expressed the determination of Bosnia and Herzegovina to transform the armed forces to become modern, credible, affordable and capable of protecting the sovereignty and territorial integrity of Bosnia and Herzegovina, and to fulfil their role in accordance with the Constitution of Bosnia and Herzegovina.

On behalf of the Presidency of Bosnia and Herzegovina, the SCMM Secretary General pledged the intent to achieve membership of the European Union and Euro-Atlantic defence structures, and, moreover, to become a credible candidate for the Partnership for Peace within eighteen months.

The pledges also committed Bosnia and Herzegovina to execute such reforms that would lead to the establishment of effective civilian command and control at the State level, and parliamentary oversight over all defence matters.

In order to achieve these objectives, the following list of five pledges was presented, which if fully implemented would have led to the achievement of Bosnia and Herzegovina's objectives:

- To implement defence reforms that will hasten European integration and contribute to regional stability;
- To strengthen State-level institutions exercising civilian command and control over the armed forces;
- To provide for parliamentary oversight over State-level defence institutions;
- To ensure professional, modern and affordable armed forces; and,

³⁰⁰ http://www.ohr.int/pic/default.asp?content_id=29144

- To restructure armed forces in order to participate in the PfP, integrate into wider Euro-Atlantic structures, and engage in peace support operations.

Although representing a clear set of commitments, at that time, the practical implementation of the pledges through institutional changes continued to be difficult until the High Representative established the Defence Reform Commission.

ORAO 'Arms-for-Iraq' Affair and Subsequent High Representative Decisions on Defence Reform

The catalyst for rapid change and the approach of the international community came with the revelation in August 2002 that defence-related institutions of Republika Srpska had sanctioned the illegal export of weapons technology to Iraq. This became known as the 'ORAO' scandal. Additional scandals also came to light involving companies and events in the Federation of Bosnia and Herzegovina; such as the lesser publicised incident involving unsanctioned exports by the company Vitex to Iraq. However, notwithstanding these other incidents, widespread condemnation came from all quarters internationally and in Bosnia and Herzegovina, and this scandal primarily highlighted the extent of the inadequacies of Bosnia and Herzegovina's arrangements for defence. This, in-turn, underlined the necessity for systemic and legislative reform.

In reaction, a number of decisions were undertaken that were the first attempts to address the inadequacies highlighted by the 'ORAO' scandal.

Firstly, a working group was formed in October 2002, tasked to develop a draft State-level Law on the Import and Export of Weapons and Military Equipment, which would establish an import/export licensing system at the State level. This group consisted of local experts and international community representatives (OSCE, OHR, SFOR, and the EU Customs and Fiscal Assistance Office (CAFAO)) and was led by the Ministry of Foreign Trade

and Economic Relations. Prior to the ORAO affair, the import/export regime had been exclusively under the control of entity institutions, and SFOR acted as the authority issuing approvals for the transport of military-related hardware and components.

On 02 April 2003, the High Representative issued, based on his Bonn powers, a number of decisions concerning defence issues imposing constitutional changes at the entity level and establishing a number of working groups³⁰¹. Two working groups are worth mentioning: the first working group examined procedures for senior officers travelling abroad; the second working group developed a State-level weapons production law. This strengthened the feeling in the entities that they could act as mini-states.

The Sarajevo Legal Seminars

It became increasingly obvious, however, that these inadequacies had to be addressed on a more fundamental level, first and foremost, on the side of the State and entities' constitutional and legal orders. Based on entity constitutional changes imposed by the High Representative, two legal seminars in March and May 2003 identified various problems that needed to be addressed. More specifically, these seminars examined legislative reforms at the State and entity levels towards the strengthening of the State and its command and control. In particular, a draft State Defence Law was examined which would authorise State-level command and control over armed forces, and which would produce effective democratic, civilian control and transparency. Specific proposals for changes to entity constitutions necessary to harmonise them with the required State Defence Law were also developed.

