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Table of Contents

Madrid Declaration

PIC Conclusions / Returns and Rule of Law

BiH Anthem

Proposals forwarded

BiH Presidency

Second regular session on 27 October.

Council of Ministers

5 November session

Media

Media Update: Public Service Broadcasting, Croatia Radio-Television (HRT), Republika Srpska Radio-Television (SRT), The OBN, Independent Media Commission (IMC), The Public Information Campaign, Training

Returns

1999 RRTF Action Plan

Human Rights

Bosnian Serb Indictree Detained by SFOR, Violent Incidents in Eastern Republika Srpska, IPTF Investigation Team Attacked in Stolac, Zvornik Seven, Federation Property Legislation, Republika Srpska Property Legislation, Evictions in Republika Srpska

Exhumations

Update on BiH and Sarajevo exhumations

Brcko

Brcko Supervisor speaks on situation in Brcko

Inter-Entity Links

Geneva Advances, Numbers Working Group, Entity Telecom Legislation, Reconnecting on Return, Inter-Entity Channels

BiH Post

Assistance offered for urgently needed reorganisation and modernising requirement

Electric News

Joint Power Coordination Centre

Announcement

To all OHR Bulletin readers

Please consult our [Bulletin Category List](#) for related information

Madrid Declaration - Returns and Rule of Law

The members of the Peace Implementation Council (PIC) met in Madrid on 15 and 16 December, to review progress in implementing the Peace Agreement in Bosnia and Herzegovina.

In the [Madrid Declaration document](#), they note that BiH has taken great strides forward in the last year. The basic institutions of the State, both political and economic, have been established. Key laws, including on foreign

investment, privatisation and property, are now in place. Freedom of movement across the country has substantially improved. Fundamental reform of the media is well underway, and is helping to create a more democratic society. Elections have demonstrated a trend towards growing pluralism.

But BiH's structure remains fragile. In order to create a self-sustaining state, action is needed in particular on promoting inter-ethnic tolerance and reconciliation; the development of effective common institutions with powers clearly delineated from those of the Entities; and an open and pluralistic political life.

The document declares that the growth of organised crime also represents a serious threat to BiH, and is completely incompatible with BiH's integration into Europe. The document also acknowledges the necessity for a continued international presence in BiH, both civil and military, and that the presence of the Stabilisation Force (SFOR) remains essential. It reiterates that those indicted for war crimes must be brought to justice.

The document stresses that BiH must prepare for life without total reliance on foreign aid, and face up to the challenge of transforming the economy to generate jobs and a better standard of living. This means abandoning the inflexible economic attitudes of the past, pressing ahead with privatisation, creating an environment which encourages enterprise, and in which the rule of law is respected.

The next two years will be vital in strengthening the peace process and building democratic and market-oriented institutions, with authorities in Bosnia increasingly assuming greater responsibility for the functions now undertaken or coordinated by the International Community.

This also requires a greater degree of commitment and cooperation and a more responsible attitude from the authorities of BiH. The PIC members re-confirmed their determination to apply conditionality to international reconstruction assistance, both by applying positive incentives and excluding non-compliant actors.

Returns

During the next crucial period the PIC will continue to encourage the return of refugees and displaced persons by fostering a political, economic and security environment conducive to returns; to strengthen BiH internally and externally; and support stronger ties between BiH and European institutions.

The document recalls the too long denied right of refugees and displaced persons freely to return to their homes of origin and to have restored to them property of which they were deprived in war. It calls for a re-doubling of efforts to create the conditions for a large number of returns in 1999. Particular emphasis is laid upon:

- the unfulfilled obligation of the Parties under Annex 7 of the Peace Agreement to co-operate with UNHCR and to create suitable conditions for return;
- insistence that the parties establish the conditions necessary for an effective returns process;
- the fact that many tens of thousands of Bosnians have so far expressed a wish to return home immediately to minority areas,
- endorsement of the Reconstruction and Return Task Force (RRTF) action plan for 1999.

This plan sets out an intensive programme to address the three key issues of space, security and sustainability. It includes specific sector plans such as a substantial information campaign.

