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Table of Contents

Chirac's Visit
BiH Coat of Arms
Presidency
Council of Ministers
BiH Currency
RS Budget Support
Federation Forum
SCMM
Media
Exhumations
Returns
Human Rights Issues
Municipalities
Brcko
Freedom of Movement
Inter-Entity Postal Links
Sawdust Into Power
Diary

Please consult our Bulletin Category List for related information

Chirac's Visit

The French President Jacques Chirac visited BiH on 7 April: the first visit by a French President since the signing of the Dayton Peace Accords. He met with the members of the BiH Presidency, and the Presidents and Prime Ministers of the Federation and the Republika Srpska. President Chirac addressed them in a speech made in Sarajevo's National Theatre, at which officials and students from BiH universities were present. In this speech he commented:

'The common institutions of Bosnia-Herzegovina are in place. They are beginning to function…essential decisions have been taken for creating a common citizenship, currency, passport and flag…In this framework the two Entities which compose Bosnia-Herzegovina can flourish and develop their cooperation. The Federation…is progressively organising the union of its constituent peoples. The (RS) is opening up and reforming itself.'

Expressing support for the work of the High Representative, President Chirac noted that,

'Everyone measures the length of the path which still has to be travelled…for the common institutions to become fully alive… for refugees and displaced persons to go back to their homes…The International Community is determined to accompany you on this demanding path.'

Speaking in particular to the young people present, Chirac said:

'It is your destiny to build an exemplary country…a Bosnia-Herzegovina at last reconciled, respected within its borders and outside, strong in its diversity, united in the same ideal of peace and tolerance.'

During this visit President Chirac attended the signing of three protocols, totalling 43 million French francs, to pay for the printing of new Bosnian joint currency notes, reconstruction of the electricity network, and the development of local bakeries, before leaving for a visit to Mostar.

Shortly after his visit to BiH President Chirac confirmed by letter that France will be contributing to the reconstruction of Mostar's famous bridge.

BiH Coat of Arms

Three coat-of-arms designs created by the independent commission which produced the BiH flag, were presented to the public on 15 April.

The three designs all contain the visual elements and universal symbols of the flag. Blue stands for Europe, symbolising the future affiliation of BiH to a united Europe. Yellow symbolises light and life.

Produced to schedule, the designs, together with a draft law, are to go before the BiH Parliament and the Presidency. A final choice must be approved by 15 May.

The coat of arms will be an official seal by which BiH will be represented internationally, on the country's passport, for use on official documents of the common institutions and by embassies and consulates.

Speaking at the press conference given on the occasion, HR Carlos Westendorp expressed gratitude to the members of the commission for taking on this task, contributing in a non-political manner to normalising life in BiH, and to promoting the international identity of the country.

He reminded those present that the Presidency working group had sufficient time to make its own proposals, but was unable to do so.

Presidency

After failing to meet on 9 April, the BiH Presidency met on 14 April. At this session they succeeded in adopting a temporary budget proposal for BiH institutions, based on 1997 salaries.

The final budget proposal will be passed after the Bosnian Human Rights Commission, Human Rights Chamber and the Commission for Real Property Claims have submitted a financial report and an elaboration of their proposals for the budget.

The Presidency members agreed on the opening of German and French diplomatic offices in Banja Luka. They acknowledged the appointment of new Belgian and British ambassadors to BiH: Philippe Jottard and Graham Hand.

National Bank Liquidation Although no session was held on 9 April, the Presidency signed an agreement on the liquidation of the BiH National Bank (NBBH).

The Office of the High Representative warmly welcomed the decision of the three members of the Presidency to liquidate the NBBH. The decision, signed 9 April, appoints Mr. William Dudley, an expert from the consultancy firm of Barents, as the liquidator. Mr. Dudley will prepare a plan to liquidate the bank within three weeks. This plan will be reviewed by the Presidency before implementation. Mr. Dudley will have full authority in the implementation of the plan. The first phase of the liquidation will be to establish the financial situation of the bank.

The liquidation of the NBBH allows the IMF to finalize the Letter of Intent which will in turn make it possible for BiH to benefit from IMF funds (a first tranche of 90 million USD). Together with the liquidation of the bank, the establishment of budgets and automatic budget transfers from Entities to the State were the last conditions for the IMF to sign the Letter of Intent.

