

# **OHR Bulletin 74 - 25 August 1998**

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## **National Bank Liquidation**

On 9 April, the BiH Presidency signed a decision on the liquidation of the insolvent BiH National Bank (NBBH). This decision appoints Mr. William Dudley, an expert from the consultancy firm of Barents, as the Liquidator. As Liquidator, Mr Dudley has full authority in the implementation of the plan for liquidation.

Liquidation of the NBBH gives full and clear responsibility to the lately established Central Bank, which is its successor. Liquidation should sever all disputable connections between the Central Bank and the NBBH which could prevent confidence in the Central Bank's issuance of the new BiH currency, the Convertible Mark (KM). The liquidation of the NBBH also enables BiH to benefit from [IMF](#) funds.

The Liquidator subsequently issued the instruction on July 16 to freeze all deposit activities of the NBBH, in order to assess the situation and to proceed with liquidation. However, to the concern of the Central Bank Governor and the OHR, more than a month after this instruction was issued, it had not been followed

Moreover, this failure revealed that the Central Payment Office (ZPP), the institution which controls the accounts at the NBBH, is government-influenced. It was the Federation's Finance Minister who on July 17 asked the ZPP Director to disregard the Liquidator's decision. This is a clear violation of Article III of the constitution of BiH, which states that the Entities must comply with the decisions of the BiH central institutions.

If the instruction continues to be ignored, the High Representative will be forced to use his powers under Annex 10 of the Dayton Peace Agreement and the Bonn Document and take all necessary decisions to ensure that the Liquidator's decision is implemented.

According to Deputy HR for Economic Affairs Didier Fau:

'The OHR firmly believes that banking institutions should be free of any political influence. The OHR also believes that the ZPP is an outdated, non-transparent ultra-bureaucratic relic, which exerts a financial dictatorship in BiH.'

He stated that the International Community is working on establishing a functioning banking sector with viable

local banks, which will take over the functions of the ZPP, thus greatly improving the environment for local business.

## **Presidency**

The 37th session of the BH Presidency accepted the newly appointed Ambassadors of Turkey, Poland and South Africa to BiH. The establishment in Sarajevo of a Cultural Centre of the Federal Republic of Germany was also agreed.

The Presidency members discussed the establishment of a Common Service and a Protocol Office for the Presidency and adopted a proposal from the Working Group, which will be signed at the next session.

The Agreements between the European Bank for Reconstruction and Development (EBRD) and BiH on the Urgent Reconstruction Projects and the Telecommunication System were ratified.

The Presidency discussed some items proposed by presidency member Kresimir Zubak. These included his proposal for the establishment of a Ministry for European Affairs. The Presidency decided to task the CoM to prepare a practical proposal to be discussed after the election.

## **Council of Ministers**

The Memorandum of Understanding on the BiH Agency for Statistics, submitted by the OHR, was adopted by the CoM with no changes.

The Ministry of Civil Affairs and Communications (MCAC) was given responsibility for the Border Commission which was recommended to convene early next week.

The Agency for Foreign Investment was accepted.

The CoM formally adopted the Decision on the Sphere of Activity and Organization of the Cabinet and Services of the CoM, originally signed in March, with amendments for the creation of a 5-person CoM Protocol division under the Administration Service.

Co-Chairman Haris Silajdzic, reported that prior to the CoM meeting, the MoU increasing the sphere of civilian operations within Sarajevo airport had been signed between CoM representatives and SFOR.

The next meeting of the CoM will take place on Thursday 27 August. This will be the last opportunity for the CoM to approve items for consideration in time for the final BiH parliamentary session on Sept 1-2, prior to the elections.

The OHR will request the addition of the Law on Immunity to the agenda of next CoM meeting.

## **BiH Anthem**

Scores of entries have been received for the public competition for a National Anthem of Bosnia and Herzegovina. The deadline for entries to be submitted expired on 15 August 1998. The Independent Commission for Common Symbols, formed by the High Representative, held its first meeting on 21 August 1998, to begin work on selecting three entries, which it will then submit to the High Representative.

## **SCMM**

The 9th session of the Standing Committee on Military Matters (SCMM) took place on 13 August. This is to be the

last session before the September elections. All three members of the BiH Presidency were in attendance, together with representatives for both the Entity Ministries of Defence, and the Entity army Commands.

Following the adoption of statements from the Ministries of Defence the International Committee of the Red Cross (ICRC) gave a detailed presentation on the search for missing persons. This met with support of all three Presidency members.