Rule of Law

Simultaneously, the Declaration states, it is also necessary to create the right environment to make returns sustainable, by strengthening the country both internally and externally. The PIC members agree to focus on inculcating the principles that underpin a self-sustaining free market economy and which are vital to any free and democratic society – the rule of law, above all, and the institutions to uphold it.

A top priority for 1999 will be to build the rule of law in BiH through a thorough programme of judicial reform. This will be accompanied by efforts to strengthening the institutions, especially the common institutions of BiH. This campaign will go hand in hand with efforts to entrench the rule of law.

Economy

The PIC members agreed on a comprehensive packet of measures to assist with the task of transforming BiH's economy in 1999 to make it capable of surviving and prospering with reduced foreign aid.

Some of the measures aim to develop BiH's economy as a single economic space based on EU standards, and to privatise, in a transparent and apolitical manner, state-owned industries, banks, small businesses and public utilities. Other measures aim to establish properly functioning capital markets and banking institutions and to fight against corruption, fraud and fiscal evasion.

Democratisation

The document pledges the PIC members to help enable BiH citizens to have real control over their own lives, with decisions that affect them being taken as close to the citizen as possible.

Measures to help achieve this include working with the people of BiH and their representatives to develop a new electoral law, furthering media reform; emphasis on education at all levels, and promotion of the growth of a civil society.

BiH Security

The document contains the PIC members' determination to strengthen the 'outer ring' of BiH by:

- working, in cooperation with SFOR and the OSCE, with the armed forces and Entity and State governments to maintain military stability;
- taking steps together with the Presidency and the Entities towards establishing a common security policy and a State dimension for defence.

Other measures will include establishing a BiH Border Service at the state level with the appropriate legal foundation to control the frontiers of the country, as envisaged in the Peace Agreement.

BiH and Europe

Europe is BiH's future. The PIC welcomes the European Union's intention to develop further its relations with BiH in the political and economic fields, which will contribute to the stability of the country and the co-operation of the parties in BiH. The Declaration pledges the promotion of closer ties with Europe through efforts to ensure that BiH punctually meets the standards for Council of Europe membership.

The Role of the High Representative

The PIC members re-affirm their strong support for the High Representative and his role, under the Dayton Peace Agreement. They fully endorse the broad and substantial powers given to the High Representative at the Bonn Peace Implementation Council, last December, and recognise the necessity to consolidate the High Representative's ability to fully enforce his decisions.

BiH Neighbours

The PIC calls on Croatia and Yugoslavia to implement in full their commitments under the Dayton Peace Agreement and to fully respect BiH's independence and sovereignty.

State Anthem

The High Representative has forwarded three proposals for BiH's national anthem, with the respective draft law to the BiH Parliament.

Out of some 50 proposals resulting from the public competition, three were chosen by the independent mixed-ethnicity commission, consisting of ten citizens of BiH. The three have been recorded, and they have now been submitted to the Parliament.

The High Representative has urged the Parliament to put the adoption of the anthem, and the law related to the

anthem, on the agenda for its next session. Thus BiH should receive its anthem by the end of the year and establish itself as a sovereign State with a flag, coat-of-arms and national anthem.

BiH Presidency

The reconstituted Presidency held its second regular session at the Central Institutions building on 27 October.

A conclusion was passed calling for the drafting of a programme for the Madrid PIC aimed at solving of BiH's economic and social problems and the implementation of [Annex 7](#).

A conclusion was passed that efforts to have BiH admitted to the Council of Europe should be intensified.

The Presidency received a report on the work of the two Presidency Working Groups: the WG for the restructuring of the Council of Ministers; and the WG on enhancing the work of the Presidency. The Presidency called on the working groups to intensify their activities.

At the 24 November session of the BiH Presidency, the members continued the general discussion on preparations for Madrid. They agreed that an extraordinary session will be convened before the PIC to discuss and approve the BiH platform.

The 8 December session was dedicated to discussion about the preparation of the forthcoming Madrid Conference. Since none of the items included in the agenda could be debated, the Presidency Members decided to continue the session on 10 December. This session was also mainly devoted to the definition of a joint platform for the forthcoming Madrid PIC Conference.

