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Donors' Conference

On 8 May, at the close of the two-day Donors' Conference on Bosnia and Herzegovina, High Representative Carlos Westendorp welcomed the generous pledges given by the International Community. He also welcomed the strong endorsement of OHR strategy given by all participating countries.

Total pledges, at approximately \$1.25 billion, exceeded the expected amount of \$1.1 billion. Significant progress will be enabled in the areas of economic reform towards a sustainable economy and refugee return, the key topics of discussion during the two-day conference in Brussels.

Progress in areas of single currency and legal frameworks for customs policy, privatization, foreign investments and budgets will be built upon significantly in the coming year. Infrastructural development, which is already underway for postal, telecommunication and railway, will also benefit.

In press conferences given by the OHR in Banja Luka and Sarajevo, it was emphasised that the Donors' Conference represented a move away from purely humanitarian aid, and an increased focus on economic reconstruction. It supported the return of refugees but also development of a free market economy, small businesses and greater economic cooperation between the two Entities and the rest of Europe.

The OHR warned that the continuation of donors' support will depend on political progress, engagement with the peace process and local commitment at all levels; not merely at Entity levels. The OHR stressed that the politicians of BiH must move the process forward and take on the responsibility of nation building.

To maximise the effect of the approximately 1.25 billion dollars of pledges, emphasis must be placed on the management of BiH's economic growth. The privatisation process is critical, as are financial transparency and accountability. Obstacles to internal trade must be removed. Entity legislation needs to be harmonized and free

movement of persons and goods facilitated.

Political and local authorities need to engage in this process and, the OHR warned, should be held accountable for any delays that may take place.

Security Council

Following the High Representative's report on the current status of the peace agreement implementation, the Security Council issued a statement on 11 May

This welcomed the presence of the High Representative and fully agreed with his assessment of the current situation in Bosnia and Herzegovina.

- Members of the Council welcomed the substantial progress made in the implementation of the Peace Agreement and of the 1997 Bonn Declaration.
- They welcomed the outcome of the Donors Conference held in Brussels on 7 and 8 May 1998. They underlined the importance of continued international support for the government of Republika Srpska headed by Mr. Dodik in its efforts to fulfil its obligations under the Peace Agreement.
- The members of the Council reiterated their urgent appeal to the parties to increase the return of refugees and displaced persons, particularly to minority areas. They underlined the importance of the Sarajevo Returns Conference and the Conference on the Return of Refugees, held in Banja Luka.
- They also strongly condemned the acts of violence and intimidation which took place recently in Drvar and Derventa, and other places.
- They emphasized the need for the Bosnian leadership to strengthen cooperation with the International Criminal Tribunal for the Former Yugoslavia.
- The members of the Council urged the parties to demonstrate the necessary political will to establish functioning common institutions.
- They prioritised the importance of judicial reform, promoting a free and independent media throughout the country and strongly supported the efforts of the High Representative to this end.

Presidency

The 34th session of the BiH Presidency was held on 15 May, chaired by President of the Presidency Alija Izetbegovic. Subsequently, a statement was issued which declared that the discussion on the establishment of diplomatic relations between BiH and FRY had been postponed. This was due to the absence of President Momcilo Krajisnik, who sent a representative in his place, and to the lack of exact information from Belgrade on what conditions are being set for re-establishment of diplomatic relations between the two countries.

In addition, the session passed the following decisions:

- Hasan Dervisbegovic was appointed BH Ambassador to Stockholm (replacing Izet Serdarevic, who resigned two months ago).
- Agreement on the appointment of an auditor for the BH Central Bank (Mr. Anderssen) was reached.
- Approval of the plan on the liquidation of the BH National Bank (as proposed by the Central Bank), was also reached.

Council of Ministers

At the two latest sessions, 30 April and 5 May, the CoM members discussed preparations for the Donors' Conference (7 May), and talked further on privatisation issues.

BiH Privatisation

The state umbrella Law on the Privatisation of Enterprises and Banks will probably be adopted by the Council of Ministers in the upcoming fortnight. The OHR and the CoM are working closely together on the draft law proposal which OHR presented to the CoM in February, to facilitate its speedy adoption. The major concern of both the OHR and the CoM is that this law should in no way discriminate against the interests of refugees and displaced persons, who should be enabled to participate fully in the privatisation process.

The law has been discussed during several sessions of the CoM, and the CoM is expected to pass it in a form which will fulfill all specifications of Annex 7 of the Dayton Agreement on refugees and displaced persons.