At the end of the second seminar, on 8 May 2003, the High Representative announced his decision to establish the Defence Reform Commission³⁰² to

³⁰¹ http://www.ohr.int/ohr-dept/presso/pressr/default.asp?content_id=29614

³⁰² http://www.ohr.int/decisions/statemattersdec/default.asp?content_id=29840

overcome the obstacles in the legal sphere to a functioning defence system in Bosnia and Herzegovina. The work of the seminars provided the basis upon which the Defence Reform Commission built its recommendations and legislative reform package.

V. The Defence Reform Commission

The High Representative's detailed decision on the formation of the Defence Reform Commission tasked it to examine the legal measures necessary to reform defence structures in Bosnia and Herzegovina and to identify existing constitutional and legislative provisions which were not in harmony with such required legal measures. Moreover, the commission was tasked to propose legislation in accordance with core principles reflective of the prospective candidacy of Bosnia and Herzegovina in the PfP, commitments within the scope of the OSCE politico-military accords, the necessity to establish democratic oversight and control over armed forces, and mindful of the financial limitations of Bosnia and Herzegovina.

James Locher III, a contracted US citizen, was appointed as the chairman of the commission with a further eleven members, with an extra four parties holding observer status. From the twelve members, seven were from Bosnia and Herzegovina, coming from both the State and entity levels. International community members came from the EU, NATO, OSCE, and SFOR.

The main challenge was to find a compromise acceptable for both entities and the constituent peoples (Bosniacs, Croats and Serbs), which would enable Bosnia and Herzegovina to be achieve credible candidacy for PfP membership. On the other hand, the pressure established by the resignation of the Serb Presidency member, Mirko Sarovic (Serbian Democratic Party - SDS), taking political responsibility for the Orao scandal, and the wish to qualify for PfP membership, produced a positive momentum for the work of the Defence Reform Commission. In particular, through the course of the negotiations and work of the commission, it was apparent that commission members and the political actors they represented understood the need for

deep institutional and legal changes. Moreover, there was large recognition that if reforms were not developed and implemented with local action, it was most likely that the international community, in particular the High Representative, would be forced to impose the necessary legislative amendments. Given the political dynamic and sensitive nature of this issue, all involved had to accept painful compromises with the signing of the final Defence Reform Commission report³⁰³.

One of the most remarkable aspects is that the far-reaching reforms developed by the Defence Reform Commission passed through the State and entity parliaments without imposition by the international community. One of the primary reasons for this was the understanding that if reforms were imposed by the international community, Bosnia and Herzegovina would not be accepted by NATO as a credible candidate for the PfP. Moreover, in all quarters there was the realisation that the sustainability of reforms also would be in question if not supported by local actors and adopted voluntarily by political institutions. Indeed, many key political figures placed themselves fully behind the legislative reform package and helped to steer these through to adoption.

A few words should also be spent on the conduct of negotiations. The foundation for the further work of the commission was secured with the elaboration of a concept paper, developed during a one-week workshop at the NATO school in Oberammergau. That paper defined the basic framework for the further deliberations of the commission and provided the foundation for its recommendations. Once agreement had been secured, the commission continued its work with remarkably high pace and established temporary working groups, which developed the content of the concept paper towards the legislative proposals and recommendations contained in the Defence Reform Commission's final report.

³⁰³ <http://www.oscebih.org/documents/12-eng.pdf>

The conciliatory nature of the commission and the inclusive approach of its chairman, led to a set of recommendations and proposals that were initially accepted, then supported, and, more importantly, developed by representatives of Bosnia and Herzegovina and not the international community. This, no doubt, contributed to the rapid process of the adoption of the reform legislation.

In addition, after the publication of its report in September 2003, the commission continued to ensure the flow of information to each parliamentary assembly, and actively marshalled the legislation through to adoption.

VI. Conclusion

From the outset of international community involvement, following the signing of the Dayton Peace Accords, defence reform in Bosnia and Herzegovina can be described as a constantly evolving process. At the heart of reform efforts was the attempt to overcome the military division of the State, and to create a unified command and control framework over the armed forces at the State level.

