

## **OHR BiH Media Round-up, 20/7/2006**

### **OHR BiH Media Morning Brief**

| <b>RADIO HERCEG-BOSNA</b> (18,00 hrs) | <b>TV PINK</b> (18,00 hrs)         | <b>BHT 1</b> (19,00 hrs)     |
|---------------------------------------|------------------------------------|------------------------------|
| World News                            | World News                         | World news                   |
| FBIH HoR in session                   | FBIH HoR in session                | Tihic on Srebrenica genocide |
| Hadzipasic on adopted law             | RS NA in session                   | Exhumation in Kamenica       |
| BiH signs agreement with Benelux      | "Politika" on Mladic's whereabouts | Tadic in Brussels            |

| <b>NTV Hayat</b> (19,00 hrs)        | <b>FTV</b> (19,30 hrs)               | <b>RTRS</b> (19,30 hrs)          |
|-------------------------------------|--------------------------------------|----------------------------------|
| Tihic re Srebrenica genocide        | FBIH HoR session                     | Dodik on police reform           |
| RS NA to decide on Hafizovic        | FBIH HoR on Agrokomerc               | Busek meets Butler               |
| FBIH HoR in session                 | Feature on sale of telecom operators | BiH signs agreement with Benelux |
| Privatisation of RS and BH Telecoms | RS NA session                        | RS NA in session                 |

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| <b>Oslobodjenje</b>       | Value of deprived property in BiH - 86 billion KM                           |
| <b>Dnevni Avaz</b>        | [ITA SB Chair Peter Nicholl] I examine all possible options                 |
| <b>Dnevni List</b>        | Neum port is unnecessary (Stjepan Mesic interview)                          |
| <b>Vecernji List</b>      | Germany investigating deaths of 37 assassinated Croats                      |
| <b>Slobodna Dalmacija</b> | They are calling for return but they built houses for themselves in Croatia |
| <b>Nezavisne Novine</b>   | There are no evidences that Abazovics shot                                  |
| <b>Glas Srpske</b>        | EUFOR shot on the back  |
| <b>EuroBlic</b>           | They avoid speaker's platform but not cashier                               |
| <b>Vecernje novosti</b>   | Features Serbian related titles   |

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| <b>RSNA session: disputes of Hafizovic and RTRS., etc</b> |
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| <p>RSNA includes initiative to dismiss Deputy Speaker in agenda; disagreement over the issue</p>            | <p><b>PINK</b> by <u>Dragica Tojagic</u> – On Wednesday morning, the RS National Assembly has completed its 37<sup>th</sup> and immediately commenced the 38<sup>th</sup> regular session, whose agenda did include an initiative to remove the RSNA Deputy Speaker, <b>Sefket Hafizovic</b>, which however was not discussed. Initiative, allowed by RSNA Collegium to enter the procedure, was launched by SDS and Serb Radical Party, because Hafizovic attended welcoming ceremony for the ICTY convict <b>Naser Oric</b> [former Bosniaks wartime Commander in Srebrenica who was sentenced to two years because of war crimes over Serbs; recently released]. However, the timing of discussion on the initiative was not determined. SNSD deputies believe that the initiative should be discussed as the last item of the agenda. However, SDS opposed this proposal, claiming that in this case, the removal wouldn't make any sense. Namely, the session was not completed in Wednesday, and now it would most probably continue only after holidays, at the end of August. This means that even if removed, Hafizovic would complete almost entire mandate. The RS Prime Minister <b>Milorad Dodik</b> also opposed the request of SDS deputies. <i>"We are not here to fulfil the wishes of SDS. We don't think that their initiatives are always something special, something that is the best for the RS. So, discussion on the initiative will take place when RS NA decides"</i>, said Dodik. SDP Deputies believe that the initiative for Hafizovic's removal is unfounded, because he didn't violate the laws and Constitution of RS. SDA deputy <b>Tarik Sadovic</b> stated that in case of Hafizovic's removal, RS NA would be presided by representatives of only two peoples, because none of the Bosniak deputies would accept to replace Hafizovic. Sadovic stressed that this case is the pre-electoral period would cause great suspicions regarding the good will of RS NA to respect RS Constitution. SDA Caucus requested rejection of discussion on initiative for Hafizovic's removal. <b>RTRS-</b> RS NA rejected the request of SDA for removal of discussion on initiative for removal of <b>Sefket Hafizovic</b> from the agenda. The initiative will be discussed as 36<sup>th</sup> item of the agenda. <b>RHB, BHT1, Hayat, FTV, Glas Srpske</b> pg 2 'To respect reached agreement' by <u>V.Janjic</u>, <b>Glas Srpske</b> pg 2 'To respect reached agreement' by <u>V.Janjic</u>, <b>Oslobodjenje</b> pg 2 'Hafizovic's replacement on the agenda' by <u>O.V.</u>-reported shortly.</p> |
| <p>Sefket Hafizovic's dismissal to be discussed in beginning of September [when session is to continue]</p> | <p><b>Dnevni Avaz</b> pg 4 'Hafizovic Deputy Speaker of RSNA until further' by <u>N.D.</u>- DA carries MPs would most probably vote on initiative to dismiss RSNA Deputy Speaker <b>Sefket Hafizovic</b> it only in September. SDA Vice-President <b>Adil Osmanovic</b> told DA that SDA would continue to be part of assembly majority by then and would support the RS Government, lead by Prime Minister <b>Milorad Dodik</b>. <i>"If this demand gets the necessary support we will withdraw from the majority, our minister would leave the Government and we will withhold support to Dodik,"</i> said Osmanovic.</p>   |
| <p>SDS deems SDA's Hafizovic misused office; Hafizovic sees initiative as pre-election campaign</p>         | <p><b>RTRS</b> by <u>Sandra Zrnic</u> – The initiative of SDS and SRS for removal of RS National Assembly Deputy Speaker <b>Sefket Hafizovic</b> has caused harsh reactions from all sides. SDS and SRS believe that Hafizovic has abused his office by attending the welcoming ceremony for ICTY convict <b>Naser Oric</b>. According to SDS deputy <b>Mirjana Kosarac</b>, RS citizens are constantly warning that Hafizovic's behaviour is anti-Serb orientated and his acts are aimed at destruction of the RS. Commenting this statement, Hafizovic said it is a classic political explanation for the initiative for his removal. <i>"To me, this looks like a prepared pre-electoral speech of the [RS President <b>Dragan</b>] <b>Cavic's</b> somewhere in Chicago or Ravna Gora"</i>, said Hafizovic [Note: Hafizovic hints at existence of radical Serb Diaspora in Chicago, radical movements form Ravna Gore]. In past few days, there were many speculations on SDA leaving the RS Government in case of Hafizovic's removal. Commenting these speculations, Hafizovic said that he still isn't thinking about that. RS Prime Minister <b>Milorad Dodik</b> said that the Government is going to continue with its work, adding that the support of SDA is not determining. Dodik said that his Government lies in the fact that over 100 laws have been proposed in past four days, and not in someone's appointment or removal.</p>  |