In addition, the Presidency asked the BiH FM to resume immediately the negotiations with the FM of the Federal Republic of Yugoslavia. regarding the establishment of diplomatic relations between the two countries

With regard to the Draft Law on the Succession of Presidency Members during the term of office, the Presidency asked the Working Group to present a final proposal in accordance with the guidelines on which the Presidency agreed.

Finally, Branka Milosevic was appointed as liaison officer to the International Criminal Tribunal for former Yugoslavia (ICTY).

The 45th session of the BiH Presidency takes place on 23 December.

Council of Ministers

The 5 November session of the CoM agreed on the preparation of a report on this body's activities, and those of the BiH ministries, covering the period since January 1997. This was intended for inclusion in the BiH platform for the December session of the Peace Implementation Council in Madrid.

The CoM considered the latest report presented by the European Commission Customs and Fiscal Assistance Office (EC CAFAO) and reiterated its support for the work of this organisation in enabling the consistent implementation of customs policy. The CoM members agreed that the customs directorates of the RS and Federation should be linked together.

A Working Group on passports will be formed from representatives of both the Ministry of Foreign Affairs (MFA) and the Ministry of Civil Affairs and Communications (MCAC), with MCAC Deputy Minister Nudzeim Recica as its chair. The WG will examine problems and delays in the issuance of passports as well as the creation of a common database.

At the 12 November session of the CoM, the chief issue focused on was again preparation for the Madrid PIC. All CoM members agreed on the importance of presenting a unified position. Economy, judicial reform and Council of

Europe membership were specified as areas of agreement, and a working group was formed for the preparation of material.

In addition, the CoM formed a delegation for the Summit of Central European Initiative Countries, to begin on 19 November. This was to be led by Co-Chair of the CoM Boro Bosic, and Vice-chair Neven Tomic.

The CoM again failed to agree on the request of the Constitutional Court for supplementary budget. The MCAC indicated that they had received no information to support the Court's request for additional funds. The full functioning of this institution is a priority of the OHR and the IC.

The 26 November CoM session was curtailed in order for CoM members to attend the constitutive session of the BiH Parliamentary Assembly. However, there was further discussion of the distribution of BiH passports. No objections were raised to the proposal of Lukavica, a Sarajevo suburb now in the RS, as the future location of the passport database.

Media

Media Update

Media reform, the encouragement of free and open debate and the free and transparent provision of information to the general public remains a crucial part of the peace process as a whole. Public lack of awareness continues to block advances in areas such as refugee return, the privatisation process and Human Rights. The Madrid Declaration stresses the importance of the role of the media for all of these issues.

Additionally the media has an essential role to play in the stimulation of economic activity: providing information, encouraging small and medium-size private enterprises; establishing viable internal markets; product placement; and attracting foreign investors.

Furthermore the media is one of the worlds fastest growing businesses in its own right. Thus establishing a viable market in which it can operate is vital for its success.

Public Service Broadcasting

The Dayton Peace Agreement provides for the establishment of joint Entity public corporations by agreement between the Entities. It is only through this mechanism that a constitutional formula for a national BiH-wide public service broadcaster can be developed.

The Memorandum of Understanding signed by Members of the Presidency Alija Izetbegovic and Kresimir Zubak in June agreed to

- the formation of a Federation Broadcaster which would fully enfranchise the Croat community as well as
- a Public Service Broadcasting Corporation to be created under Annex 9 which would serve the entire territory of BiH.

The establishment of both is taking place concurrently.

RTV BiH will temporarily retain its identity its European Broadcasting Union (EBU) membership until the creation of a new Public Service Broadcasting Corporation. Meanwhile, it is increasingly providing multi-ethnic programming, under the supervision of its Board of Governors, and with the assistance of its International Supervisor.

Recent developments include changes to the visual presentation (removing specifically ethnic symbolism) and the establishment of a second channel.