President Zubak in particular called upon the representatives of the MoDs to offer all possible assistance in helping to identify missing persons and potential burial sites.

The proposed introduction of a regime of cross IEBL helicopter flights was introduced by SFOR. The Committee endorsed the initial selection of three routes, to be resolved by the MoDs. Subsequently the Committee agreed on the mine definition offered by OHR.

The OSCE proposed that the Committee endorse a seminar and a field exercise to test inter-Entity and civil military cooperation in the event of a natural disaster. The Committee agreed to endorse the seminar, with a decision on the exercise to be taken after the seminar. (The latter will be held in Banja Luka in October).

The next session of the SCMM is to take place on 30 September.

## Media

### IMC and MEC

On 18 August a joint press statement from the Media Experts Commission (MEC) and the Independent Media Commission (IMC) was published. The MEC, the Election Appeals Sub-Commission (EASC) and the IMC have signed a Memorandum of Understanding on cooperation between the OSCE and the IMC that could potentially impact the current pre-electoral period and outcome of the 12-13 September elections.

The MEC and the EASC are official bodies set up by the OSCE Provisional Election Commission (PEC) for the purpose of enforcing the rules and regulations established by the PEC. The MEC is OSCE's mechanism for enforcing media access requirements and to remedy improper media behavior or misconduct by governmental authorities with respect to the media during the pre-election campaign period.

The EASC is a juridical body that ensures compliance with the PEC rules and regulations and adjudicates complaints with regard to the rules and regulations referred to it by the PEC, the MEC, political parties, candidates, individuals or other entities.

The IMC has general authority over broadcasters and other media in BiH following its inauguration on 11 June 1998. The IMC has issued a broadcasting code of practice, which took effect on 1 August 1998, and will administer a licensing regime for present and new broadcasters.

The MOU signed between OSCE and the IMC, includes an agreement to monitor compliance with the PEC's rules and regulations regarding media and the election campaign period. If the MEC or EASC make decisions or judgments on violators who have relationships with media outlets requiring broadcast licensing, the MEC and the EASC will refer these judgments and decisions to the IMC for consideration of action concerning future licensing. The MEC and the IMC are agreed that the bodies are complementary, particularly during the election campaign period. The MEC will refer all non-election related media violations to the IMC during the election campaign period. The MEC will terminate its operations on October 31, 1998, and transfer its responsibilities and authorities from the MEC to the IMC.

### HRT

The MEC at its session on 20 August ruled that Croatia Radio Television (HRT) had failed to provide balance in its current affairs programming despite repeated warnings from the International Community. In a letter sent to HRT, the MEC gave the network until Sunday, 23 August, to bring its programming into compliance with the rules and regulations of the PEC concerning equitable access for all political parties, candidates and coalitions. If HRT failed

to meet the deadline, the MEC ruled that the case would be turned over to the EASC for possible action.

## **Public Service Broadcasting**

The Srpska and BiH Radio-Television networks are currently engaged in producing and planning pre-elections and elections programming. The International Community is actively assisting with short-term projects to monitor and improve their output, especially in the elections period. In the longer term, the ongoing establishment of necessary legal frameworks will create clear and transparent lines of public funding.

The International Community is committed to ensuring the long-term viability of both the public service and commercial sectors of BiH media: the focus of funding is now on projects which will help establish commercial and public funding, rather than continued reliance on donor support.

## **Returns**

### **SARAJEVO DECLARATION QUARTERLY IMPLEMENTATION REVIEW**

This review, compiled by the Reconstruction and Return Task Force (RRTF), was issued on 11 August 1998. The following is drawn from its Executive Summary:

#### **1. HOUSING/PROPERTY LEGISLATION, INCLUDING MULTIPLE OCCUPANCY**

Implementation of the new Federation property legislation is proceeding. Administrative obstacles to the filing of claims to repossess private and socially-owned property have diminished, but problems continue to be reported. In addition, numerous problems have been identified in claims processing and adjudication. Most significantly, decisions are not be made within the 30 day period required under the law.

Finally, the criteria under Article 3(6) of the new Federation property legislation (on the allocation of apartments to returnees other than the apartments for which they hold occupancy rights) still need to be adopted in a form acceptable to the High Representative.

The targets for solving multiple occupancy cases have not been met (148 cases verified and advertised vs. 2,000 required). None of the pre-war occupants have been reinstated (22 pre-war occupants have registered to return, but evictions are still pending). Recent moves by the authorities have the potential to improve this situation, however – including the hiring of more staff to deal with housing issues.