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| Oslobodjenje commentary: Initiative for removal of RSNA Deputy Speaker Hafizovic suits every party | <b>Oslobodjenje</b> , pg 9 'Hafizovic games', by <u>Orijana Vukovic</u> – commenting on the initiative on removal of the RSNA Deputy Speaker, <b>Sefket Hafizovic</b> , <u>Vukovic</u> says it is about heating up of political atmosphere in the RS, which is a part of pre-election campaign and which obviously suits every political party. The author argues the SDS wants to gain trust of the electorate, whilst the SDA is convinced that no Bosniak MP would succeed Hafizovic, nor would any SDA member remain on board the RS Government if Hafizovic were to be replaced. As for the SNSD, the author argues it would appear the party has to do a lot of calculating. In this context, <u>Vukovic</u> says the SNSD leader ( <b>Dodik</b> ) announces support to the initiative, however he leaves an open door to possibility that the initiative be discussed sometime in late September.  |
| RSNA rejects proposal for appointment of RTRS Steering Board members                               | <b>RTRS</b> by Momcilo Ostojic – At the session held on Wednesday, RS National Assembly didn't adopt the proposal of RS National Assembly Commission for appointments of four new members of the RTRS Steering Board. The candidates proposed by Commission are: <b>Zdenka Babic</b> [representatives of Croats], <b>Jusuf Strbic</b> [Bosniak member], <b>Nikola Drca</b> [Serb member] and <b>Ljiljana Najdek</b> [representative of other peoples]. RTRS says that the SNSD deputies didn't agree with the method of appointment that Commission used. SNSD deputy <b>Krstan Simic</b> suggested requesting of legal explanation of the regulations on appointment of RTRS Steering Board members. SDS and SRS deputies assessed SNSD's proposal as political manipulation. SRS deputy <b>Milanko Mihaljica</b> accused SNSD of trying to stop the appointment of Steering Board members by the RSNA. SDS deputy <b>Borislav Bojic</b> stated that this case clearly indicates a crisis of RS NA majority. RS Prime Minister <b>Milorad Dodik</b> didn't want to comment the accusations of opposition parties. He stressed that none of the candidates are SNSD members. RS NA Speaker <b>Igor Radojicic</b> informed the deputies that Communications Regulatory Commission [CRA] has requested from RS NA to vote on all ten candidates proposed by Agency. According to Law on RTRS, one members of the new RTRS Steering Board must also be member of old Board. Proposed candidates <b>Zdenka Babic</b> and <b>Mehmed Dizdar</b> didn't get the support of RS NA deputies. <b>BHT1-</b> also reported. |
| NN: RTRS Steering Board was not elected, SDS filtered the CRA list'                                | <b>Nezavine Novine</b> pg 4 'RTRS Steering Board was not elected, SDS filtered the CRA list' by <u>V.Popovic</u> – According to daily, RS Commission for election and appointment, that proposed four out of ten candidates from CRA list for RTRS Steering Board, was attended by: SDS' <b>Slavko Dunjic</b> (Commission Chair), SDS' <b>Mirjana Kosarac</b> , SDS' <b>Slobodan Prtilo</b> , SDA' <b>Tarik Sadovic</b> and SzBiH <b>Dzevad Osmancevic</b> . PDP and SNSD representatives did not attend 18 <sup>th</sup> session of Commission, which determined list of candidates. SNSD' <b>Radovan Bjelogrljic</b> , has stated that Commission proposed " <i>an eminent political individual</i> ", referring to <b>Jusuf Trbic</b> from Bijeljina, SDA candidate at 2004 elections and 2005 early elections in Bijeljina. According inset 'Dodik: 'Commission abused it position', Dodik said that RTRS Steering Board election is important issue adding that RSNA Commission by reducing the list of candidates abused its position. <b>Glas Srpske</b> pg 3 'Book of Rules put agenda accounts into order' by <u>G.Dakic, D.Tomic</u> . <b>EuroBlic</b> pg RS2 'Parties' war for television' by <u>Rajana Radosavljevic</u> – also report.   |
| RSNA adopts Law on high education in line with state legislation                                   | <b>RTRS late news</b> – Late in the Wednesday evening, the RS National Assembly adopted the RS Law on higher education. Text of the law is harmonised with the principles of state proposal law on higher education. The law regulates organisation and financing of the higher education, as well as principles of work of high education institutions. RS NA also adopted the changes to law on RS Taxation Administration in accordance with decisions of Constitutional Court regarding tax debts of large companies. RS NA adopted the law on security agencies and private detective agencies. The session will continue after the summer brake. <b>RTRS</b> by <u>Sinisa Mihailovic</u> – RS NA Speaker <b>Igor Radojicic</b> informed the deputies about a letter he received from the RS President <b>Dragan Cavic</b> , who demanded from deputies to once again discuss the Draft law on rights and obligations of parliamentarians which was passed by the RSNA previously, however Cavic refused to sign on it [the law foresees increased benefits for the MPs in terms of salaries and pensions.]. This Draft would be discussed as 13 <sup>th</sup> item of the agenda.   |

## Economic issues

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| <p>FBiH HoR passes changes to privatisation law enabling separate privatisation of parts of large companies</p>                                     | <p><b>PINK</b> by <u>Zeljko Mandic</u> - At the session held on Wednesday, FBiH House of Representatives adopted the draft amendments to the FBiH Law on privatisation which would enable separate privatisation of parts of the large economic businesses. FBiH Prime Minister <b>Ahmet Hadzipasic</b> welcomed adoption of the amendments, stressing that they to solve many economic problems in economy and privatisation of the large companies. FBiH Minister of Agriculture, Water Management and Forestry <b>Marinko Bozic</b> state that company "Agrocomorec" should be divided in food industry unit and bio industry unit prior to privatisation. Bozic believes that the separate privatisation of single units should be conducted in several other companies as well, such as "Krivaja", "Hepok", "Zeljezara Zenica" and many others. <b>BHT1</b>-Hadzipasic stressed that the sale of these companies would be monitored by members of Managements Boards and Trade Unions. <b>RHB</b> - Commenting the adopted changes Hadzipasic, said that by this law the "healthy parts" of the company could be separated from the rest of the company and sold separately which is important to the system. <b>Dnevni List</b>, pg 4, mentioned on front 'Aluminij will build electrolysis', by <u>Mensud Zorlak</u> - reports on adoption of amendments to privatization law, commenting that the adopted amendments give 'the green light' to Mostar-based 'Aluminij d.d.' to go into privatization, which will in turn help start building of new electrolysis company that could provide as many as 1000 new jobs. <b>Vecernji List</b>, pg 2 'Aluminij can go into privatization', by <u>Dejan Jazvic</u> - carries similar comment. <b>Nezavisne Novine</b> pg 4 'Privatisation of 'Agrokomerc' and 'Hepok' enabled' by <u>R.Cengic</u>- According to inset 'Commission for the appointments at the FBiH Parliament sent to the parliamentary procedure the amendment to the Law on FBiH institutions' audit by which FBiH Chief Auditor and his deputy can not get new mandate of seven years without participating at the opened competition. <b>Hayat, FTV, Dnevni Avaz</b> pg 8 'Introduction of income tax rejected' by <u>A.Hadziarapovic</u>, <b>Oslobodjenje</b> pg 7 'FBiH Government to mediate in sale of companies' by <u>S.Sehercehajic</u> - also covered the session.</p>   |
| <p>PDHR Butler, Stability Pact Coordinator Busek warn of possibility for BiH not to sign CEFTA, because of unresolved relations with neighbours</p> | <p><b>BHT1</b> By <u>Damir Simic</u> - Coordinator of Stability Pact for Southeast Europe <b>Erhard Busek</b> met BiH officials and OHR representatives on Wednesday. They spoke about the negotiations to sign the Central European Free Trade Agreement [CEFTA]. Reporter explains that CEFTA would replace current bilateral agreements on free trade BiH has with some countries. The BiH Council of Ministers Chair <b>Adnan Terzic</b> stated following meeting with Busek that bilateral contracts with neighbouring countries bring a lot of problems: <i>"Farmers have a problem with enormous import of meat and dairy products from Serbia and Croatia."</i> BiH has unilaterally suspended certain parts of the contract with the neighbours in order to protect farmers. Busek offered mediation in existing problems between BiH, Serbia and Croatia. Reporter adds that a meeting will take place on 1 August in Salzburg where Prime Ministers of 3 countries will be present. <b>Hayat</b> by <u>Zeljko Tica</u> - Both Principal Deputy HR <b>Larry Butler</b> and Busek warned that BiH might not sign CEFTA unless it resolves the problems related to free trade contracts with Serbia and Croatia. Busek stated that BiH might be excluded from CEFTA or it might happen that CEFTA will not be signed at all. He added that both options are something that shouldn't happen. <i>"I am sure that politicians that deal with trade policy in the election year are aware of the importance especially when it comes economic prosperity and citizen's welfare "</i>, says Butler. <b>PINK</b>- Butler and Busek also discussed the initiative for appointing Sarajevo as the new headquarters of the reformed Stability Pact. The initiative was presented by HR <b>Christian Schwarz-Schilling</b> during his visit to Belgrade. <b>Oslobodjenje</b> pg 4 'Discriminatory relation toward BiH merchandise' by <u>Fena</u>- BiH Minister of Foreign Trade and Economic Relations <b>Dragan Doko</b> and BiH Deputy Foreign Minister <b>Anton Rill</b> also participated in the talks. <b>FTV, RTRS, Vecernji List</b>, pg 2 'BiH cannot be in CEFTA?', by <u>eme</u>, <b>Dnevni List</b>, pg 2 'We can stay outside CEFTA', by <u>D. P. Mandic</u>, <b>Nezavisne Novine</b> pg 2 'It is necessary to solve problems with Croatia and Serbia' by <u>M.Rener</u>, <b>Dnevni Avaz</b> pg 2 'Busek offered to mediate in dispute with Serbia and Croatia' by <u>L.Sinanovic</u>, <b>Oslobodjenje</b> pg 4 'BiH is risking the membership in Regional zone' by <u>M.K.S.</u> - also covered.</p> |