The Board of Governors appointed for RTV BiH under the new charter, based on International Federation of Journalists and EBU principles of Public Service Broadcasting, is responsible for managing RTV BiH until the Public Corporation is established. The Board of Governors has also prepared a comprehensive proposal for the

establishment of the of Federation RTV and the Corporation.

Together with the OHR and the Independent Media Commission (IMC), the Board has also developed a new draft law for the establishment of Federation RTV, which will shortly be presented to the Federation Parliament. A system to establish permanent funding for the Federation RTV network via subscriptions is incorporated in the law.

Croatia Radio-Television (HRT)

Continued massive re-broadcasting of HRT channels from terrestrial transmitters in BiH is a key concern as it obstructs the development of a normal media market in BiH. This in turn impedes development of a market economy. All re-transmission, by terrestrial means, of programming from foreign states on the territory of BiH must conform to the regulation of the IMC.

Since HRT broadcasters have to stop their illegal terrestrial broadcasts into BiH, a suitable and fair alternative must be found. The OHR, IMC, RTV BiH and representatives of the Croat community, including TV professionals, are currently negotiating a technical system to help develop the new Federation TV, which will also enfranchise the cultural aspirations of the Croat people.

Republika Srpska Radio-Television (SRT)

The RS official radio-television SRT will also require support during this period of consolidation of the advances achieved. Help will be particularly needed in the form of programming support, enabling this house to operate independently of any links with RTS (Belgrade TV).

The OBN

The OBN is and will remain for the immediate future the only independent cross entity broadcaster. It is now making a considerable impact throughout BiH.

The OBN is a vital conduit for free and independent information and will be critical to strategies on Refugee returns, economic reform, privatisation, the reinforcement of the rule of law and judicial reform. As for previous elections, its presence will also be essential during preparations for municipal elections.

Independent Media Commission (IMC)

The IMC is now firmly established and is beginning its work of regulating the electronic media, building the legal framework and establishing a press complaints procedure.

On 19 and 20 November the IMC held their first national conference on media freedom and regulation. This addressed specifically the questions of media law and press self regulation. The main aim of the conference was to engage the profession in the process of recognising that professional ethics and standards are principally a matter for journalists themselves.

The Public Information Campaign.

This campaign was warmly and enthusiastically received by the general population in both entities. Two independent surveys were commissioned, which gave over 80% approval ratings in the Federation and 70% in the RS.

Regarding refugee returns, judicial reform, the rule of law, economic reforms and the development of a permanent election regime, the Madrid document notes the imperative for public information campaigns to support the operational activities.

Overarching these campaigns the HR wishes to conduct a general campaign to promote reconciliation.

Training

Journalist training will be a key priority next year, and will include a major project in concert with the BBC and Soros Foundation. This will be designed not just at improving the overall standards of journalism and media related skills but of management and commercial administration. It will incorporate general education on the highest

levels of practice and procedure in the fields of ethics, professional standards and regulation.

Returns

1999 RRTF Action Plan

The Return and Reconstruction Task Force Action Plan for the forthcoming year was a primary focal point of the Madrid PIC Conference.

The plan offers an operational tool to achieve a breakthrough in minority returns in 1999. If it is implemented successfully, then a critical mass and sustainable flow of return will have been achieved.

The plan is about creating the conditions to allow individuals to make, and then exercise, choice about return.

Key conditions for the success of the plan include greater collective political will on the part of the International Community, and commitment from all concerned.

For the fact that substantial minority return has not yet taken place to date, politicians and officials of BiH and its neighbour countries are to blame. But it is only the International Community which has the tools to overcome this obstructionism.

Experience shows that political interventions and the use of economic leverage in select target areas can achieve results and create opportunities for minority return.

Persistent interventions to address human rights violations and remove administrative and legal obstacles to return are vital as well.

The Action Plan particularly addresses what it highlights as the three most critical factors affecting returns: Space (accommodation); Security; Sustainability. All of these are to be addressed, in particular, by intensified inter-agency cooperation, based on the structure the RRTF has already built.