BiH Customs

Tax Revoked

The Federation Government, at its latest session, 14 May, took the decision to revoke the illegal 10 % tax which has been levied on imports.

While there are still many problems in the area of customs, this is a major step towards the unification of custom practices in BiH, implementation of BiH laws by Entities.

The OHR welcomes this sign of Federation compliance with State Customs Policy, and requests the RS to take similar measures to revoke any illegal taxation applied in the RS.

The Federation Government also took the decision to remove petroleum and fuel from the bilateral preferential agreement with Croatia. Petroleum and fuel imported from Croatia will subsequently be taxed as per the BiH official rates.

Media

IMSLC

John Watkinson, head of the consultancy team establishing the Intermediate Media Licencing and Standards Commission (IMSLC), addressed the local and international press on 8 May. He reported on the progress, structure and purpose of the Commission. He emphasised that the Commission will establish a legal framework for media, with a special focus on electronic media, in accordance with regulatory developments within countries of the European Union.

The Commission will ensure that licences are issued to broadcasters on an impartial basis, and establish a code of journalistic practice to be adhered to by both broadcast and print media.

"Censorship is not the aim and purpose of the commission. It will establish a legal framework within which different opinions can be expressed," said Watkinson.

IMSLC aims to establish standards by which BiH media will have freedom of speech privileges such as are common within the European Union. If these standards are violated, the media responsible will risk loss of these privileges.

The Commission will consist of international experts, but also BiH legal and media representatives. The director general will be drawn from the international community, but will report to a council consisting of representatives of

all peoples of BiH. This council will be responsible in circumstances when it is necessary to consider closure of a medium, or termination of its licence. The Commission will have departments for monitoring the media, for addressing licencing issues, complaints, technological and financial issues.

To resolve the current legal confusion in the realm of local media, the team has produced a draft law for licensing, in consultation with local media directors, journalists and lawyers. The new licencing system should be in place before the September elections.

The EU and the USA are financing the Commission.

Education of Journalists

The OHR Media Development Unit (MDO) is consulting with the BiH Open Society Institute (OSI) on the issue of establishing long-term, quality education for local journalists. The OSI is supporting the BBC school for journalism, based in Sarajevo.

Returns

Drvar and Derventa

Following the outbreak of violence events in these two towns, starting in mid-April, a series of high level visits to both towns took place. These included visits by the High Representative, Carlos Westendorp, and the Supreme Allied Commander in Europe, General Wesley Clark.

President of the BiH Presidency Kresimir Zubak has appointed a special envoy for Drvar, and the OHR is maintaining an office, and senior presence, in this town.

At the Donors' Conference the OHR sent a clear message that intimidation is unacceptable and will not be allowed to disrupt the return process.

'As recent events in Derventa and Drvar show, there are still those who would like to obstruct return. Our message to them is perfectly clear: You will not succeed', said Deputy High Representative for Reconstruction and Return, Andy Bearpark.

The Reconstruction and Return Taskforce (RRTF) is opening an office in Derventa to assist with the return process in this town.

Sarajevo Declaration Review

On 6 May the Reconstruction and Return Task Force (RRTF) brought out the first issue of its quarterly review of the progress of the Sarajevo Declaration. The Executive Summary contained in the Quarterly Implementation Review follows:

1. Housing/Property Legislation, Including Multiple Occupancy

The Deadlines for the adoption of the Legislation have been missed. The Laws have been finally adopted in a form acceptable to the High Representative. Implementation of the Laws has encountered some difficulties, however. Additional efforts by Federation authorities will be essential to ensure full and timely implementation.

The targets for solving multiple occupancy cases have not been met (51 cases solved vs. 500 required), raising concerns about the commitment of the authorities to address this issue in a decisive manner.

2. Return issues, incl. Specific Return Cases

The Deadlines have been missed in solving specific return cases: only a limited number of cases (either from the 96 UNHCR cases or the 29 priority cases set by the Jewish community) have been solved, well below the set targets. This confirms the concerns raised above.

3. Education Issues

The Education Working Group was formed on time and is a relative success story. Its four Sub-Groups (on textbooks, resources, discrimination and democratisation) are working well.

Resource constraints may become a factor slowing down progress in textbook review and teacher training. Donor assistance has been requested.

