



**Organization for Security and Co-operation in Europe
Mission to Croatia**

ENGLISH only

**Statement by Ambassador Jorge Fuentes,
Head of the OSCE Mission to Croatia,
to the OSCE Permanent Council, Vienna,
15 June 2006**

You have before you our extensive 2006 Review measuring Croatia's progress in the fulfillment of international commitments and obligations as foreseen by the Mission's mandate. It is a long report but the overview and the conclusion summarize the main findings for those who want to read it quickly. I apologize for the length, but only partially.

This 2006 Review is different from our regular bi-annual Status Reports: its aim is to provide an overview of the five years which have elapsed since the Mission's last Review was presented to the Permanent Council in May 2001 and to assess the current status of all mandate-related issues. And this is not an easy task, because we are trying to outline a 'democratization process'.

A 'democratization process', by definition, is difficult to describe because it combines the evolution of attitudes and ideas, the development of institutions and changes brought about by ongoing activities and projects. 'Process', by definition, takes time and does not lend itself to being rushed, and there may be periods of inactivity and unexpected setbacks.

What I have witnessed in my tenure as Head of Mission since May 2005, and had confirmed by my experienced staff for the period prior to my arrival, is a process of continual acceleration towards the completion of reforms, the establishment of legal and institutional frameworks, and changes in mindset and behavior in many segments of Croatian society.

This process involves many actors. It is of course primarily the result of the aspirations and hard work of Croatia's political parties, social and cultural leaders, its media and NGOs. But the process is also encouraged and stimulated by international community members such as the European Union, the Council of Europe, the ICTY, the UNHCR and many bi-lateral embassies. We believe that the OSCE Mission is also providing a significant contribution, by observing, commenting, advising and working in partnership with governmental and non-governmental organizations.

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Since my presentation in November 2005, the political canvas has been marked by a crucial decision, the opening of Croatia's EU accession talks in October. With EU

accession as a strategic objective for the Government, the ensuing period of optimism led Croatian authorities to intensify their efforts in order to meet their obligations as foreseen by the Mission's mandate and consolidate their partnership with the Mission. This momentum was temporarily slowed down after the arrest of General Gotovina in December, when the Government had to contain and defuse nationalist passions. However, the overall atmosphere of co-operation was never put into question.

Against this favorable backdrop, an important consultation mechanism between the Mission and the Government, referred to as the 'Platform', was set up early this year and was approved by the CiO and Secretary General. This mechanism consists of monthly plenary meetings held at the ministerial level in order to agree on common objectives, discuss potential tasks to be accomplished by the Croatian authorities, envisage forms of assistance to be provided by the Mission and check progress on a monthly basis.

The 'Platform' has three components. The first component was set up one year ago, along with other International Community (IC) partners and the Minister in charge of refugee related issues, in order to follow developments in this important area. The second component was formed in March this year under the auspices of the Minister of Foreign Affairs. The four plenary sessions held so far have made it possible to identify specific tasks to be undertaken regarding inter-ethnic incidents, the protection of human rights and the rights of national minorities specifically, adherence to the rule of law, civil society development and media reform. With regard to the third component, the two plenary sessions held with the Minister of Justice and other IC partners to address war crime issues have not been sufficient to produce tangible results but issues of concern have been jointly identified and possible solutions are under discussion.

The 'Platform' is a decisive step forward. It is the first time in the Mission's ten years of operation that a commitment has been made to address all outstanding mandate related issues in an organized, concrete and systematic manner, including a follow-up process at both the national and local level. However, it should be noted that this consultation mechanism is an ongoing process and more time will be required before we can objectively assess the extent to which the tasks identified in this Review have been implemented. For that reason, we propose prolonging the 'Platform' at least until the end of 2006, and as a follow-up suggest establishing a benchmarking system in co-operation with the Croatian authorities and the IC.

With the current Review, we would like to outline Croatia's situation regarding obligations covered by the Mission's mandate. We have a general sense of when certain chapters related to the broad process of democratization will be far enough advanced so that the Mission can step back, and leave completion to the Government and other Croatian institutions, such as the media, political parties, NGOs, the judiciary, the Ombudsman and others. This is particularly true in three mandate-related areas pertaining to freedom of the media, police reform and civil society development. It is clear, however, that a few issues which remain as part of the post-conflict legacy, will take longer to resolve. These involve minority and other human rights, practical matters related to the return of refugees and displaced persons, trial procedures, specifically regarding war crimes trials, but also other types of trials associated with return issues and human rights.