Resolving issues of property and occupancy legislation, establishing a fast-track transparent administrative procedure, will be key where Space is concerned. Regarding Security, the RRTF will support the UN Mission to BiH and other agencies in their efforts to develop a multiethnic and professional police-force; and work with SFOR to provide a minimum security framework for individual return movements. The question of Sustainability brings in issues such as education, employment, healthcare, social welfare, and require increased efficiency and transparency from the local judiciary and representative municipal bodies.

The Employment Working Group, the Health Task Force, the Education Working Group, and the Social Policy Task Force, will work with donors on the first four issues. The OSCE and the UNHCR will play a particularly major role with regard to local government structures, and the RRTF will support the UNJSAP efforts to reform the judiciary. Relevant national institutions, including the courts, the Human Rights Commission, and the Federation and RS Ombudsmen, should be strengthened and developed.

In conclusion, and as the Action Plan points out, the IC may continue as before with comparable, modest results. Or it can launch an all out effort, and focus all political leverage, economic resources, and security assets in 1999 – while still at their peak – to generate a decisive breakthrough in minority return.

Exhumations

The first exhumation carried out jointly by two of the national Commissions for Missing Persons (CMPs) took place in the RS town of Modrica, on 18, 19 and 20 November. The Bosniak and Croat CMPs worked together on the same sites under the supervision of the local Cantonal court of Odzak.

On the first day a grave containing 8 bodies, believed to be of different ethnic origins, was found. 13 more bodies

were found on the second day, bringing the total up to 22. The bodies were taken to Odzak to undergo autopsies, again conducted jointly by the pathologists of both teams.

The sites were centrally positioned in the town of Modrica, and so the goodwill and cooperation of the local police, who provided excellent security throughout, was all the more significant, given the demands of the situation.

The success of this joint action means the close of the season for exhumations has ended on a positive note. This opens up hopes of yet further increase in the cooperation of all parties, when the season re-opens next March.

Sarajevo Exhumations

Continuing the joint exhumation process, and as the last OHR-coordinated operation at the close of the season, digging took place at several sites in Sarajevo. A total of 81 bodies were exhumed in a five day period at the end of November. The exhumations were conducted by the RS Commission for Missing Persons, in the presence of a local municipal court judge. Identifications are to take place in Lukavica, a suburb of Sarajevo located in the RS.

The local police provided excellent cooperation and security for the RS CMP members, and were warmly thanked by the President of the RS CMP.

Human Rights

Bosnian Serb Indictee Detained by SFOR

Bosnian Serb General Radislav Krstic was detained by SFOR troops on 2 December under a sealed indictment of the International Criminal Tribunal for the Former Yugoslavia (ICTY) and subsequently transferred to the Detention Unit of the ICTY in the Hague. Krstic made his initial appearance on 7 December before Trial Chamber I and pleaded not guilty to each charge included in the indictment.

The indictment alleges that the accused, as the Commander of the Drina Corps of the Bosnian Serb Army, committed Genocide during and after the fall of Srebrenica between 11 July 1995 and 1 November 1995.

The accused is also charged with five other counts in the indictment, all relating to the events which surround the fall of Srebrenica, namely Complicity to Commit Genocide; Extermination, a Crime Against Humanity; Murder, a Crime Against Humanity and a Violation of the laws or customs of war; and Persecutions, a Crime Against Humanity.

The accused is charged in respect of his direct personal involvement in the commission of these crimes and also as being responsible as a commander for the actions of those under his authority.

Violent Incidents in Eastern Republika Srpska.

The detention of General Krstic was followed by a number of violent incidents in Eastern Republika Srpska (RS). On 3 December, a UN vehicle was destroyed in front of the IPTF Vlasenica Station.

On 4 December, a public rally was held in Vlasenica in reaction to General Krstic's arrest. Following a statement made by the President of the Vlasenica Municipal Assembly that General Krstic had been tortured by SFOR troops during his detention, the crowd attacked and injured two members of the ECMM mission and burnt an ECMM vehicle. Also on 4 December, an explosion occurred near the IPTF Bratunac Station.

The High Representative strongly condemned the violent incidents and stated that any suggestion of torture was entirely unfounded and highly provocative. On 15 December, under his Bonn powers, the High Representative suspended the President of the Vlasenica Municipal Assembly pending the findings and results of ongoing criminal investigations.