#### **2. RETURN ISSUES, INCLUDING SPECIFIC RETURN CASES**

The Deadlines have been missed in solving specific return cases: only a small fraction of cases have been solved, well below the set targets. This confirms the concerns raised above.

#### **3. EDUCATION ISSUES**

The Education Working Group (EWG) continues to work effectively and successfully. The Sub-Group responsible for reviewing all textbooks in use in Sarajevo schools has identified all material thought to be offensive and it has been agreed that the Ministry, working in conjunction with an expert team led by UNESCO, will ensure the eradication of this material by the coming school year. In particular, the section in history books on the recent war is to be entirely omitted: a new outline drafted in consultation with all parties will be submitted in its place. In the meantime, posters and leaflets outlining where to turn to for help in the case of discrimination in schools will be put up and distributed in all schools at the beginning of September. Of the proposals submitted to foster democracy and tolerance, some four projects were short-listed; two been funded so far; further funding is urgently required.

#### **4. EMPLOYMENT ISSUES**

In the reporting period, the Employment Working Group has focused primarily on exploring credit options for minority entrepreneurs and small businesses, and organising meetings bringing creditors and potential lenders together.

## 5. PUBLIC ORDER AND SECURITY ISSUES

Representatives of the Sarajevo Cantonal police and the UN Mission to BiH (UNMIBH) have finalised a detailed strategy to support returns on 20 July, addressing the requirements contained in paragraphs 29 – 31 of the Sarajevo Declaration. To address the issue of incorporation of minority police officers in the police force, the Cantonal police has adopted the approach proposed by UNMIBH. Some progress is visible in the area of public relations. UNMIBH continues to explore further with the Cantonal police how these campaigns can be improved either with a specific focus on return or to attract minorities to join the police forces.

## 6. CONCLUSIONS

While a number of positive steps have been taken in the fields of education and public order and security, the principal issues of housing and return to own homes of minorities have still not been addressed sufficiently vigorously or systematically by the authorities.

### Kotor Varos Returns

In recent weeks around 250 representative members of displaced Bosniak families have returned from the Central Bosnian Canton to the Kotor Varos municipality in the RS. The returnees are engaged in clearing the areas where their houses stood, while living in tents and containers provided by the UNHCR.

The RRTF is concerned that the families should be adequately housed and self-supporting by winter. Approximately one million DEM are needed to facilitate the delivery of reconstruction materials to Kotor Varos and supply other urgent needs. There has been a positive response from donors so far, but the need continues.

For the longer term and the revitalisation of the local economy, the municipal council is drafting project proposals for small local industries and businesses. The RRTF is investigating possibilities of obtaining credits.

Some Highlights from the Weekly Report of the NorthWest RRTE, 8-14 August 1998

### Positive Developments in Croatia:

A visit by 25 Croatian Serb refugees to Gvozd (formerly Vrginmost) and Topusko, Croatia, which took place on 11 August passed off successfully. Visits are now taking place on a regular basis.

### Bridge Building:

The reconstructed bridge between Blatna (RS) and Ivanjska (Federation) was opened on 12 August. The bridge, financed by donations from the UK and Canada, is important for inter-Entity freedom of movement. The RRTE now intends to encourage 'clean-up visits' (enabling refugees and DPs to clear their property sites) in the area.

### Drvar:

The meeting of the Drvar/Glamoc/Grahovo RRTE took place on 13 August. Return is continuing in all three municipalities. Water and sometimes electricity are the main reconstruction topics discussed apart from housing. Donor attention is urgently needed for Glamoc and Grahovo.

A visit of 50 Serb DPs from Bijelina and Srebrenica to Drvar 13 August was organised by the NGO OXFAM. 20 of these people are currently living in collective centres that the IC and RS authorities wish to close as soon as possible.

The EC is looking to provide 500 beneficiaries in Drvar, Bosanski Grahovo and Glamoc with cattle. This donation of livestock will be very important in terms of achieving sustainability in the return process.

## Human Rights

### Killing of Policeman in Pale

On 7 August, Srdjan Knezevic, Deputy Chief of the Public Security Centre of Pale, was killed. Charges have been brought against seven individuals in connection with the killing. UN IPTF has established an investigative support team which is conducting an independent investigation into the alleged crime and into the manner in which the case is being handled by the local police. The investigative support team also provides expertise to the local police.

On 18 August, during the course of UN IPTF investigations, UN IPTF discovered individuals in illegal detention in the Famos Factory in Pale. The individuals were released upon the request of UN IPTF. The individuals had reportedly been held for nine days. Investigations into the incident are ongoing.