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| DL: BiH should be careful when signing CEFTA agreement  | <b>Dnevni List</b> , pg 2 'Market' by <a href="#">Danijela Kozina</a> – the author argues that the warning by Stability Pact's Special Coordinator <b>Erhard Busek</b> that BiH might not be able to sign CEFTA agreement has not left anyone in BiH indifferent because everyone is aware if BiH were to stay outside CEFTA, it would prevent possible investments into BiH economy and foremost BiH would not have access to a big, 50-million people strong market that could open possibilities for BiH companies. <a href="#">Kozina</a> however warns that all relevant political and economic figures in BiH should carefully study what BiH is being offered in order not to cause harm to BiH economy once/if CEFTA is signed.  |
| FBIH HoR rejects proposal Law on income tax   | <b>Hayat</b> By <a href="#">Nebojsa Radulovic</a> – FBIH House of representatives, at the session held on Wednesday, rejected the proposal law on income tax proposed by the FBIH Government, which Govt receives with dissatisfaction. FBIH Finance Minister <b>Dragan Vrankic</b> stated that as consequences " <i>citizens will still have income tax in addition to other 10 taxes on incomes in one way or the other...this is situation that people easily get confused especially foreign investors</i> ". On the other side, delegates expressed dissatisfaction because the law was proposed at the first place. FBIH HoR delegate <b>Zaim Backovic</b> stated that " <i>people have VAT; the final consumer pays VAT so that is a tax</i> ". <b>Mirnes Ajanovic</b> stated that " <i>the law was proposed two months before elections</i> " claiming that the intention was to win some pre-election points. FBIH HoR also discussed the proposal law on lowest hourly wage deciding to return in to Government for additional changes. <b>Oslobodjenje</b> pg 2 'Proposal law on lowest hourly wage withdrawn' by <a href="#">S.Se</a> – FBIH Minister of Labour and Social Police, <b>Radovan Vignjevic</b> has withdrawn the proposal law on lowest hourly wage, on suggestion of FBIH MPs. <b>FTV,PINK, Dnevni Avaz</b> pg 8 'Introduction of income tax rejected' by <a href="#">A.Hadziarapovic</a> – also reported.   |
| Sarajevo Economic Institute suggests natural restitution in BiH possible and desirable                    | <b>Oslobodjenje</b> , front pg splash and pgs 4-5 'Value of confiscated property in BiH – 86 billion KMs', by <a href="#">Aida Omeragic</a> – experts of the Sarajevo School of Economy (College) recommended to BiH authorities to give back all the nationalized property, which was nationalized after the WWII (1945), to the original owners, although the value has been estimated at more than 86 billion KMs. The Economic Institute on Wednesday presented the Restitution Feasibility Study [ordered by the State Restitution Commission and BiH authorities], which showed according to the Institute's director, <b>Ante Domazet</b> , that the restitution in question " <i>is not only possible, but desirable too</i> ". The main argument of the Study is to go ahead with natural restitution and avoid giving financial compensation since the experts estimate the latter would require between 417 and 625 million KMs. Experts also suggest to the state to issue bonds instead of paying the original owners in cash. <b>BHT1, Hayat, FTV, Dnevni List</b> pg 6 'restitution in kind, not financial' <a href="#">unsigned</a> , <b>Vecernji List</b> pg 4 '15 years for return of property' by <a href="#">Dejan Jazvic</a> , <b>Oslobodjenje</b> cover splash, pgs 4-5 'Value of taken property in BiH- 86 billion KM' by <a href="#">Aida Omeragic</a> , <b>Dnevni Avaz</b> pg 4 'Necessary to solve ownership over 86 billion KM of property' by <a href="#">N.J.</a> . |
| BiH Association of old foreign currency savers invited HR to direct money from sale of telecoms to savers | <b>Oslobodjenje</b> pg 7 'To return money within shortest possible time' <a href="#">not signed</a> – BiH Association of old foreign currency savers invited High Representative <b>Christian Schwarz-Schilling</b> to undertake measures in order to help their money to be returned in within the shortest possible time. OHR on Tuesday criticized initiative of BiH Parliament on amendment to the Law on old currency saving, according to which the payment deadline is reduced from ten to five years. The Association is of opinion that HR should impose the decision by which the money from sale of telecoms should be directed to old foreign currency savers: " <i>We remind Schwarz-Schilling that owners of foreign money savings are mostly of his age, that cannot live to see year 2020.</i> " <b>FTV, Dnevni Avaz</b> pg 11 'Many would not live by 2020, for their money to be turned back' by <a href="#">Fena</a> – also covered.  |

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| ITA SB Nicholl on blockade of ITA single account: examining all possibilities, says Fiscal Council should not be deciding on this | <b>Dnevni Avaz</b> cover splash 'I examine all possible options', pg 2 'There is no need for Fiscal Council to decide on allocation' by <u>T.Lazovic</u> - Indirect Taxation Administration [ITA] Steering Board Chair <b>Peter Nicholl</b> confirmed daily he has been discussing the blockade of allocation of revenues from the ITA single account with all the members of ITA SB, Prime Ministers, Finance Ministers and influential politicians that can contribute the agreement to be reached. Nicholl stated he still hasn't quite defined his opinion regarding the issue, adding that he would not come with his opinion in public before the next session of ITA SB, scheduled for 25 July. He noted: <i>"I examine all possible opinions. Mine stance I would be that the issue should be solved by the authorized body, which is Steering Board. There is no reason for Fiscal Council to decide on this."</i> |
| Int. with Croatian President S. Mesic: it is better to build tunnel or highway through BiH than Peljesac bridge                   | <b>Dnevni List</b> cover splash pg 8-9 'Port in Neum is unnecessary' by Kristina Spajic - DL interviews Croatian President <b>Stjepan Mesic</b> on topics of interest concerning BiH and Croatia . Asked about the Peljesac bridge project, Mesic answers that he finds cheaper and more cost effective the idea suggested by a professor at Split University civil engineering dept. according to which a tunnel or a highway through Herzegovina should be built instead. He finds building a port in Neum might not be economically justified because the port in Ploce, which was built for BiH, is underutilized   |

