U.S. DEPARTMENT OF THE TREASURY

U.S. Treasury Targets Four Officials in Bosnia and Herzegovina for Undermining the Dayton Peace Agreement

July 31, 2023

WASHINGTON – Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) designated one state-level official of Bosnia and Herzegovina (BiH) and three government officials from the Republika Srpska (RS), one of two entities comprising BiH, pursuant to Executive Order (E.O.) 14033. These leaders are directly responsible for encouraging the passage of a Republika Srpska National Assembly (RSNA) law that purports to declare the decisions of the BiH Constitutional Court (BiH CC) inapplicable in the RS, thus obstructing and threatening the implementation of the Dayton Peace Agreement (DPA).

"This action threatens the stability, sovereignty, and territorial integrity of Bosnia and Herzegovina and the hard-won peace underpinned by the Dayton Peace Agreement. This behavior further threatens the country's future trajectory and successful integration into Euro-Atlantic institutions," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. "We will continue to support the people of Bosnia and Herzegovina in their efforts to maintain the rule of law and make sure peace and prosperity prevail."

RS President Milorad Dodik sponsored the introduction of the Law on the Non-Application of the Decisions of the BiH CC in the RSNA and has been a primary proponent of its adoption. The U.S. designated Dodik on January 5, 2022 pursuant to E.O. 14033 for being responsible for or complicit in, or having directly or indirectly engaged in, a violation of, or an act that has obstructed or threatened the implementation of, the DPA as well as for corrupt activities. The United States also previously designated Dodik on July 17, 2017 pursuant to E.O. 13304 for obstructing the DPA. After RSNA adoption of the law in June 2023, the High Representative in BiH exercised his authority on July 1 to nullify the legislation, publicly condemning the law as undermining regional constitutional order, rule of law, and the division of powers. Despite the High Representative's action to annul the law, Dodik signed the law into effect on July 7, 2023.

Today's designations build on prior U.S. sanctions and visa restrictions designed to promote accountability of persons who undermine democratic processes or institutions. These actions are part of the U.S. government's wider efforts to promote peace, stability, and functional democratic governance in the Western Balkans region.

INDIVIDUALS INVOLVED IN EFFORTS TO DISMANTLE THE BIH STATE

The process by which laws are passed and the RSNA website make clear that the individuals targeted in today's action and listed below bear responsibility for requesting the June 27 special session of the RSNA to hold the vote on this inflammatory legislation. The RSNA credits Radovan Viskovic, Nenad Stevandic, and Zeljka Cvijanovic for requesting the special session on June 27, and Milos Bukejlovic presented the law to the RSNA on behalf of the RS government. Consequently, these four individuals bear responsibility for encouraging the adoption of this legislation that threatens the implementation of the DPA.

Speaker and President of the RSNA **Nenad Stevandic** (**Stevandic**) also publicly called for the Law on the Non-Application of the Decisions of the BiH CC to be passed and convened the session in which he voted in support of the law. His name and position as Speaker are stamped at the bottom of the decision.

RS Prime Minister **Radovan Viskovic** (**Viskovic**) also promoted the Law on the Non-Application of the Decisions of the BiH CC, calling it a legitimate response to the BiH CC. In his official capacity, Viskovic publicly condemned the BiH CC for recent decisions that he viewed as unfavorable to the RS.

Serb member of the BiH Presidency **Zeljka Cvijanovic** (**Cvijanovic**) also met with Dodik, and affirmed her complete unity with him concerning future decisions prior to the passage of the law. Cvijanovic publicly defended the action after the Law on the Non-Application of the Decisions of the BiH CC was passed. Cvijanovic was previously designated by the United Kingdom on April 11, 2022, for undermining the legitimacy and functionality of BiH.

As RS Minister of Justice, **Milos Bukejlovic** (**Bukejlovic**) also bears responsibility for the preparation of the Law on the Non-Application of the Decisions of the BiH CC. Bukejlovic endorsed the law in a statement to the RSNA, calling on it to adopt the law to demonstrate the "unity" of the RS.

The institutions and government positions that these four individuals represent and hold are not the target of today's OFAC's actions, only the individuals themselves.

OFAC is designating **Stevandic**, **Viskovic**, **Cvijanovic**, and **Bukejlovic** pursuant to E.O. 14033 for being responsible for or complicit in, or having directly or indirectly engaged in, a violation of, or an act that has obstructed or threatened the implementation of, any regional security, peace, cooperation, or mutual recognition agreement or framework or accountability mechanism related

to the Western Balkans, including the Prespa Agreement of 2018; the Ohrid Framework Agreement of 2001; United Nations Security Council Resolution 1244; the Dayton Accords; or the Conclusions of the Peace Implementation Conference Council held in London in December 1995, including the decisions or conclusions of the High Representative, the Peace Implementation Council, or its Steering Board; or the International Criminal Tribunal for the former Yugoslavia, or, with respect to the former Yugoslavia, the International Residual Mechanism for Criminal Tribunals.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the designated persons described above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, individually or in the aggregate, 50 percent or more by one or more blocked persons are also blocked. All transactions by U.S. persons within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or exempt. The prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person, or the receipt of any contribution or provision of funds, goods, or services from any such person.

In addition, financial institutions and other persons that engage in certain transactions or activities with the sanctioned individuals may expose themselves to sanctions or be subject to an enforcement action.

Click here for more information on the individuals designated today.