The approval of the IMF board will allow further financial support for the benefit of the country. In particular a

Public Finance Structural Adjustment Credit from the World Bank will be released (30 million USD).

Finally, the liquidation of the NBBH is an essential step in the upcoming introduction of the Convertible Mark. The liquidation will give full and clear responsibility to the newly established Central Bank and cut all disputable connections between the two banks which could hinder the trust of the population in the new currency.

Council of Ministers

At the 9 April session discussion began on draft Law on Privatization, but a more detailed examination was deferred. The text of the Memorandum between BiH and the IMF was adopted.

The 16 April session produced further discussion of implementing the law on the CoM, consultation taking place with the OHR on the structuring of the administrative staff supporting the body. Discussion of the Law on Privatisation continued.

The Council of Ministers is currently on an official visit to Sweden, in response to an invitation from the Swedish Government.

BiH Currency

Introduction of the Convertible Mark (KM) The first shipment of BiH's Konvertibilna Marka banknotes will arrive in Sarajevo by the end of May and will consist of denominations of 10 KM and smaller; it will be followed by a shipment of larger denominations. Conversion will start in June and will take place throughout BiH simultaneously. Banknotes will be initially distributed through approximately 100 distribution points, mostly Payment Bureaus. The CBBH will also distribute KM from its offices in Sarajevo, Banja Luka and Mostar.

The KM will have seven denominations (0.5, 1, 5, 10, 20, 50 and 100). There will be two designs per denomination, and therefore 14 different bank notes. Differences between designs consist of the portraits and order of alphabets used on each note (although on the 5 KM notes both designs will have the same portrait). The banknotes do not bear any national symbols. The two sets of designs will have the same legal value in both Entities of BiH, and can only be exchanged for fully convertible currencies. KM coins will follow later this year.

After the KM is introduced, it will be the legal tender currency of BiH and people will be obliged to accept it as a form of payment. All local public authorities will have to use the KM. However, for private persons, other currencies are not illegal, and can continue to be used as a payment medium.

The KM will be fully backed by reserves of convertible currencies, primarily Deutschemarks, that are held at the Central Bank of BiH (CBBH). The CBBH is not allowed to provide credits, so there is no risk of any depreciation of the KM. The exchange rate will be fixed and stable at 1:1 DM.

The Central Bank Governor and the OHR expect full support from the International Community for the introduction of the KM.

RS Budget Support

The economic newsletter attached to this Bulletin contains further details of extraordinary budgetary support to the Government of the Republika Srpska. Donors now include the European Union (EU), the Netherlands, Sweden, Canada, the United Kingdom (UK), and the United States. The total of support has reached approximately 27 million DM.

The British Government contributed a further three million pounds sterling as a loan to enable the RS government to meet its immediate debt servicing commitment to the World Bank. The loan will subsequently be used to finance projects benefiting the RS, which will be agreed upon by the British Government in consultation with the RS

government and the World Bank.

Federation Forum

On 16 April 1998, Federation President Ganic, Vice President Soljic, other Federation officials and representatives of the International Community met at a session of the Federation Forum in Mostar. They discussed issues related to Cantons with a Special Regime, the continued existence of parallel government structures, media matters, municipal reform and other Federation issues.

The meeting was co-chaired by Senior Deputy High Representative Ambassador Hanns Schumacher and US Ambassador Richard D. Kauzlarich. Agreement was reached on:

- Returns issues, including a unified approach to the process in Drvar, and joint condemnation of the recent murder of an elderly returnee couple. The initial phase of the return plan for the municipalities of Mostar was endorsed, and cooperation called for on the ongoing implementation of the Canton-wide return programme in the Hercegovacka-Neretva Canton. Concern was expressed over the unfulfilled commitments of the Sarajevo Declaration on Return, with the Federation officials pledging themselves to address this situation and to focus on housing issues throughout the Federation. These issues include that of military occupancy of civilian property, although participants welcomed the advances have been made in the towns of Drvar and Vares.

Another central issue was that of accommodating elected local councillors who are returnees.

The topic of returns to the RS was also raised, with participants identifying concrete steps which need to be taken to promote this.