## Other political issues

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| BiH signs visa regime agreement with Benelux countries abolishing visa requirements for diplomats, and readmission agreement | <b>BHT1</b> by Marina Martinovic - On Wednesday, the State of BiH signed an agreement with countries of Benelux on abolishment of visas for diplomats and agreement on readmission of persons, stipulating both sides would have to accept deported immigrants that had illegally entered or resided in Benelux countries [Belgium, Netherlands, Luxembourg] or BiH. Reporter comments that EU officials have stated once again that visa regime will be improved and added that the agreement with Benelux countries is step in the right directions. Belgian Interior Minister <b>Patrick Dewael</b> stressed the complete improvement of visa regime for BiH citizens is up to BiH authorities. Reporter comments that BiH has already fulfilled all requests made by the EU when it comes to visa regime relaxation. BiH Foreign Minister <b>Mladen Ivanic</b> reminds that EU promised that BiH would have a better regime once single passport and State Border Service are introduced. He adds that those conditions were met but visa regime remained the same. On the other hand, the BiH Security Minister <b>Barisa Colak</b> says conditions for the liberalization of the visa regime have always been known: <i>"We have to implement police reform and establish full ICTY cooperation as well as reform of PBS at the state level."</i> Reporter concludes that domestic politicians stress once again that better visa regime might be in place by end of 2006 for journalists, students, artists, sportsmen and businessmen. <b>FTV-</b> Dewael stressed that the agreement is just a first step towards liberalisation of visa regime for BiH citizens. He added that BiH authorities have to implement EU standards in order for this to occur. Dewael emphasised that police reform is imperative. <i>"As soon as you meet the necessary criteria you will join the EU"</i> , says Dewael. Colak stated that BiH would do everything in order to achieve the end goal, liberalisation of visa regime. Colak also announced signing of police agreement between BiH and Belgium. <b>RHB, PINK, RTRS, Dnevni List</b> 'Diplomats to travel to Benelux without visas' <u>unsigned</u> , <b>Vecernji List</b> 'Diplomats to travel to Benelux without visas' by <u>eme</u> , <b>Nezavisne Novine</b> pg 3 'Abolishment of visa for BiH diplomats' by <u>M. Cubro</u> , <b>Glas Srpske</b> pg 5 'Diplomats travel without visas' by <u>Z. Domazet</u> , <b>Dnevni Avaz</b> pg 2 'BiH Diplomats to travel without visas to Brusses in the future' by <u>S.S.-</u> - also reported. |
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| RS PM Dodik: if police reform cannot be conducted then one should say that agreement has failed or is not valid anymore                            | <b>Glas Srpske</b> pg 2 'To respect reached agreement' by <u>V.Janjic</u> - The press statement released by RS Government Bureau for Public Affairs Wednesday reads that RS Premier <b>Milorad Dodik</b> regards statement and assessment made by <b>Kevin Sullivan</b> , OHR Spokesperson, recently regarding initiative for political talks on police reform as unprincipled, adding: <i>"If they claim there is a political agreement on this issue and use this as argument against political talks on police reform, Sullivan and those on whose behalf he is talking should provide respect of the reached agreement."</i> Dodik reminds: <i>"All activities regarding the police reform are conducted against the reached agreement, including the model of establishing and decision-making in the Police Restructuring Directorate, while PRD' composition includes one foreigner, which was not foreseen by the political agreement."</i> According to Dodik, <i>"there are only two possibilities - either to implement the existing agreement, or to have new talks on police reform"</i> . Premier reminds that ever since mandate was taken over, he has been pointing on problem of disrespect of Police Reform Agreement, adding OHR and its staff can close their eyes before this fact, but it is obvious Agreement needs to be re-affirmed. <b>RTRS</b> -Dodik said if police reform can't be conducted in accordance with the political agreement on police restructuring, then it should be clearly said that the agreement has failed and that it is not valid anymore. |
| BiH Sec Min: Deadline for police reform will be broken   | <b>Nezavisne Novine</b> pg 5 'Deadline for police reform will be broken' by <u>M.C. - Barisa Colak</u> , BiH Security Minister, Wednesday confirmed that deadline for police reform will be broken. After meeting with Belgian Minister of Internal Affairs <b>Patrick Dewael</b> , Colak explained: <i>"It is evident we will implement police reform with certain delay. Restructuring of police forces is of extreme importance for BiH, our attempts to join EU but also for liberalisation of visa regime. It is necessary to implement these reforms on principles European Commission clearly defined."</i>  |
| SBiH leader Silajdzic: Half million persons could loose BiH citizenship due to law provision   | <b>Dnevni Avaz</b> pg 9, mentioned on cover 'Silajdzic: Half million persons could loose BiH citizenship' by <u>E.Sarac</u> - On Wednesday, SBiH leader <b>Haris Silajdzic</b> told press conference that if the article 17 from the Law on BiH Citizenship is not urgently cancelled, some half a million of people could lose BiH citizenship, which would be a <i>"contribution to ethnic cleansing and [former Serbian President <b>Slobodan</b>] <b>Milosevic's</b> project in BiH"</i> . He noted that the real motivation of those who oppose abolishing of this article was to take away BiH citizenship from thousands of Bosniak refugees from RS. Article 17 orders the withdrawal of citizenship in cases where BiH citizens have accepted citizenship of some other country with which BiH has not signed a bilateral agreement [except Sweden, Serbia and Montenegro]. <b>Oslobodjenje</b> pg 8 'Half million of people could loose BiH citizenship' <u>not signed</u> , <b>Dnevni List</b> , pg 4 'Verification of ethnic cleansing', <u>not signed</u> , <b>Nezavisne Novine</b> pg 8 'Article 17 certifies ethnic cleansing' by <u>D.Muminovic</u> - also covered.   |
| Int. with Croatian President S. Mesic: Croatia will help Croat media in BiH; BiH Croats must try to make BiH function because it is their homeland | <b>Dnevni List</b> cover splash pg 8-9 'Port in Neum is unnecessary' by <u>Kristina Spajic</u> - DL interviews Croatian President <b>Stjepan Mesic</b> on topics of interest concerning BiH and Croatia. On Croat media in BiH, Mesic says it is <i>'a constitutional responsibility for Croatia to help Croats in BiH and explained that, during his talks with Mostar based media outlets representatives, he had said he would try to influence the responsible institutions in Croatia to find money for this purpose, especially bearing in mind that BiH Croats, as a constituent people in BiH, are entitled to have media in Croatian language in order to protect their language and culture'</i> . About political matters concerning BiH, such as constitutional changes and BiH Croats' attitude towards BiH, Mesic says that constitutional changes have to be passed by a consensus of all three peoples. As for BiH Croats, Mesic finds that BiH is their homeland in which they have lived for centuries and in order to make BiH a functional state, BiH Croats have to participate in all levels of authorities which they can achieve only by participating in the elections. On relationships between Croatia and BiH, Mesic says that there is no love or hate between the two countries, only interest based on equality and mutual respect between good neighbors.   |