IPTF Investigation Team Attacked in Stolac

IPTF reports over 70 return-related incidents in Stolac municipality since the beginning of the year. As a result of the inadequate response of local police and Municipal/Cantonal Authorities to returnee-related violence, IPTF

deployed a 24-person investigation team to examine the performance of the Stolac police in preventing and responding to returnee-related violence.

On 10 December, during an inspection of the Stolac local police station, the investigation team was attacked by a hostile crowd. As a result of the incident, the new Cantonal Minister of Interior dismissed the Stolac Chief of Police.

Zvornik Seven

On 12 December, the Bijeljina court handed down a verdict in the re-trial of the Zvornik 7 case. The case involves the trial of seven Bosniak men who fled after the fall of Srebrenica and remained in hiding in RS territory for almost one year.

Charges against three of the defendants, who were accused only of weapons violations, had already been dropped; the remaining defendants were convicted of the murders of four Serb woodcutters, as well as a Bosniak companion, during the time they were in hiding.

Three of the defendants, including one tried in absentia, were found guilty of murder; the fourth was found guilty of attempted murder. Two defendants received sentences of 20 years; one received a sentence of 11 years; and the defendant tried in absentia received a sentence of 10 years.

In a press release issued on 15 December, OSCE, OHR, UNMIBH and OHCHR condemned the verdict by the Bijeljina District Court. The only evidence tying the defendants to the alleged crimes were confessions taken during the original investigation; the court apparently relied on these confessions despite overwhelming evidence that the defendants had been mistreated and the confessions were coerced.

Both international law and the law of the RS prohibit the coercion of statements, as well as the use of coerced statements as the basis of judicial decisions. While the written verdict in this case has not yet been issued, the decision announced by the Bijeljina Court is clearly inconsistent with international standards, and constitutes a setback for the rule of law in the RS.

The international community calls on the Supreme Court to expeditiously consider the evidentiary, statutory and constitutional questions raised in any appeal of this verdict.

Federation Property Legislation

OHR has forwarded to Prime Minister Bicačević a list of outstanding problems with Federation legislation and administrative practices relating to property and housing, which should be resolved as a matter of priority.

The issues include amendment of the Criteria under Article 3(7) of the Law on Cessation of Application of the Law on Abandoned Apartments; amendment of the laws to allow for administrative claims for repossession of illegally occupied property that was never formally declared abandoned; a strengthening and clarification of the role of the Commission for Real Property Claims of Displaced Persons (CRPC) in the claims process; and a range of other matters.

OHR and other interested international organisations will undertake detailed negotiations on each of these matters in the coming weeks. Implementation of the property and housing laws in the Federation continues to face obstacles. While the numbers of claims registered continues to improve in most parts of the Federation, the rate of decision-making and enforcement is still extremely low.

The authorities in Zenica, and more lately in Tuzla, are applying Article 3(2) of the Law on Cessation of the Application of the Law on Abandoned Apartments to reject claims, on the basis that the departure of the original resident was unrelated to war activities. This amounts to a denial that the original residents of Zenica have the right to return under Annex 7 of the Dayton Agreement. OHR has intervened with the Ministry for Urban Planning and Environment, and other international organisations are intervening with the relevant municipal authorities.

There has also been a marked increase in reports of the military police carrying out summary evictions of civilians from military apartments in Sarajevo. The military police are competent only to enforce military regulations against military personnel, and their attendance at evictions has no basis in Federation law. The civilian police have sole responsibility for supporting the execution of evictions, which may only be carried out pursuant to a decision rendered by a competent body – either a court or the administrative authority competent for housing affairs. The

High Representative sent a letter on 4 December to the Federation Ministry of Defence objecting to the involvement of military police in evictions.

Republika Srpska Property Legislation

On 2 December, the Republika Srpska National Assembly adopted the Law on Cessation of Application of the Law on Abandoned Property. This Law finally rescinds the war-time legislation on abandoned property, which has been a major obstacle to return in Republika Srpska. Although a review of the final text is still underway, its adoption represents a very positive step forward.