- The continued existence of parallel structures of government and administration in the Federation was acknowledged, and deadlines set for disbandment.
- The need for administrative and judicial reform in special-regime cantons Hercegovacka-Neretva, and the Central Bosnia canton was acknowledged, and deadlines set. The need for constitutional reform in the latter canton was also highlighted.
- Participants welcomed the arbitration decision on Mostar airport submitted by the High Representative.
- On police and security issues, the participants set a deadline for the implementation of IPTF instructions for police restructuring, of 14 May. They also called for increased police action to prevent the harassment of returnees.
- On media issues, participants pledged themselves to ensure freedom of speech and open access to media space in the run-up to the September elections, as well as restructuring of the official radio-television networks. They also stressed determination to quell statements and approaches perpetuating intolerance and ethnic hatred. Support was pledged for the regulatory work of the Intermediate Media Standards and Licensing Commission.
- Participants decided to initiate the second phase of municipal reorganisation. For this purpose, an Inter-Ministerial Commission, also containing representatives from the Council of Europe and the OHR, will be established. Participants noted that a number of applications had already been made for the creation of new municipalities and changing of boundaries, and agreed that these would be considered within the overall work of this Commission.

SCMM

The Standing Committee on Military Matters held its sixth session under the Chairmanship of Chairman of the Joint Presidency Izetbegovic. It was attended by Members of the Joint Presidency Krajisnik and Zubak, together with other Committee Members and observers from SFOR, OHR, OSCE and the BiH Ministry of Foreign Affairs. The meeting considered an agenda of nine items. These included discussion of regional and sub-regional arms control issues, presentations by the Federation and RS Defence Ministries on the current military situation in BiH, and further discussions on the military representation of Bosnia-Herzegovina overseas in Washington, Brussels and Vienna. The Committee also agreed that the Secretariat should prepare a new six month programme of work for the Committee, to be considered at its next meeting.

Media

OHR's Media Development Office is focusing on promoting independent media, restructuring existing media controlled by ruling parties and helping with the formation of the Intermediate Media Standards and Licensing Commission (IMSLC).

The expert team of consultants charged with drafting IMSLC legislation met prominent journalists and editors in Sarajevo, Banja Luka and Mostar to learn about the current legal problems facing broadcast and print media. This team has drafted new broadcast licensing rules which will be regulated by IMSLC by the end of May or the beginning of June. Candidates for the director general position at IMSLC are being recruited.

The Media Development Office is also assisting with the High Representative's initiative to launch the restructuring of TV BiH.

At a Media Round Table meeting, with the Ambassadors of donor countries and representatives of local and international organisations working with local media, the High Representative appealed for funding support for the Open Broadcast Network (OBN) and other aspects of his media strategy. Donor governments were also asked to lend support to an independent radio-television project in the eastern RS and a proposal to boost the Swiss/OSCE-sponsored Radio FERN's signal.

RS Transmitters Returned.

On 13 April RS Prime Minister Milorad Dodik and SFOR commander, General Eric Shinseki, signed a Memorandum of Understanding. This ended the presence of SFOR troops at the five RS Radio Television (SRT) transmitters.

Access to the transmitters will be provided at all times for accredited SFOR and OHR members. Transmitters Kozara, Duge Njive, Trebevic and Udrigovo are be guarded by the RS police, according to earlier agreements, while the facilities Veliki Zep, Kmur, Lebricnik and Leotar would be secured by the RS Army troops. (the end)

Exhumations

Senator Robert Dole, head of the International Commission on Missing Persons (ICMP), will visit Bosnia and Herzegovina from 24-26 April, to meet with international and local officials dealing with exhumations. Among the topics to be discussed are the development of strategies and the funding of activities such as demining sites, exhuming mass graves, determining the methods of execution used in mass killings and identifying bodies.

Joint Exhumations Process

Representatives of the Croat, Bosniak and Serb commissions for exhumations met in Mostar on 14 April for a general discussion on issues relating to exhumations. The meetings, which are chaired by OHR, are held regularly

to develop a coherent national policy and strategy for exhumations, exchange information, plan schedules, and discuss any other relevant issues. The primary topic of discussion at the 14 April meeting was the lack of funding by local governments for activities related to exhumations. All parties urged OHR to find international sources of funding to be able to continue to carry out these operations into the next decade. OHR representatives stressed that the parties must appeal to their individual governments to fund these activities, since the exhumation of sites and graves will continue for several years. OHR also pledged continued support the efforts of the local commissions to find international funding. Representatives on all three sides agreed that transparency, cooperation and communication was essential for effectively investigating the claims of mass executions and grave-sites throughout the entire territory of Bosnia and Herzegovina.