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| Blic: Journalists and public critical of RS MPs   | <b>EuroBlic</b> cover pg splash 'They avoid speaker's platform but not cashier', pgs 12-13 'They do not interfere in their work, but still do not evade cashier' office' by <u>Rajna Radosavljevic</u> - The daily criticizes the RS Members of Parliament for the fact the public does not recognize faces of many of them, since they do not go out to speaker's platform, but still collect pays and allowances assigned to them as MP's. Daily carries two vox populi, one amongst journalists and second amongst common citizens, all noting always same politicians go out to platform.   |
| Leading political parties in RS talking part in elections independently, coalitions to follow after elections | <b>Vecernje Novosti</b> pg 4 'First elections then coalitions' by <u>Sl.Pesevic</u> - The daily observes the pre-election campaign has entered the phase of slow heat-up, adding leading parties (SNSD, SDS, PDP) have already announced they would not form any sort of coalition prior to elections, while the issue of post-election coalitions will be discussed after counting of votes. <b>Rajko Vasic</b> , SNSD Chair Board member, stated: <i>"We are too strong to think about pre-election coalitions, our goal is to win 42 delegate's seats."</i> According to inset, the sole coalition signed in RS was between Serb Radical Party and Serb Party, which will take part in elections with joint candidates.  |
| NN oped: Author discusses pre-election agreements between nationalist parties focusing on SDA and SDS         | <b>Nezavisne Novine</b> op-ed pg 7 'Already seen' by <u>Pero Simic</u> - Author discusses upcoming elections and nationalist parties (focusing on SDS and SDA) who intimidate citizens by reminding them of the recent past and war. Author states that those parties represent themselves as patriots on duty. According to the author, these parties never mention hope, new, better, sense, conciseness, future and Europe but rather mention Chetnic, Ustasha, Balija, patriots, betrayers, Radovan, Ratko, Naser, past, fight.... Author believes that SDS and SDA have agreements that mean different actions such as writing insulting graphite at the churches and mosques, throwing bombs on the returnees, endangering each other, disputing entities etc. Author states this all this has been already seen noting that October 1 <sup>st</sup> looks more like renewal of the war than new way, which should determine our future. Author calls citizens to say 'enough' and turn to those that would offer something new and open hope for the future, which can and must be better. |

## War crimes and judicial issues

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| BiH Presidency member Tihic demands Prosecutor to publish list of Srebrenica genocide perpetrators | <b>BHT1-</b> BiH Presidency Chair <b>Sulejman Tihic</b> requested on Wednesday from the BiH Prosecutor's Office to publish the names of the perpetrators of genocide against the population of Srebrenica and Zepa in July 1995. In his public statement, Tihic reiterates that the BiH Prosecutor's Office has not launched a single investigation for genocide and war crimes although it has been two years since the announcement of the RS Government's Report on genocide against the Bosniak population of Srebrenica and Zepa. Additionally, the Prosecutor's Office does not allow revealing the names of the perpetrators of genocide, thus, enabling at least 892 persons suspected of war crimes and genocide to continue performing functions in municipal, Entity and State institutions. <i>"This method is only disabling investigations and allowing the criminal to flee, primarily because they know their names are on the list,"</i> said Tihic. He said that the RS Government made the list of 28.000 perpetrators of genocide against the Bosniaks of Srebrenica and Zepa, of which at least 892 persons are still performing public functions in municipal, Entity or State institutions. <b>Hayat, FTV, RTRS, Vecernji List</b> pg 2 'Tihic on criminals' by <u>md</u> , <b>Dnevni List</b> pg 5 'Names of Srebrenica genocide perpetrators should be published' <u>unsigned</u> , <b>Nezavisne Novine</b> pg 8 'Publish the names of the suspects for Srebrenica crimes' by <u>M.C.</u> , <b>Dnevni Avaz</b> pg 4 'To publish names of genocide perpetrators in Srebrenica' by <u>Fena</u> , <b>Oslobodjenje</b> pg 2 'Tihic submitted demand to Prosecution to publish names of criminals from Srebrenica' <u>not signed</u> - also covered. |
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| <p>Sarajevo Commission Co-Chair Rasevic resigned from Deputy Chair of Sarajevo Commission</p>  | <p><b>Dnevni Avaz</b> pg 2 'Zeljko Rasevic resigned' by <u>S.S.</u> - <b>Zeljko Rasevic</b>, Co-Chair of Commission to investigate suffering of Serbs, Croats, Jews, Bosniaks and others during the war in Sarajevo, resigned from his position because of, as he stated, health problems. Daily learns that the real reason for his resignation was the great pressure from the RS leadership on Rasevic to leave. BiH Council of Ministers will be informed about the resignation, so a new member of Sarajevo Commission can be appointed. Author concludes that conditions for continuation of Commission's work still exist, due to the presence of two other Serb members. <b>RTRS</b> - also reported.</p>   |
| <p>NN op-ed: author refers to the Sarajevo Comm. session due to which journalists were not allowed to enter the building of BiH institutions</p>           | <p><b>Nezavisne Novine</b> op-ed pg 7 'Order from the top' by Natasa Krsman - Author refers to the Wednesday's session of Commission to investigate suffering of Serbs, Croats, Jews, Bosniaks and others during the war in Sarajevo, due to which journalists were not allowed to enter the building of BiH institutions. According to the author, security guard explained that journalists made troubles during the Commission' last session. Author states that Commission should regulate this issue by some book of rules since it was only working on adoption and ratification of acts during its last four sessions. Author also states Commission should schedule press conference noting that media reported much earlier about suffering in Sarajevo than parliamentarians, their commissions, constitutional courts, entities' governments and Institute for Missing Persons. Author believes that the building of BiH institutions belongs to all citizens and its door should be opened to all. Author expressed extreme discontent with work of the security guard and those who gave them order not to allow journalists in the building.</p>  |
| <p>Investigation on Abazovic case completed: no one can say for sure that Rada and Dragomir were using fire arms</p>                                       | <p><b>Nezavisne Novine</b> cover splash, page 2 'There is no evidence Abazovics made shots' by <u>D.Mu.</u> - Investigation of District Prosecution of East Sarajevo regarding the EUFOR attempted arrest of war crime suspect <b>Dragomir Abazovic</b>, (in January 2006, which resulted in killing of his wife <b>Rada</b> and severe injuring of his son <b>Dragoljub</b>) showed that no one can say for sure that Rada and her son Dragoljub used fire arms or that Dragomir shot himself. Chief District Prosecutor <b>Rajko Colovic</b> said that no gunpowder residue was found on hands of the boy, for whom EUFOR claims that he was using the firearms. Colovic added that this case was sent to the Italian judiciary last week due to BiH and NATO agreement by which NATO members are not under BiH jurisdiction. The investigation determined that Rada and her son were injured by weapons of Italian Carabineers. <b>Glas Srpk</b> cover splash 'EUFOR shot in the back' by <u>Z. Domazet</u> -In his statement to GS, Abazovic's attorney <b>Dusko Tomic</b> welcomed the report of the Prosecution. According to inset 'We will press charges against Italy', Tomic confirms he would press charges against Italy before the Court in Strasbourg. <b>EuroBlic</b> pg RS1 'Proofs under veil of secret, it has been waiting for the trial in Italy' inset 'Carabineers' Commander removed pistol before the investigation' - Pistol from which fire was opened on Dragomir Abazovic was not found during the investigation but later taken over from Carabineers' Commander. <b>Hayat, RTRS, Dnevni Avaz</b> pg 8 'No reliable evidence that Rada and Dragoljub Abazovic were using firearms' <u>not sined</u> - also reported.</p> |
| <p>BiH Justice Minister Kovac: Jelavic cannot be tried in Croatia because maximum sentence exceeds 10 years; Croatia doesn't want to extradite Jelavic</p> | <p><b>Vecernji List</b> pg 4 "Hercegovacka banka trial will not be transferred to Croatia" by <u>Zoran Kresic</u> - VL says there are opposing opinions on whether the trial of <b>Ante Jelavic</b>, former BiH Presidency member and HDZ BiH President, can be transferred to Croatia and quotes BiH Justice Minister <b>Slobodan Kovac</b> as saying that, legally, the case cannot be transferred to Croatia contrary to what his defence lawyer says because the maximum possible sentence for charges in question exceeds ten years. <b>Oslobodjenje</b> pgs 4-5 'Extradition is not asked and Croatia has never located Jelavic' by <u>A.Smajovic</u>- Kovac told daily that revoking of first-degree sentence to Jelavic is a new situation, bringing back things to very beginning. Kovac stated that despite the arrest warrant the Croatia has never located Jelavic.</p>   |