The development of the Defence Policy and of the expanded SCMM Secretariat were milestones and can be seen as positive examples of joint efforts undertaken by Bosnia and Herzegovina actors in co-operation with the international community. A further turning point was the increased awareness with regard to the affordability of armed forces, leading towards significant reductions in personnel strength and the call for further restructuring. Finally, the ORAO affair in 2002 and the resolute steps taken by the international community prepared the ground for the work of the Defence Reform Commission in 2003 and 2004, which has introduced the most dramatic and widespread reforms perhaps since the signing of the Dayton Peace Accords. The dramatic changes in the defence environment in Bosnia and Herzegovina, which perhaps would never have been thought possible two or three years previous, have seen the State assume competency for the command and control over the Armed Forces of Bosnia and Herzegovina.

The recently appointed first Minister of Defence of Bosnia and Herzegovina, Nikola Radovanovic, has led the implementation of the provisions contained in the Defence Law of Bosnia and Herzegovina. In particular, the main endeavour has been the stand-up of the State institutions for defence – the Ministry of Defence, Joint Staff, and Operational Command.

The relationship between the two entities and three constituent peoples in Bosnia and Herzegovina can be described as positive since crucial political obstacles have been removed with the approval of the Defence Law of Bosnia and Herzegovina and the formation of a Ministry of Defence at the State level.

The challenge will remain to implement fully the Defence Law of Bosnia and Herzegovina and the Defence Reform Commission's package of reforms. In particular, the new State-level defence institutions will have to be nurtured towards full operating capacity, as well as the mechanisms (such as a system of command, control, and communication) to ensure the effective functioning of the defence system. The international community will have to continue to play a key supporting role in these endeavours.

Further challenges may arrive with the impending changes in the defence reform environment; in particular, those concerning the future role of the international community. At the end of this year, SFOR will be replaced by a European Union peace-keeping force, which will assume the SFOR mandate to provide a safe and secure environment in Bosnia and Herzegovina. Given the increased normalisation of the security situation, however, it is likely that the role of this force will be orientated around softer aspects of security. Additionally, it is also likely that NATO will retain some in-country presence in order to facilitate the PfP process.

The changing environment in Bosnia and Herzegovina, especially with the establishment of the State defence institutions has seen an increasing willingness (and capacity) from the side of authorities in Bosnia and Herzegovina to undertake reform measures themselves. The international commu-

nity's role in Bosnia and Herzegovina will continue, but with the increase of local capacities, this role will steadily move towards facilitating and mentoring, instead of implementing. Only with such an approach will Bosnia and Herzegovina be able to take responsibility for defence matters, and ultimately in the governance and control of its future.

Christian Haupt
Jeff Fitzgerald
OSCE Mission to Bosnia and Herzegovina
Sarajevo

Srdjan Gligorijevic

SELF-SUSTAINING PEACE IN THE BALKANS – A TWO WAY PROCESS

After the liberation from the Turkish Ottoman Empire, the Balkan states didn't have the same political direction, aspirations or the strategic aim. But now, for the first time in their modern history they do. Their focus is on the membership and integration into the most important Euro-Atlantic institutions: NATO and European Union (EU). I hope that Balkan countries are at the point where no return to the terrible scenarios of the past is possible. Despite many current problems, the future of the Balkans seems to look better. But, the process of establishing a self-sustaining peace in this region is fairly difficult and time consuming, requiring simultaneously the permanent commitment and supervision of the Euro-Atlantic community along with fundamental changes of the Balkan peoples themselves, as well.

In the last twelve years, after the fall of Communism and the beginning of wars in the former Yugoslavia, there wasn't a clear and sound strategic idea of what to do with the territory surrounded by the Adriatic, Ionian, Aegean and Black seas, better known as the *powder keg* of Europe. The European Union and the whole international community frequently acted in a rather confused manner, helpless to contribute long-lasting solutions in Balkan matters. After the Dayton Accords in 1995, some initiatives were launched towards the stability and prosperity of the Balkan region: the Royaumont Initiative, the Southeast European Cooperative Initiative (SECI), the South East Europe Initiative (SEEI), the South Eastern Europe Cooperation Process (SEECF), and the Stability Pact for South Eastern Europe... But, none of them individually could offer a solid overall political, economic and security model for the progress of the region. Finally, the chance has been given by two powerful international organizations: NATO and European Union.