Statement by Mr. Neven Mimica, Deputy Speaker of the Croatian Parliament

At the 122<sup>nd</sup> IPU ASSEMBLY

Item 3: "General debate on the political, Economic and social situation in the world "Parliament at the heart of political reconciliation and good governance"

Bangkok, 29 March 2010

Mr. President,

Dear Colleagues,

Firstly, I would like to congratulate our Thai hosts for the hospitality and the excellent organization of our Assembly meeting in one of the world's most vibrant capitals. I am confident that this would prompt us to engage in a fruitful parliamentary debate on important challenges faced today by the international community of nations.

And those challenges are enormous. For the last two decades, we live in times of unprecedented development of modern technologies, economic liberalisation and increased international cooperation which had brought our world closer together and contributed to a manifold increase in total global wealth. In such a world, national issues often tend to become regional and regional challenges regularly become international issues of sometimes global implications.

One would have expected that such a global situation would prompt an ever improved political, economic and social situation in the world. And for a while it seemed that we were going, very slowly, but steadily along that path, as the global economy was doing fine and we expected that this would have a positive spill over into the social and political sphere. The international community, governments, parliaments, international organizations came together to reinforce their efforts and streamline many initiatives aimed at achieving the "Millennium Development Goals" of reducing extreme poverty and inequalities and thus increasing international security and stability.

Unfortunately, one could argue that we are today one step further away from these goals than we were yesterday. In the last several years we are faced with a chain of successive international crises - be it climate change, energy, food crisis, raise of global organised crime and terrorism. It reached its peak with a major global financial crisis spilling over into real sectors of virtually all national economies. And it seems like we did not see it coming, neither globally, nor regionally or nationally.

The deregulation and liberalisation of markets, in particular in the financial sector, prevailed over good governance, mostly because of the lack of efficient supervision and oversight mechanisms. The current economic crisis is unprecedented, it is deep and in many countries and regions of profound structural nature, with huge social consequences. The pace and the avenue of the economic recovery, as well as the capacity to remedy and eliminate the roots of this crisis, will affect our ability to deal with key international challenges, like fighting poverty, hunger, climate change, energy supply, fighting organised crime and terrorism. These are all key issues for the future that need to be tackled by all actors at global, regional and national levels through cooperative action.

It is therefore important and timely for us to discuss at this Assembly on the theme of parliaments being at the heart of political reconciliation and good governance. Of course, it is the governments who have the concrete mechanisms to deal with the economic, financial, security and other multiple crises and it is for them to take the actions. These efforts should result in creating a renewed, better and healthier economy as well as a new international financial architecture that should work for all of us. This is an ongoing process, which would obviously be very complicated. But in any case, it should be a highly transparent and accountable process in which parliaments should have particular responsibility, because this is a fundamental public policy issue.

Already the first phase of providing initial rescue packages showed how important it is to set up special mechanisms and procedures for parliamentary oversight and scrutiny of how public money is being spent and how reform is being implemented nationally and internationally. This is what we were saying during the IPU Parliamentary conference on the global economic crisis held last year in Geneva and since then the IPU was acting accordingly in expressing the wish of parliaments to be involved in the reform of the international financial architecture.

The involvement of parliaments in any fundamental reform is a key to good governance and it should be one of those issues at heart of the process of political reconciliation along party lines and between the legislative and executive power. In addition, the success of any major reform also depends on the public support and that is something that can be achieved only if the people are given a sense of awareness, participation and certain ownership of the legislative decision making process and of the legislation adopted on their behalf.

This is an issue of good governance in which parliaments should be at the forefront, especially in times of crisis. These are the times when we need to be even more transparent, accessible, accountable and effective in legislating and holding government to account.

In the Croatian parliament, we are constantly working on raising the transparency of the deliberations. All plenary parliamentary sessions are open to the public and can be viewed and followed at any time via internet. Parliamentary agenda and draft legislation is permanently posted at the parliament websites. We have increased the frequency of public hearings in parliamentary committees in order to have public debates on as many issues as

possible, with the intention of involving all stakeholders in the legislative process. This is particularly important in a system like ours, where the bulk of legislative initiative and draft legislation is submitted by the government.

There is a particular example where we have achieved political reconciliation and established a national consensus of all parliamentary political parties. This consensus is that membership of Croatia in the European Union was a strategic national objective requiring joint co-operative action of the legislative and executive branch to be ensured within a transparent process of conducting future EU accession negotiations. Consensus was achieved across all political party lines and translated into concerted efforts by the Parliament and Government in working on the alignment of Croatia's national legislation with the European Union's legal framework. In practice, this is being done by debating and adopting new legislation to be aligned with the EU regulation trough an accelerated procedure, in just one reading, as well as through a special parliamentary supervisory procedure of the accessions negotiations.

These are some examples of the efforts undertaken by the Croatian Parliament aimed at achieving national political reconciliation and contributing to good governance. I am looking forward to listen to the experience and ideas from other colleagues during this debate.

Thank you.