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| Croatian State Prosecution investigates Hercegovacka Bank case with regard to responsibility of former BiH Presidency member Jelavic | <b>Dnevni Avaz</b> pg 10 'Croatian Chief State Prosecutor has been investigating Hercegovacka Bank case for two months' by <a href="#">F.Vele</a> - Croatian Chief State Prosecutor <b>Mladen Bajic</b> confirmed to Croatian media on Wednesday, that there has been an ongoing investigation in case of Hercegovacka Bank, with regard to responsibility of former BiH Presidency member and former HDZ leader <b>Ante Jelavic</b> and others. Jelavic was originally sentenced to ten years of prison, after the BiH Court found him guilty on the indictment for embezzlement of finances Croatian Government sent as a help to Croatian Defence Council [HVO] in BiH. On Tuesday the Appellate Council of the BiH Court decided to revoke this sentence. Croatian State Prosecution confirmed to daily that investigation on Hercegovacka Bank case is being led independently from the one led by BiH judiciary, adding however, that they are closely cooperating with BiH authorities on the case. Responding to recent allegations, BiH State Prosecution confirmed that there is no legal basis for the case to be transferred to Croatia. |
| EX BiH Presidency member Jelavic said he will not go back to BiH, but would stand a trial in Croatia if necessary                    | <b>Dnevni Avaz</b> pg 10 'Jelavic: I do not intend going back to BiH' <a href="#">Radio Free Europe</a> - Following the decision of the Appellate Council of the BiH Court to revoke the first-degree sentence against him, former BiH Presidency member and former HDZ leader <b>Ante Jelavic</b> stated for Radio Free Europe on Wednesday that he does not intend to go back to BiH, where his human rights were breached. Jelavic was originally sentenced to ten years of prison for embezzlement of finances Croatian Government sent as a help to Croatian Defence Council [HVO] in BiH. Jelavic also noted that he would appear on trial in Croatia , if he was indicted by Croatian authorities.  |
| VL op-ed: Annulment of Jelavic sentence will show IC it cannot treat Croats as it has so far   | <b>Vecernji List</b> 'End of Wild West' op-ed by <a href="#">Petar Grubisic</a> - Editorial comments on the decision by the BiH Court Appellate Panel in the case against <b>Ante Jelavic</b> , former BiH Presidency member and HDZ BiH President, and notes that the first instance sentence was brought about by a prosecutor and a judge appointed by IC who in the course of the proceedings made a number of mistakes. Author finds that, before Jelavic trial actually started, a mob atmosphere was created and it was only a matter of what kind of sentence he would get. Grubisic concludes that Jelavic trial is typical of how Croats in BiH have been treated by IC and reminds of the accusations against Croats for the murder of <b>Jozo Leotar</b> (former FBiH Interior Minister) and the raid of Hercegovacka banka carried out by means of tanks. Fortunately, he says, the Appellate Panel with its brave decision showed that such times are behind us which will prove to IC that court decisions cannot be rendered based on someone's wishes but only on evidence because everybody has the right to a fair trial.         |

## OHR BiH Media Round-up

Latest radio news broadcast at 12.00 on **20 July**

| <b>RADIO HERCEG-BOSNA</b> (12,00 hrs) | <b>BH Radio 1</b> (12,00 hrs) | <b>RTRS</b> (12,00 hrs)                 |
|---------------------------------------|-------------------------------|---|
| St. Elies celebrations in BiH         | Funeral in Prijedor           | <i>No news : technical difficulties</i> |
| RSNA to pay pensions to chetniks?     | Jovic on visa regime          |   |
| CEC to draw order for Oct elections   | Israeli attacks continue      |   |

TV news broadcast on **19 July, 2006**

| <b>RADIO HERCEG-BOSNA</b> (18,00 hrs) | <b>TV PINK</b> (18,00 hrs)         | <b>BHT 1</b> (19,00 hrs)     |
|---------------------------------------|------------------------------------|------------------------------|
| World News                            | World News                         | World news                   |
| FBiH HoR in session                   | FBiH HoR in session                | Tihic on Srebrenica genocide |
| Hadzipasic on adopted law             | RS NA in session                   | Exhumation in Kamenica       |
| BiH signs agreement with Benelux      | "Politika" on Mladic's whereabouts | Tadic in Brussels            |

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|------------------------------|------------------------|-------------------------|
| <b>NTV Hayat</b> (19,00 hrs) | <b>FTV</b> (19,30 hrs) | <b>RTRS</b> (19,30 hrs) |
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| Tihic re Srebrenica genocide        | FBIH HoR session                     | Dodik on police reform           |
| RS NA to decide on Hafizovic        | FBIH HoR on Agrokomerc               | Busek meets Butler               |
| FBIH HoR in session                 | Feature on sale of telecom operators | BiH signs agreement with Benelux |
| Privatisation of RS and BH Telecoms | RS NA session                        | RS NA in session                 |

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| <b>Oslobodjenje</b>       | Value of deprived property in BiH - 86 billion KM                           |
| <b>Dnevni Avaz</b>        | [ITA SB Chair Peter Nicholl] I examine all possible options                 |
| <b>Dnevni List</b>        | Neum port is unnecessary (Stjepan Mesic interview)                          |
| <b>Vecernji List</b>      | Germany investigating deaths of 37 assassinated Croats                      |
| <b>Slobodna Dalmacija</b> | They are calling for return but they built houses for themselves in Croatia |
| <b>Nezavisne Novine</b>   | There are no evidences that Abazovics shot                                  |
| <b>Glas Srpske</b>        | EUFOR shot on the back  |
| <b>EuroBlic</b>           | They avoid speaker's platform but not cashier                               |
| <b>Vecernje novosti</b>   | Features Serbian related titles   |

## Latest news of today

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| BiH HoR' delegates accuse SNSD' Dodik and PDP' Ivanic of obstructing police reform | <b>Srna - Sead Avdic and Mehmed Zilic</b> , delegates at the BiH HoR have today rejected possibility of seeing political agreement on police reform renewed. At the press conference in Sarajevo, they accused SNSD leader <b>Milorad Dodik</b> and PDP leader <b>Mladen Ivanic</b> of obstructing police reform in BiH by pledging new talks. Avdic and Zilic noted that OHR as well insists on implementation of previous agreement. Zilic has stated that the existing system of 19 various police agencies in BiH scattered, expensive and inefficient.   |
| Funeral of wartime victims in Prijedor   | <b>BH Radio 1</b> - Bodies of 305 Bosniaks and Croats, victims of war crimes in Prijedor area, have been escorted from Prijedor settlement Rizvanovici. During the day funeral ceremonies would be held on 16 local cemeteries. Religious ceremony was led by leader of Islamic Community in BiH <b>Mustafa Effendi Ceric</b> , who said that truth cannot be hidden. Prijedor local Priest <b>Marijan Stojanovic</b> said that this last farewell must not be the reason for hatred and revenge, but stimulus for forgiveness. BiH Presidency Chair <b>Sulejman Tihic</b> attended the ceremony, but he didn't address it. He told journalists that he will do everything in his power for the missing persons to be found and culprits for the crimes punished. |
| BiH Presidency member Jovic underlines need for liberalization of visa regime      | <b>BH Radio 1</b> - Member of BiH Presidency <b>Ivo Miro Jovic</b> , GRAS [Sarajevo City Transport] Director <b>Sacir Boskajlo</b> and Representative of "Veola" for South-East Europe Heinrich Gilmer met in Sarajevo. They underlined the need for liberalization of visa regime for BiH citizens and removing of administrative obstacles for foreign investors. During the meeting, Jovic underlined that interest of BiH authorities is in opening of new working places, development of BiH and getting the country close to European principles, stressing that economic connecting is the right way for that.   |