Returns

Regional Return Conference, Banja Luka

Scheduled for 28 April, the overall aim of the Regional Return Conference is to accelerate return by enhancing political commitments, improving the legal frameworks, and removing administrative obstacles in Bosnia and Herzegovina, Croatia, and the Federal Republic of Yugoslavia.

Specific Objectives

The Conference should:

- Establish within Bosnia and Herzegovina and Croatia the unconditional right to return for all displaced persons and refugees, including former habitual residents; and remove all obstacles to cross-border re-entry.
- Ensure that enabling conditions for sustainable reintegration are created within Croatia, specifically related to: citizenship; documentation; property rights; resolution of problems stemming from the loss of occupancy rights; amnesty; “convalidation law;” and access to assistance upon return.
- Similarly engage the Federal Republic of Yugoslavia with a view to accelerated return of refugees to their pre-war homes elsewhere in the region.
- Revitalise and accelerate movements between the Republika Srpska and the Federation by reinforcing the existing positive trends and return movements, particularly in key areas and along key axes, and ensuring necessary legislative reform.
- Accelerating return to the Banja Luka region with a view to restoring its former multinational heritage.

Attendance

This will consist of State and Entity representatives from Bosnia and Herzegovina, including refugee ministers; refugee and reconstruction ministers and other officials from Croatia and the Federal Republic of Yugoslavia; and foreign ministers from all three countries. Religious leaders, representatives of opposition parties, civil society groups and displaced person and refugee associations from throughout the region. Those present will also include the Peace Implementation Council (PIC) Steering Board Ambassadors and other foreign officials. Relevant international organisations, including the European Commission, OSCE, UNTAES, SFOR, and the World Bank will attend the Conference.

Organisation

The Conference will be jointly chaired by the High Representative and the Special Envoy of the United Nations High Commissioner for Refugees (UNHCR). It will take place in Banja Luka on the 28th of April.

Sarajevo Housing Committee

The Sarajevo Housing Committee finally became operational on 8 April. This is an important step forward in the implementation of both the Sarajevo Declaration and the new Federation

property laws.

Members of the Sarajevo Housing Committee include the Canton Governor, relevant Cantonal Ministries, municipal housing authorities, a personal representative of the Co-Chair of the Council of Ministers, the UNHCR, and the OHR. The Steering Board of the Sarajevo Housing Committee is chaired by a personal representative of President Izetbegovic.

The role of Sarajevo Housing Committee is to make recommendations for and supervise the return of pre-war tenancy right holders to apartments for which they have a tenancy right in Sarajevo Canton — in short, to their pre-war homes.

To assist the work of the Canton and the SHC, the High Representative encourages all those who have reliable information on persons occupying two or more apartments, to which they have no legal right, to report these cases as soon as possible. This will be tremendously important for enhancing the efficiency and fairness of Sarajevo's housing system.

Commissions for Employment and Education Employment and education issues related to returns are expected to become increasingly prominent as larger-scale minority returns materialise. The two relevant commissions envisaged to deal with these issues, under the articles of the Sarajevo Return Declaration, have been formed, are starting to operate, and will provide crucial experience for other regions.

Employment Commission

The Employment Commission, envisaged by the Sarajevo Return Conference Declaration as the body to address employment issues influencing returns, was established on 1 March, according to schedule. It is chaired by the Federation Refugee, Labour and Social Policy Minister Beriz Belkic. Participants include the World Bank, USAID, the OHR, and the UNHCR. Areas of activity in which the Commission is involved include:

- Reviewing Federal labour legislation for the adequacy of its anti-discrimination features;
- Reviewing Sarajevo Canton public-sector employment to see whether it meets criteria of balance, and adherence to existing commitments to re-hire prewar workers and given percentages of ethnic groups;
- Inviting discrimination complaints to be brought before the Commission's working group;
- Investigating the possibility of drafting an anti-discrimination code for employers.

These activities should have a positive impact in preventing discrimination against and discouragement of returnees, and potential returnees, on employment grounds. They will also contribute to the employment security of members of minority nationalities currently living in Sarajevo. In addition, the Commission is concerned with actively enhancing their capacities, and will be targeting minority communities with information on small business credits.

USAID will shortly be receiving a delegation of minority businessmen to whom they will explain credit and enterprise counselling opportunities.