### **Update on Implementation of Federation Property Legislation**

OHR has continued to intervene where obstacles to the full implementation of the Federation property and housing laws have been identified. A number of obstacles in the claims filing process have now been addressed, although problems continue in relation to the charging of fees and military apartments.

An additional obstacle has arisen in a number of areas, namely the requirement that a hearing be held before a decision is rendered on a claim for a socially-owned apartment. The Law requires that proceedings shall be considered urgent, hearings are both legally unnecessary and not practical. Hearings have tended to balance the rights of the current occupant against those of the occupancy right holder. Obstacles in the claims adjudication process and delays in the rendering of decisions are being identified throughout the Federation. Specifically, municipalities are failing to issue decisions within the 35-day time period required by the Law. This has been extensively documented by the Federation Ombudsmen in their recently issued Special Report. OHR has intervened with the Federation Prime Minister to ensure that these obstacles are addressed. Monitoring is being carried out throughout the Federation in order to gather statistical information on progress in the claims-filing and decision-making processes of the property and housing Laws. OSCE and ECMM are monitoring every municipality in Cantons 1- 6, 9 and 10. The Mostar Regional Human Rights Working Group is monitoring every municipality in Cantons 7 and 8. The information gathered will be influential in making the decision as to whether it will be necessary for the 4 October deadline for submitting claims for socially-owned apartments to be extended and if so by how long. The final training sessions on the new Federation property and housing laws, which have been conducted jointly by UNHCR, CRPC and OHR, took place in Sarajevo on 13 August. This session was supported by Prime Minister Bicakcic and participants included municipal, Cantonal and Federation Government officials. Over ten training sessions have been held throughout BiH and in Belgrade, with a total of around 500 participants. The objective of these sessions was to enable staff of national and international organisations to identify and address obstacles to implementation of the laws so that interventions can be made and to identify legal benchmarks and standards for their implementation by government officials.

Halting of Evictions of Illegal Occupants in the RS Update Evictions in the RS, including legal evictions have been halted since April 1998, as a result of measures taken by the RS National Assembly and the RS Government (see HRCC Human Rights Monthly Reports, May and June 1998). On 25 July a Decision was passed by the Assembly which excludes from the ban four categories of occupants: illegal occupants; multiple occupants; those who occupy property pursuant to Article 17 of the RS Law on the Use of Abandoned Property (Ed. Note: In a report issued in April, the Human Rights Ombudsperson found the content and application of Article 17 to be in violation of the European Convention on Human Rights); and displaced persons and refugees who are using abandoned property and who have sold property in their previous place of residence.

OHR and other international organisations will be monitoring to ensure that these exceptions are appropriately interpreted and applied and that legal evictions are continued. Despite the passing of this Decision, evictions of illegal occupants in the Banja Luka area, including evictions which will bring about the reinstatement of the floater cases, were not carried out in July. Twenty court-ordered evictions were scheduled to take place in the Banja Luka area in July. Despite ten attempted evictions, only one reinstatement took place.

### **Sarajevo Education Working Group**

The Sub-Group responsible for reviewing all textbooks in use in Sarajevo schools has identified material thought to be offensive and it has been agreed that the Ministry, working in conjunction with an expert team led by UNESCO, will ensure the eradication of offensive material from textbooks for the coming school year. In particular, the section in history books on the recent war is to be omitted in its entirety and a new outline drafted in consultation with all parties will be submitted in its place.

The Sub-Group on Democracy and Tolerance Building Projects has secured funding from the Austrian Government, the Canadian Government and the OSCE for three projects aimed at fostering tolerance and harmony in schools. These projects will start at the beginning of the new school year. Direct contacts will be made with other embassies to secure funding for more projects. The Sub-Group has agreed to write up the experiences from its projects in the form of a booklet on model good practice.

The Sub-Group on Discrimination has solicited inputs from all schools and select NGOs on possible discrimination against teachers or students. SFOR CIMIC has prepared leaflets and posters to assist in this process. The posters will go up in all schools before the beginning of the new school year and the leaflets distributed immediately after. Follow-up visits are to take place following the distribution. The Sub-Group on Resources has adjourned, pending the outcome of a project by the World Bank which will analyse the financial needs of the whole education sector.