We are now in a promising position in terms of proceeding forward. I cannot, and will not, predict a time frame, because the work to be done is defined not by weeks or months, but by actions and deeds. I would rather like to point to the progress achieved by Croatia just a decade after a devastating war. To appreciate this progress, we have to recall that as a 'country in transition', Croatia has had to face several challenges: the transition from the status of a constituent Republic to a fully sovereign Nation State, the transition from a largely Socialist command economy to a market economy, the transition from a country governed by the 'Rule of the Party' to one governed by the 'Rule of Law'.

Of all challenges, the transition from a country at war internally and with its neighbors, to a country at peace is perhaps the most difficult. Internal reconciliation is clearly underway, as demonstrated by the *Cooperation Agreement* signed at the end of 2003 by the center-right ruling party, the Croatian Democratic Union (HDZ), with Serb parliamentarians. Positive public gestures made by Prime Minister Šarader towards the Serb minority in early 2004 also confirmed the Government's will to engage in an active minority policy. These encouraging developments at the national level need however to be systematically replicated at the local level, where inter-ethnic incidents still occur.

During the last two to three years, another major development has been the gradual consolidation of regional co-operation between Croatia and its neighbours in two politically sensitive areas, refugee related issues, through the Sarajevo process, and inter-state judicial co-operation on war crimes prosecutions. Together with other international partners, the OSCE and its Missions are instrumental in providing support, advice and guidance. The active participation of Croatia in these regional initiatives indicates that normal relationships between States are gradually taking precedence over the troubled post-war situation, bringing a crucial sense of stability to the region. This remains the primary goal of the OSCE as an organization fostering 'security and co-operation' in Europe. In May, Croatia assumed the annual presidency of the South East European Co-operation Process (SEECP), declaring its intention to strengthen co-operation and neighbourly relations between members, to promote a strong European orientation and to place special importance, *inter alia*, on fighting organized crime and corruption.

Croatia is undoubtedly the most democratically advanced of all countries with OSCE Field Missions. The results already achieved give Croatia the possibility of joining the EU in a few years, paving the way for the other Western Balkans countries. As the European Commission increasingly focuses its attention on screening the administrative and technical chapters related to the *acquis communautaire*, we believe that the Mission can provide a valuable and specific contribution by monitoring progress related to refugee return, war crime trials and the rights of national minorities, three areas where the post-war legacy still constitutes a heavy burden. In that regard, the decentralized structure of the Mission, with six Field Offices covering the war affected areas in liaison with the Headquarters, provides a unique tool for the IC to assess the successes and obstacles to refugee return, the protection of human rights as well as the quality and fairness of war crime trials across the country. Most information gathering and monitoring is done outside Zagreb. Although we believe that the role of the Mission can only be understood as a two-way communication system between the Headquarters and Field Offices, we accept the possibility that a few unmanned offices whose utility now seems marginal may need to be closed.

This afternoon, I will present our Programme Budget Outline for 2007 to the ACMF. It will reflect what is in the Review you have before you, pointing to the continued transformation of the Mission as conditions in Croatia develop. This transformation has been ongoing for five years already. As a reminder, since 2001, the overall Mission budget has decreased per annum by an average of 8.5 per cent. For next year, we think that the proposed overall budget reduction of around 9 per cent reflects the progress made by Croatia. We also believe that, taking into account the modification of the role of three Units, it is possible to slightly decrease the international and national staff and to close unmanned Field Offices. However, at this stage, as a lot of work still remains to be done, I would insist that the Mission keep a robust core staff to carry out its activities in an effective way.

Until final decisions are taken regarding the future of the Mission, it is our view that, in this critical phase, the Mission should be given the possibility to perform its various tasks and projects and be able to continue its active co-operation with the Croatian authorities. This is particularly true at a moment when important and difficult political changes are taking place in the region. As progress made is still fragile, including in Croatia, it is crucial that what has been achieved is not left to unravel, but is further consolidated.