

Adoption of the Law on Party Financing by the House of Representatives of Bosnia and Herzegovina.

Senior Deputy High Representative, Ambassador Dr. Matei Hoffmann, welcomes the swift adoption of the Law on Party Financing by the House of Representatives of Bosnia and Herzegovina. The adoption of this law represents a strong commitment towards a further democratisation of Bosnia and Herzegovina by political forces here. Moreover, the passage of this law has been at the top of the OHR's list of priorities and was one of the demands set out by the Peace Implementation Council in Brussels in its efforts to accelerate the pace of peace implementation.

Transparency of funding is one of the most important underlying principles of this legislation. It ensures that all participants competing in the political arena in BiH do so on an equal footing and under full public scrutiny.

The regulations incorporated also legislate against corruption by preventing companies in which the state has a majority share and private companies that carry out public works on behalf of the government from contributing to party finances.

The abuse of wealth in order to gain undue political influence is contrary to the very essence of democracy, which assumes the equal access of all individuals to decision-makers. To prevent elected persons from gaining unfair influence, the new legislation now limits the amount of donations made to political parties. Citizens' donations are now also limited and, above a certain level, have to be declared by the receiving parties.

This legislation will also make a start in curbing ingrained corruption in BiH which undermines democratic governance, wastes public resources and hinders the development of the market economy. Adoption of this legislation represents an important step towards achieving the highest European standards.