**Law on Courts in Herzegovina-Neretva Canton** The "Law on the Courts of the Herzegovina-Neretva Canton" and the "Law on the Court of the Central Zone of the City of Mostar" were imposed by the High Representative and went into effect on 3 August. The laws were imposed as a result of the failure of the Herzegovina-Neretva authorities to implement the High Representative's "Decision on the Establishment of Municipal Courts in the Herzegovina-Neretva Canton" of 6 May 1998.

The Law on the Courts recognises the right to a court of each municipality in the Herzegovina-Neretva Canton, including the six Mostar municipalities. The ethnic composition of the judges at each court are to reflect the results of the 1991 census in the municipalities or the territory that newly-created municipalities cover. The national structure of the senior judicial staff at the Central Zone Court are to reflect the overall national structure of the population in the entire City of Mostar based on the 1991 census.

The High Representative has requested the authorities to fully implement the laws by 15 November 1998.

#### ICVA

The International Council of Voluntary Agencies (ICVA) is pleased to announce that the July 1998 edition of the Return Directory for BiH is now available. This directory contains contact and programme information on a number of national and international agencies who are currently providing information and legal advice to refugees, IDP's and returnees.

Available in a combined English/local language version and free of charge.

Contact:

ICVA Sarajevo – phone: 00387 71 668.298/ fax:668.297

ICVA Tuzla – phone: 00387 75 283.600/ fax: 281.465

ICVA Banja Luka – 00381 78 (058) 68.335/ fax: 66.784

## Brcko

Supervisor Farrand issued on Friday 14 August a reminder to DPs wishing to reclaim accommodation that there are less than two months left to register claims for socially-owned apartments in the Federation.

Thousands of people who used to live in socially-owned apartments located in territory that is now in the Federation, will lose their occupancy rights if they do not file their claims by October 4, 1998.

He warned:

In order to maintain your right to that property a claim must be filed with the housing authority in the Federation municipality where the apartment is located.

File the claim by October 4 or you risk losing your occupancy right forever.

Supervisor Farrand stressed in his reminder that if any problems were encountered during the filing process, OHR Brcko, the UNHCR, OSCE or the regional legal information centre should be contacted immediately.

# Freedom of Movement

## Sarajevo Airport MoU

The Memorandum of Understanding signed by the Co-Chairs and Deputy Chairs of the Council of Ministers, and SFOR command, enables increased civilian operations in this airport. Overnight stops by civilian planes and their crews are now possible, as are cargo operations. Also, the training of civilian air traffic controllers can now begin.

## Tuzla and Banja Luka Airports

A donation from the EC will enable the urgent runway repairs necessary for Tuzla airport to reopen to civilian flights this September. Meanwhile, civilian flights are proceeding smoothly at Banja Luka airport.

## Mostar Airport

Sarajevo-based company Air Commerce intends to move to Mostar, and is planning flight schedules between Mostar and Sarajevo, to start in September. The company also intends to organise flights to Zagreb, in cooperation with Croatia Airlines, and is planning direct flights to Montenegro and Rome.

# Inter-Entity Links

## Power Plus

As of August 15 two power transmission lines of 220 kV now connect the Prozor/Rama hydraulic powerplant with the Jablanica switchyard. During the war both these lines were destroyed: following the Dayton Agreement one was rehabilitated, but without the second line the power supply transmitted was unreliable. The Western BiH towns of Bihac and Prijedor, the latter in the RS, were particularly vulnerable to loss of power due to inclement weather (from a charge of lightning for example). The installation of the second line increases the reliability of the entire BiH Federation transmission system.

The line was installed through the credits provided by the World Bank, and investments by the BiH and Mostar Elektroprivreda companies. As Prozor/Rama powerplant is under the jurisdiction of Mostar Elektroprivreda, while Jablanica switchyard is under that of BiH Elektroprivreda, this reconstruction is not only a positive step for BiH power infrastructure, but a sign of improving cooperation between the individual Elektroprivreda companies.

In addition, a 110 kV power transmission line running between the towns of Dobož, Gracanica and Maglaj, has now been repaired. This line crosses the Inter-Entity Border Line (IEBL) between Gracanica and Maglaj, and is the main source of supply for the major RS town of Dobož and a number of smaller towns. Should the system suffer any damage the line can now be fed from either Kakanj or Tuzla power plants, so the towns between are no longer vulnerable to supply loss. The repair of this line, which will improve the supply of power in both the Zenica-Dobož and Tuzla-Podrinje cantons, is the result of cooperation between the BiH and RS Elektroprivreda companies.

# Diary

27 August – Session of the CoM 1 September – Session of the BiH House of Representatives 2 September – Session of the BiH House of Peoples. 30 September – SCMM session

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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