The Law establishes an administrative claims process for the repossession of property, similar to the two Federation property laws adopted in April 1998. The RS Law regulates both private property and socially owned apartments, and specifies the rights of temporary occupants to alternative accommodation.

Under the Law, the Ministry for Refugees and Displaced Persons is responsible for implementing the law and deciding property claims. The Law also gives an important role to the CRPC. A draft Law on Amendments to the Law on Housing Relations is currently before the National Assembly

Evictions in Republika Srpska

On 9 December, the National Assembly adopted a Conclusion instructing the authorities not to carry out evictions of refugees, displaced persons, families of killed soldiers and war invalids from the period 15 December 1998 until 15 April 1999, except where alternative accommodation is available. Similar restrictions on evictions had already been adopted by the court authorities in Banja Luka. 'Winterisation rules' preventing evictions over the winter period were the usual practice before the war, although normally promulgated at municipal level. OHR will try to ensure that progress continues to be made on multiple occupancy and floater cases over this period.

For further details on the current human rights situation in Bosnia and Herzegovina, please see HRCC Human Rights Monthly Reports which are available in English and Bosnian on the OHR Web Site (<https://www.ohr.int/hr.htm>)

Brcko

On 15 December, at the Madrid PIC Conference, Brcko Supervisor Ambassador Bill Farrand spoke on the situation in Brcko to date:

Brcko is a microcosm of Bosnia and Herzegovina. If we succeed in Brcko, we can succeed elsewhere.

Brcko's status will be the dominant issue for the first half of 1999.

Farrand then gave an update on developments in Brcko to date:

- First, the number of minority families who have returned to Brcko equals the number who have returned to all the rest of Republika Srpska combined.
- Second, Brcko has the most multiethnic municipal government in BiH.
- Brcko's Municipal Government has been recently restructured, to improve services for all of Brcko's residents.
- A breakthrough in education has been achieved: two primary schools, attended by minority children, taught by teachers from other ethnic groups, are using the RS curriculum and pre-war Yugoslav textbooks.
- Finally, the village of Lipovac, within the Brcko area of supervision, is the first community in BiH where members of all three ethnic groups are returning to rebuild their homes.

However, he warned: Day after day, Dayton implementation in Brcko is frustrated by those burdened by outdated national, political, and economic thinking.

Economic reform must be our top priority for 1999. Brcko's unemployment rate stands now at 70 to 80 percent. Brcko's economy badly needs outside investment. Sustainable jobs will undercut the ultra-nationalists who exploit the resentment and misery of people who have little to lose and little to hope for.

The Supervisor added that he will work closely with international development and financial agencies to privatize State-owned and socially controlled enterprises in Brcko as soon as possible after the arbitration decision.

Brcko can help guide Bosnia into the European economy.

Funds, he said are urgently needed to pay Brcko's judges, and finance the reconstruction of destroyed homes.

I remain especially concerned about the plight of the 25,000 Bosnian Serb displaced persons in Brcko. They, too, deserve help.

He stressed the need for two-way returns, especially to Sarajevo, and welcomed the growing interest of Bosnian Croats in returning. He spoke of the difficult campaign to resolve occupancy issues, in particular the effort to find housing for minority Municipal executives returning to Brcko.

He next described efforts to make the local government efficient and accountable and to develop a professional civil service.

Having brought Bosniacs and Bosnian Croats into the main government bodies, we will be moving to make multiethnic all municipally-funded institutions, including the media, the healthcare and education systems.

Finally, he told the PIC: The upcoming arbitration decision and its aftermath will pose special challenges for us all. I will do all that I can to meet these challenges and to help build a peaceful and prosperous community. Your support can make this promise a reality.

Inter-Entity Links

Geneva Advances

The Telecommunications Working Group met again in Geneva on 10-11 December. The meeting which was hosted by the International Telecommunications Union (ITU) produced increased accord between the attending State and Entity level delegates from BiH.