Education Commission

This was also formed on 1 March, in accordance with the schedule laid down for implementation of the Sarajevo Declaration articles. It includes representatives of the Cantonal Education Ministry, the Sarajevo City Council, UNESCO, the OSCE, the OHR, the Council of Europe, the Catholic School Centre, Radio DISS (Democratic Initiative of Sarajevo Serbs), the Serb Civic Council, and the Coalition for Return. Several sub-groups meet individually on a weekly basis, to work on the following issues:

- The cantonal education budget is being reviewed for adequacy and distribution of resources in light of anticipated returns
- Invitations are being issued for pilot projects by schools and community groups, to promote tolerance and acceptance of living together.

- The existing complaints procedures are currently being studied, with a view on how to receive complaints in future. Series of visits to local schools are being conducted, to look into actual classroom environments.
- Textbooks and curricula are also under review, and recommendations are currently being made.

RRTF Regional Offices

The Return and Reconstruction Task Force is developing its regional network of satellite offices, acting as secretariats to regional RRTF forums. The establishment of these offices will promote closer liaison with implementers active in the area of each forum and the involvement of relevant Cantonal authorities working with the forums.

The first regional RRTF office to be established was the Drvar office (18 March) and the second, established 6 April, was the larger office for BiH Centre (RRTF BHC), based in the town of Travnik. The envisaged network is of cantonal level offices: the RRTF BHC office covers the Canton of Zenica-Doboj, and the Central Bosnia Canton. (The Drvar office, however, is an exception, as it was created to meet the special needs of this town, where relatively large numbers of Serbs have returned.)

The latest meeting of the RRTF forum for BiH Centre was held in Travnik on 9 April. Some 50 persons attended, representing international organisations and local authorities. The forum meets on a monthly basis.

The RRTF BHC forum will attempt to concentrate the International Community's efforts in this region to further minority return, and will liaise closely with regional implementers on politically significant break-throughs and developing return movements.

The forum takes the co-operation between the International Community and Cantonal authorities one step further, now that co-operation on the establishment of Cantonal return plans has been achieved. The relevant Cantonal ministers are active participants in the forum.

In addition, certain thematic working groups will be established, to deal with issues such as returnee employment. These groups will monitor return movements, and other return related developments.

Human Rights Issues

HRCC REPORT

As of March 1998 the Human Rights Coordination Centre (HRCC) is producing HRCC Monthly Human Rights Reports. The reports contain information on the current human rights situation in Bosnia, based on the regular and special reporting of inter-governmental and non-governmental organisations. The reports will be available on the OHR Web Site.

Questions on specific items should be directed to the reporting organisation or to the HRCC. Please send information for inclusion in the report to 387-71-447-420 to the attention of Michelle Morris or by e-mail to michelle.morris@ohr.int.

Returns to Drvar

OHR and SFOR held intense negotiations with Cantonal authorities regarding the removal of approximately 2000 HVO soldiers of the 1st Brigade occupying socially owned and private property in the centre of Drvar. By 9 April, HVO soldiers vacated an apartment block and police station in the city centre allowing for the return of the pre-war home owners. The more than 200 occupied properties constituted a significant portion of the total housing stock in the municipal centre, thereby preventing the return of many pre-war occupants.

While this act was welcomed as a significant step in allowing for the return of Bosnian Serbs to their pre-war homes, the murder of an elderly Bosnian Serb couple in Drvar on 16 April called this process into serious question. Following the incident, the High Representative dismissed the Deputy Mayor with immediate effect under the authority given to him by the Bonn Peace Implementation Council. Special Representative of the UN Secretary General, Elisabeth Rehn, also demanded immediate action be taken to suspend the Drvar Chief of Police and the Canton 10 Interior Minister.

Derventa Disturbances

In Derventa on 22 April violent demonstrations disrupted the Mass being held for Bosnian Croat refugees and other BiH Catholics in a local church. BiH Cardinal Puljic, who was celebrating the Mass, and his followers were placed under a serious security threat. The church ceremony was being held to mark the anniversary of St. George, Patron Saint of the Derventa Church.

The celebration event was planned and organised in conjunction with the RS authorities, in particular the Derventa municipal authorities and Chief of Police. A prior guarantee of security had been given by the local community. International organisation acted immediately, with strong condemnations. Further international response to this incident is being addressed with the RS Ministry of the Interior

Violence in Drvar

Having condemned the Derventa incident, the OHR condemned the organised violence, including injury to Mayor Mile Marceta, which took place on 24 April in Drvar.