## Economy

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| Telecom privatization: FBIH Minister claims that documents are prepared | <b>BHT1-</b> FBIH Government will discuss the proposal on the privatisation of telecom sector at a session next Thursday. FBIH Minister of Transport and Communications <b>Nedžad Brankovic</b> claims that privatisation of BH Telecom and HT Mostar will not be late in comparison to privatisation of RS Telecom. He added that the documents and studies for the privatisation are ready. |
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| FTV: 51% of BH Telecom to be sold for 650 million Euros  | <b>FTV- By Sanjin Beciragic</b> – FTV brings a feature on the sale of telecom operators in FBiH. FBiH Prime Minister <b>Ahmet Hadzipasic</b> considers the whole issue to be confidential despite the fact that the sale model has already been published in the media. Reporter comments that proposal is to sell 51% of state capital in BH Telecom for 650 million Euros and Eronet for 200 million Euros if FBiH Government decides to sell it. Hadzipasic didn't want to confirm or deny these allegations whilst FBiH Minister of Transport and Communications <b>Nedžad Brankovic</b> stated that the figures in question are presented in the report on sale of telecom operators in FBiH. Deputy Prime Minister <b>Dragan Vrankic</b> stated that he is for the sale of telecom operators but in his opinion FBiH should keep some capital in them. Reporter comments that the sale of RS Telekom has caused FBiH Government to react. Vrankic says that FBiH Government has to react swiftly and make a decision on the sale of telecom operators. Reporter continues by saying that the sale of first telecom operator will reduce the selling price for other 2 and concludes that the final word on the issue is up to members of FBiH Parliament. |
| Hayat: Government that sells telecom first would gain foreign investments of hundred million euros | <b>Hayat By Asim Beslija</b> – Commenting on announced sales of telecoms, Reporter comments that the Government that sells Telecom first will get the tax growth of 200 million KM, decide in transferring the technology, set the standards of quality in entire BiH and have foreign investments of hundred million euros. Reporter stated that this is RS Government's goal and that in return FBiH government has to make contacts with interested.   |
| Bosniaks Caucus asks for the linguistic corrections in the RS Telekom' privatization program       | <b>Nezavisne Novine</b> pg 5 'Bosniaks ask for the linguistic corrections in the program' by <b>A. Sekulic</b> – Chair of Bosniak Caucus at RS Council of Peoples (CoP) <b>Ramiz Salkic</b> said RS Telekom' privatization programme should be done urgently adding that Bosniak Caucus would not give up the minimum of the vital national interest (VNI), which was violated by the text of program for the RS Telekom' privatization. Salkic also said Bosniak objections refer to language and alphabet, certain qualifications and incompleteness noting BiH Constitution sets use of three languages. Bosniak Caucus found unacceptable qualification 'after the civil war in BiH' and asked for the change. <b>Desanka Radjevic</b> , Chair of Serb Caucus at CoP believes that Bosniaks would not withdraw their initiative for the protection of VNI and that Joint Commission of CoP and RS National Assembly would discuss this issue adding that in case that Joint Commission does not pass the decision on privatization of RS Telekom, this issue would be sent to RS Constitutional Court. <b>Pero Krnjic</b> , Chair of Croat Caucus at CoP stressed that RS Telekom' privatization is an urgent issue, which should not be conditioned.       |
| Collection of direct taxes in FBiH increases for 12%   | <b>BHT1</b> – Collection of direct taxes in FBiH has increased by 12% when compared to last year. Increased measures implemented by FBiH Tax Administration resulted in discovering of 500 citizens that failed to report their income taxes. Director of FBiH Tax Administration <b>Mithat Arifovic</b> stated that these citizens would face sanctions. Arifovic also stated that citizens in question are various Ministers, municipality officials, attorneys, singers, managers, sportsmen and agency directors. <b>FTV By Indira Sehic</b> – FBiH citizens are obliged to pay income tax. Reporter comments that the tax assessment bases differ from one Canton to the other as well as tax percentages. Reporter concludes by saying that according to available information there are people in BiH with a 600 000 KM of yearly income who also avoid paying of income tax. <b>Dnevni List</b> pg 5 'Tax evasion – sanctions against 500 citizens' by <b>Erna Mackic</b> – also reports  |
| DA op-ed: Real aim of VAT was to bring BiH closer to EU, not to make profit for BiH politicians    | <b>Dnevni Avaz</b> pg 3 'What is the real objective of VAT?' op-ed by <b>Edina Sarac</b> – Commenting that enormous BiH administration apparatus is vast ballast for development of BiH economy, editorial reads: <i>"It is impossible to talk about the complete success of taxation system reform at this moment... If remarks of International Monetary Fund [IMF] are true, introduction of this tax [VAT] only filled the pockets of those who invented it."</i> Stressing that VAT was supposed to bring BiH closer to EU integrations, <b>Sarac</b> slams state administration: <i>"Europe did not say that we would become part of it when our politicians got rich, but when we introduce VAT that would strengthen state economy."</i>  |

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| Council of Foreign Investors holds inaugural assembly  | <b>BHT1, RHB, PINK, FTV, RTRS</b> - The Council of Foreign Investors in BiH held on Friday its Inaugural Assembly. The primary objective of the Council of Foreign Investors, which was established with support from the USAID, will be to improve the ambiance for investing and business in BiH. Director of the BiH Foreign Investment Promotion Agency [FIPA] <b>Haris Basic</b> told the press that the influx of foreign investments in BiH has been slowed down primarily due to the stalemate in privatization. The foreign investments in BiH were estimated at 300 million euro in 2005, while in the first six months of this year they were estimated at approx. 120 million euro. <b>Dnevni Avaz</b> pg 16 'Capital asks for better conditions' by <u>N.J.</u> , <b>Oslobodjenje</b> pg 13 'With organization to the better investment climate' by <u>Dk.Omeragic</u> - At the Founding Assembly of Foreign Investors, the participants have passed the Statute and established the managing Boards of the Council. This Council, with assistance of USAID, has established 13 companies and it is opened for all, especially for companies registered in BiH with significant percentage of foreign capital. Council has elected <b>Mark Davidson</b> from company 'Price Waterhouse Coopers', as well as members of its Steering Board. Representatives of the Council avoided to point out the issues they face, stressing that they would define them in next following months. FIPA Director <b>Haris Basic</b> emphasized that key issues for foreign investors are registering of companies and issuing of valid licensees. |
| OHR' Day had meeting with Head Prijedor Municipality   | <b>Nezavisne Novine</b> pg 2 'Authorities might influence economic development' by <u>S.T.</u> -After the meeting with the Head prijedor Municipality <b>Marko Pavic</b> , Head of OHR Office in Banja Luka <b>Graham Day</b> said the authorities can make influence on economic development' climate adding it depends on their behavior whether this climate would be satisfactory or would suffocate economic. Day states that talks included development and problems of economy in the process of transition, plans on agriculture and industry, investments, employment and security issues. <b>Glas Srpske</b> pg 4 'New bridges of cooperation' by <u>D.B.</u> - Pavic informed Day that Prijedor wants to build bridges with all municipalities. Day informed Pavic that OHR would end it mandate by June 2007 adding that EUSR would continue many OHR' activities regarding contacts and connections. <b>EuroBlic</b> pg RS3 'Prijedor is an opened city' by <u>G.S.</u>   |
| Former RS Custom Officials reiterate their request for an audit regarding new employments at ITA | <b>Glas Srpske</b> pg 7 'Custom officials request an audit' by <u>D.Glisic</u> - Former custom officials reiterated their request for an audit of the decision on employment of new employees at the BiH Indirect Taxation Administration (ITA). Former 200 employees of RS Customs pressed charges against BiH ITA due to irregularities during process of hiring new employees in 2005.  |
| BiH HoR Speaker Raguz: BiH institutions should solve bilateral issues with Croatia               | <b>Oslobodjenje</b> pg 6 'Another meeting and borders will be agreed' by <u>A.T.</u> - Following his official visit to Croatia, BiH House of Representatives Speaker <b>Martin Raguz</b> told daily that the BiH state institutions should concentrate onto solving the remaining bilateral legal and property issues with Croatia [borders, Peljesac bridge, Port of Neum, Corridor 5-C]. He noted that it is necessary for two countries to hold another meeting to put an end on the issue of borders.  |
| Professor Tanovic believes 5C Corridor should end in Neum  | <b>EuroBlic</b> pg RS3 'Neum is the best solution' by <u>V. Mihojevic</u> - After the meeting with the Trebinje Municipality Head, Professor <b>Bakir Tanovic</b> , Chair of the Initiative Board for the change of 5C Corridor project told daily this Board tries to use help of the municipalities' heads to influence deputies from the area to support proposal by which 5C corridor should end in Neum and port should be opened in this city.   |