Together with representatives from the European Bank of Reconstruction and Development (EBRD), ITU and the OHR, they considered the draft proposals for the structure and regulations of the Telecommunications Regulatory Agency. (The establishment of this body is key to the implementation of the recently passed State-level Telecommunications Law.)

They also agreed on the substance of what form an international licence should take, drew nearer to a shared position on tariff policy, and discussed the BiH numbering system.

Numbers Working Group

The delegates agreed on the Terms of Reference for a Working Group appointed to deal with the details of the latter issue. This body will include representatives of the three telecommunications companies currently operating in BiH.

Its Terms of Reference include the principle that the future numbering system of BiH should be simple to use, and sufficiently flexible to adapt to developments such as operator and geographic number mobility. The number ranges will reflect the trends in the EU countries.

Entity Telecom Legislation

The EBRD and the OHR are reviewing the Entity legislation on telecommunications currently in force, with a view to bringing it into accord with the State level law on Telecommunications. This will help define the different spheres of

operator and regulator, and allow for competition in a multi-operator environment.

Reconnecting on Return

The OHR together with the Bosnian operators is drafting a regulation concerning the costs of reconnection for people who return to their former homes. It is envisaged that telephone reconnection at a minimal rate should be available to returning refugees and Displaced Persons for a period of up to three months from the date of their return home.

Inter-Entity Channels

As of the second week of December, 240 inter-Entity channels are now available

Postal News

The BiH Postal sector urgently requires reorganisation and modernising. The OHR (Erik Mackinlay of the Department for Economic Affairs) and the Government of the Netherlands have agreed that the Government will provide an expert who will produce an initial proposal for a State-level BiH postal law. This draft will then be discussed with the Berne-based Universal Postal Union (UPU) at the beginning of 1999.

As assistance for the severely under-equipped postal services of the RS, the Italian Government will be donating 6 vehicles for inter-Entity mail. To date, postal services across the Inter Entity Border Line have been very generously provided by the Federation BiH postal service. Further donor help for RS post currently being sought includes equipment for the delivery staff.

Electric News

Joint Power Coordination Centre

The three Elektroprivreda electricity companies operating in BiH have continued to collaborate on the establishment of a Joint Power Coordination Centre (ZEKC).

The OHR issued a warm welcome for the appointment of the Directors and Management Board of the ZEKC on 11 December by representatives of all three companies.

The objective of the ZEKC is to coordinate the work of the three power transmission systems in a secure and effective manner and to safeguard the transmission of electric energy from generating facilities to domestic and foreign consumers. A satellite communication link between three Elektroprivredas and ZEKC will be installed as soon as the permanent location of the ZEKC is decided upon.

The ZEKC was established in accordance with the standards of the Union for the Coordination of Production and Transmission of Electricity (UCPTE) and the European Union (EU). Negotiations took place under the guidance of the OHR Economic Affairs department, and with the participation of Electricite de France (EDF), the British Department for International Development (DFID) and The World Bank.

The three Elektroprivreda companies are represented on the Management Board of the ZEKC. Mr. Edo Omeragic from Elektroprivreda of the Croatian Community based in Mostar (EP HZBH) has been elected president. Mr. Milenko Kokorilo from the Elektroprivreda of Republika Srpska based in Trebinje (ERS) has been appointed director. Mr. Ognjen Markovic from Elektroprivreda Bosnia and Herzegovina, based in Sarajevo (EP BiH), will represent the ZEKC at the UCPTE.

The details necessary to ensure the essential functioning of the ZEKC will be agreed in the forthcoming period. In spite of this initial success there are still many challenging operational and organizational issues to be negotiated.

The ZEKC should become active within the next two to three months, and it will gradually increase its activities,

becoming fully operational within two years.

See our *Chronology* for a full list of activities

Announcement

To All OHR Bulletin Readers

This is to acquaint you with the news that the OHR Bulletin will not be reissued until further notice.

The HRCC Monthly Reports and the Economic Newsletters will continue to be available, as before.

The OHR Bulletin is produced by the Public Affairs Department of the Office of the High Representative in Sarajevo and aims to give an overview of what is happening on the ground in the civilian implementation of the Dayton Agreement.

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