'Violence and intimidation, with the clear intention of halting the return of refugees and displaced persons to their homes, is totally unacceptable. It cannot and will not be allowed to succeed…The international community stands by those who wish to return to their homes in Drvar and will hold those found to be guilty for orchestrating the violence fully responsible for their actions,' the OHR statement said.

Zvornik 7 Retrial Postponed

On 22 January 1998, the District court in Bijeljina (RS) accepted the appeal by Ahmo Harbas, Behudin Husic, and Nedzad Hasic, ruling that the verdict of the Municipal Court in Zvornik from 22 April 1997 would be abolished and the case returned to the first instance court (District Court Bijeljina) for retrial. Although the retrial began as scheduled on 26 March in Bijeljina, the trial was adjourned until 23 April because Samir Avdic, one of the four original Zvornik 7 defendants convicted on weapons charges but released for time served, had not been served with a summons and two of the other defendants who had been released failed to appear despite having been served. As a result, the judge held that all the legal preconditions had not been fulfilled and the hearing could not proceed.

The defence counsel for the three detained defendants requested that the trial proceed despite the absence of the other defendant. The judge indicated that if the other defendants did not appear on 23 April, he would consider proceeding on that date and trying the missing defendants in absentia.

Three Bosnian Serb Indictees Transferred to the Hague Three Bosnian Serbs named in the indictment in connection with events at the Omarska camp near Prijedor were transferred to the Hague this month. On 8 April, SFOR troops detained Miroslav Kvocka and Mladen Radic who were transferred to the Hague the next day. On 16 April, Zoran Zigic, serving a sentence in the prison in Banja Luka for offenses unrelated to those for which he was indicted by ICTY, was visited by Investigators of the Office of the Prosecutor of ICTY. The Investigators served a copy of the arrest warrants on the relevant prison authorities who released Mr. Zigic into the custody of the ICTY Investigators. Mr. Zigic has also been indicted with regard to crimes allegedly committed at the Keraterm camp near Prijedor.

Property Legislation

- *Federation*
  On 12 March, the Federation House of Representatives adopted the property and housing legislation which had been agreed upon by the Office of the High Representative in

consultation with other relevant international organisations. Efforts to coordinate the difficult task of implementing these laws are underway including the preparation of detailed instructions on the claims process and criteria for decision-making in certain cases, a broad public information campaign to ensure that all persons are informed of their rights under the laws, as well as effective monitoring of the implementation of the laws to ensure that any breaches or inconsistencies in application of the laws are promptly redressed. An explanation of the substance of the laws which have been adopted in the Federation may be obtained from the HRCC.

- *Republika Srpska*
  Property laws in the Republika Srpska also violate international standards and obstruct return. Since the establishment of the new government, however, a working group has been established to develop property and housing law amendments for submission to the Republika Srpska government. Initial drafts have been prepared, and OHR is working with Republika Srpska authorities to ensure that the proposed laws comply with Annex 7 and are consistent with laws adopted within the Federation.

Municipalities

As of 15 April, only five of the BiH municipalities are now awaiting certification. Cazim, Bosanski Brod, Zepce and Stolac have joined the number whose local councils are certified established in accordance with Provisional Election Commission regulations. The remaining five are Kresevo, Prozor/Rama, Foca/Srbinje; Teslic, and Srebrenica.

A provisional care-taker administration has been established for Srebrenica, its members, drawn from parties of both sides, Serb and Bosniak, selected by the OSCE and OHR in consultation. Larry Sempler, formerly adviser on Srebrenica to the Deputy head of the OSCE mission, has been appointed to head this administration.

Brcko

RS Commission

Acting Supervisor Ian McLeod reported that the encouraging news that the RS government has formed a multi-ethnic returns commission was tempered by the fact it has only held an organizational meeting. Nor has it begun a serious attack on the critical issues regarding a two-way returns plan. The commission does include in its membership Brcko Deputy Mayor Mirsad Islamovic nor President of the Brcko Municipal Assembly Mirsad Djapo, both Bosniaks. Currently it does not have a Croat member, but RS authorities have said they are working to correct this.