## Political Developments

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| Serbian President Tadic: Kosovo independence might question existence of state in the region with complex system         | <b>BHT1</b> By <u>Elvir Bucalo</u> – Serbian President <b>Boris Tadic</b> stated in Brussels that Kosovo's independence might question the existence of states in the region that have complex system. <i>"Kosovo's independence might open many currently well closed issues"</i> , says Tadic. He stated that integral BiH is of vital interest to Serbia, adding further changes within BiH agreed by all 3 peoples are also in Serbian interest. Reporter comments that EU Chairmanship reacted clearly to Tadic's statements. Finish Foreign Affairs Minister <b>Erkki Tuomioja</b> stated that there is concern over statements of some politicians regarding a referendum in RS, adding: <i>"Attempts to violate Dayton peace process will not be tolerated from our side."</i> Reporter concludes that BiH is once again in the centre of discussions related to final shape of the Balkans.  |
| BiH CoM Chair announced meeting with PMs regarding two new ministries  | <b>Nezavisne Novine</b> pg 3 'Next week about new ministries' by <u>M.C.</u> – BiH Council of Ministers Chair <b>Adnan Terzic</b> confirmed that he would discuss competences of the Ministry of Agriculture and Ministry of Science, Technology and Environment next week with the RS Prime Minister <b>Milorad Dodik</b> and FBiH Prime Minister <b>Ahmet Hadzipasic</b> . BiH Minister of Foreign Affairs <b>Mladen Ivanic</b> said that there are conceptual differences regarding the competences of the two new ministries adding that some insist on central competences while others insist these ministries have coordinating role.  |
| SD commentary: Croat politicians in BiH advocate return but they themselves have properties and bank accounts in Croatia | <b>Slobodna Dalmacija</b> cover splash pg 9 'They call for return and they built houses for themselves in Croatia' by <u>Petar Milos</u> – <u>Milos</u> writes that it would be very difficult to find a Croat politician in BiH without an apartment or a house in Croatia and whose children are not going to university there. He continues by saying that when such politicians talk about return of refugees, education, health or infrastructure, such talk cannot be deemed credible knowing that they themselves are trying to leave this country and steal its money. This in turn has an effect on 'little people' who are not only unwilling to return to their pre-war homes but are leaving towns in which there was no war at all; however, unlike the politicians, they do not have properties and bank accounts in Croatia. <u>Milos</u> concludes for this reason, property sheets of all politicians should be published before elections. Author concludes <i>"politicians are smart for having registered their property in their relatives' names, but the people are not stupid either and they will be able to recognize the truth."</i> |

| <b>Elections</b>   |  |
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| Oslob op-ed: No miracles would happen at October elections; IC also does not have solution for BiH | <b>Oslobodjenje</b> pg 9 'White dove, black hat' op-ed by <u>Gojko Beric</u> – Commenting on pre-election period in BiH, editorial reads that political parties still do not know what they would like or be able to do in the next four years period. Author notes no miracles should be awaited for, adding: <i>"This pre-election theatre would also be like the previous ones, when party leaders were pulling white doves from black hats. Not even international sponsors know how to deal with our ill society. They point finger at domestic politicians, expecting voters to punish their disobedience by leaving them without mandate at the next elections. That seems logical. But this is neither Europe nor America."</i> Editorial concludes that there are low chances for a significant change of political developments in BiH unless education is placed on first place of priority list. |
| DEPOS receives money from the budget   | <b>Fokus</b> pg 4 'Members of Parliament carries wallets' by <u>E.R.F.</u> – RS Member of Parliament <b>Milenko Antesevic</b> said although DEPOS did not participate in the last elections and did not invest in the previous campaign, DEPOS gets money from the budget on the basis of the members of parliament who joined this party. In line with existing Law, in case that MP decides to leave the party or establishes his own party, the money from the budget is assigned to the member of parliament not to the party.   |
| NSS' Kunic indicates disturbance of media space by leading structures                              | <b>Fokus</b> pg 5 'Fatal consequences of power' by <u>not signed</u> – Chair of New Force of Srpska Party (NSS) <b>Petar Kunic</b> points on fatal consequences of political, state, economic and media privatization adding he will oppose this tendency with all available democratic means. He does not explain to which these refer. Kunic notes certain media produce populist concept of untouchable politician in RS <b>Milorad Dodik</b> .   |

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| BiH CEC: Public casting of lots on Thursday | <b>Dnevni Avaz</b> pg 9 'All parties and coalitions submitted corrected lists' <u>by L.S.</u> - As it was confirmed to DA, by BiH Central Election Commission Spokesperson <b>Maksida Bajramovic</b> 34 parties and 8 coalitions have submitted corrected election lists. However, Bajramovic couldn't say whether irregularities were corrected. She added that public casting of lots would be organized on Thursday, in order to determine the sequence of political subjects on election ballots. |
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## War Crimes

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| Mladic was hiding in Belgrade until January this year  | <b>PINK-</b> Referring to recent indictment raised by Belgrade Prosecution against ten supporters of ICTY indictee <b>Ratko Mladic</b> , Belgrade-based newspaper "Politika" wrote that Mladic was hiding in five different apartments in Belgrade in period from 2002 until beginning of 2006. According to "Politika", the key person for organisation of Mladic's hiding is <b>Jovo Djogo</b> , former officer of RS Army in charge for Mladic's security. Djogo has been arrested last year and indicted of supporting Mladic. <b>Hayat, RTRS, Oslobodjenje</b> pg 5 'Ratko Mladic hid in New Belgrade up to January' <u>not signed</u> , <b>Dnevni Avaz</b> pg 23 'From 2002 up to January 2006 Mladic was hiding in New Belgrade' <u>not signed</u> - also covered. |
| Del Ponte and Vukcevic signed memorandum on access to ICTY database  | <b>Hayat, RTRS, FTV</b> -Belgrade Chief Prosecutor for war crimes <b>Vladimir Vukcevic</b> and ICTY Chief Prosecutor <b>Carla Del Ponte</b> would sign today the memorandum on access to electronic base of evidential material of the ICTY Prosecution which would enable Serbian Prosecutors access to 500, 000 documents of the ICTY.  |
| Serbian Deputy PM: Serbia has to arrest Mladic by September  | <b>Oslobodjenje</b> pg 5 'Mladic has to be arrested by September' <u>not signed</u> - Serbian Deputy PM <b>Ivana Dulic Markovic</b> stated that based on the Action Plan, Serbia has to arrest ICTY indictee <b>Ratko Mladic</b> by September or document all of the actions. She stressed that this has to be done so that Serbia could resume the suspended Stabilization and Association Agreement negotiations.   |
| BiH Justice Minister Kovac issued a warrant for investigation of working-legal status of ICTY indictee General Delic | <b>Oslobodjenje</b> pg 3 'Inspectors examine status of Delic', mentioned on cover <u>by R.L.</u> - Daily learns that BiH Justice Minister <b>Slobodan Kovac</b> issued a warrant for investigation of the working-legal status of the ICTY indictee General <b>Rasim Delic</b> , who is still receiving a salary from the budget of the BiH institutions. BiH Presidency member <b>Borislav Paravac</b> earlier invited the BiH Justice Ministry and OHR to take their stance on the issue.   |