Multi-Ethnic Administration

The multi-ethnic administration at Brcko is still developing. The executive board is in place and working in a democratic style. The president of the board is Borko Reljic, the Serb mayor. His two deputy mayors are also the vice-presidents of the executive board, Mirsad Islamovic, a Bosniak and Ivan Krndelj, a Croat. There are four secretaries who complete the board, three Serbs and one Bosniak. The multi-ethnic municipal assembly is also working well, and its president is Mirsad Djapo, a Bosniak. The area of the multi-ethnic administration that still needs to develop further is the departmental level. The structure of the departments needs adjusting to being them into line with the spirit of multi-ethnicity. The administration is working with a deadline of May 1 to accomplish this.

Returns

Acting Supervisor Ian McLeod joined Deputy High Representative for reconstruction and returns

Andy Bearpark, and representatives of UNHCR in Sarajevo to discuss returns. The meeting provided a good exchange of ideas and was attended by four DP ministers and returns representatives from both the RS and Federation. The Acting Supervisor continues to press for two-way returns, noting that those who hinder the process should be exposed. Brcko is sustaining its proactive approach to returns, approving 118 families for return at this week's bi-weekly returns commission meeting. That brings the total number of families approved for return to over 3,166 — an estimated 12,664 people (based on four members per family).

From a Drip to a Flow

It was recently announced over five million DM has been committed to repair the Brcko town water system. The announcement is a direct result of the Brcko Water Conference hosted by OHR-North in the last week of January. The conference brought numerous international agencies together with local officials to discuss the complexities of rejuvenating a water system devastated by war and neglect. OHR-N economic representatives have been working with the international agencies since the conference developing a multi-phased plan. The International Management Group of Tuzla helped coordinate this first phase package with commitments from USAID, the World Bank and ECHO. The five million DM will be invested in five new wells, repair of the distribution system in Brcko town and repair of the chlorination/purification system. This phase is designed to bring the water system back to its pre-war capacity.

Freedom of Movement

From 27 April the new BiH common Vehicle Registration Document will start being issued. The Entity Ministries of the Interior are engaged in distributing the common licence plates throughout the country including to the Federation and RS Armies, and the police forces in both Entities. The Ministries have contracted with local companies for the production of the plates, which is ongoing.

Owing to the delay in introducing the Licence Plate Agreement, caused by technical reasons related to the Vehicle Registration Document, new deadlines have been set:

- The deadline for crossing international borders is extended to 1 June, from which date only vehicles carrying the new licence plates can leave BiH;
- The new deadline for all vehicles within BiH to carry the common plates is re-set to 30 August;

The plates will remain priced at 15 DM until 1 June, to ensure that all civilians have a fair chance to obtain the new plates. Therefore, no police station in either Entity may charge above 15 DM for the plates and the common Vehicle Registration Document.

Inter-Entity Postal Links

On 22 April Ministers of the RS and the Federation, signed a Memorandum of Understanding on mail exchange. Under the agreement, mail is to be exchanged at least twice a week as a step towards "reorganization of the postal system," said Didier Fau, head of the OHR Economic Department. Principal deputy HR, Jacques Klein, who witnessed the signing called the event another significant step forward in Entity communication.

Sawdust Into Power

OHR's Economic Department Energy Sector advisor, Nick Vrkljan, is currently paying visits to sawmills in both the Federation and RS. Nick Vrkljan is exploring the potential of BiH sawmills – of which there are 600 in the Federation alone, and a roughly equivalent number in the RS – to provide their own electric power and even to heat nearby

districts. This would be achieved by recycling the quantities of sawdust and wood-chips which are, in around 95 percent of cases, currently being dumped in BiH rivers and forests, where they act as pollutants.

Sawmills in the US are an example of such exploitation of waste chips and sawdust. The material is used to fuel a boiler-turbine – generator system, which provides both industrial steam and electricity. The steam is used for drying and processing wood; the electricity is used for the factory's own machinery and facilities. Surplus electricity can be distributed to the national power grid.

Perhaps five percent of BiH sawmills use their chips and sawdust to generate steam: none generate electricity. Having held discussions with the Energy and Industry Ministries for both Entities, and visited several mills, Nick Vrkljan is now looking for investors, who could include manufacturers of boiler-turbine – generator systems. Nick Vrkljan will be approaching the Trade and Development Agency of the US, the EU, and others, to raise the issue. Investment will also be needed for upgrading or reconstructing local heating systems, to enable districts adjacent to sawmills to benefit from extra power.

Diary

28 April:
Banja Luka Return Conference
29 April:
PIC Steering Board meeting
7-8 May:
Donors' Conference

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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