4. **Employment Issues**

The Employment and Return Commission was established on time and has made good progress in defining its priority areas of work. Discrimination issues are proving difficult, given high unemployment rates in the canton. Additional funding for job creation is urgently required. The Cantonal Ministry for Labour, Social Affairs, Displaced Persons and Refugees has made a special plea to international donors to increase outreach to minority communities of small business credit.

5. **Public Order and Security Issues**

The Deadline for producing a detailed strategy to support return was missed. With almost two months' delay, the Cantonal police delivered a draft strategy to the UN Mission to BiH (UNMIBH) on 4th May. Upon initial review, one of the main gaps in the strategy concerns minority recruitment for the Cantonal police. The Cantonal Police has yet to launch a comprehensive information campaign to keep the public informed on the subject of returns, as required by the Sarajevo Declaration.

6. **Conclusions**

While a number of positive steps have been taken in issues related to education, employment and public order and security, the principal issue of returning people to their homes in Sarajevo have not been addressed in a satisfactory manner by the authorities.

Human Rights

Zvornik 7 Retrial Update

On 23 April, the retrial of the Zvornik 7 defendants was once again adjourned by the District Court in Bijeljina (RS). The reason given was the absence of one of the defendants reportedly undergoing medical treatment abroad. The trial was postponed to 19 May, when the court is to decide whether to try the defendant in absentia or whether to separate the proceedings.

ICTY Prosecutor Withdraws Charges against 14 Accused

On 8 May, the ICTY Prosecutor issued a statement announcing the withdrawal of charges against 14 accused in the Omarska and Keraterm indictments. The Prosecutor welcomed the recent increase in the number of accused who have either been arrested or who have surrendered voluntarily to the jurisdiction of the Tribunal. One result of the piecemeal and sporadic arrest and surrender process is that accused, who have been jointly indicted, must be tried separately, thereby committing the Tribunal to a much larger than anticipated number of trials. In light of this situation, the Prosecutor decided to withdraw the charges against a number of accused in the Omarska and Keraterm indictments, in accordance with the Tribunal's overall strategies of maintaining an investigative focus on persons holding higher levels of responsibility, or on those who have been personally responsible for exceptionally brutal or otherwise extremely serious offences.

Property Legislation

- *Federation*

- Three laws which will enable persons to reclaim their pre-war homes came into force on 4 April.
 - The Law Regulating the Application of the Law on Temporarily Abandoned Real Property Owned by Citizens entitles persons to file a claim for the return to their real property. Persons may file this claim at any time.
 - The Law on the Cessation of the Application of the Law on Abandoned Apartments entitles persons to file a claim to return to the socially owned apartment they occupied before the war if it was declared abandoned during the war. Claims must be filed before 4 October 1998 or rights to the apartment will be lost. Claims are to be filed on a standard claim form, in accordance with an Instruction passed by the Ministry of Urban Planning.

- The Law on Taking Over the Law on Housing Relations also applies to socially owned apartments. It provides that occupancy rights can not be cancelled for failure to use an apartment since 30 April 1991, if the occupancy right holder is a person with the right to return under Annex 7 of the DPA.
- *Republika Srpska*
The RS property working group has submitted drafts to the RS government which will be considered by the RS Assembly this week. The drafts are largely consistent with the Federation laws, however, some amendments are still needed before the laws will be deemed acceptable to OHR. The RS authorities have agreed to ensure the necessary additional changes are made before the laws are presented to the RS Assembly for adoption in June.

Municipalities

133 BiH municipalities have received certification to date. The municipality of Prozor-Rama has now been certified to have been established in accordance with Provisional Election Commission regulations.

Brcko

This week will see the return of Ambassador Farrand to his post as Brcko Supervisor following a two month absence to undergo surgery in the United States. The week should also herald further progress in the consolidation of the multi-ethnic administration as they aim to take on some 30 Bosniacs and 5 Bosnian Croats as they implement the required proportions in the administration's full complement of staff.

A third inter-agency meeting will be convened on Wednesday 20 May, the same day as the municipal assembly meets in Brcko. The Municipal Executive Board also expect to host a visit of Tuzla businessmen, another positive move in the re-establishment of regional economic relations, which is one of the specific expectations of the Supplemental Award of March this year. Only last Tuesday Brcko RS Mayor Reljic joined Mayor Munib Jusufovic of the Brcko Rahic municipality at the Tuzla inauguration of a planned business and commercial trade centre to be built on the town's outskirts. This marked only his second post-war visit to Tuzla and he was enthusiastic in his description on local radio of the project " In the first phase of the construction of such projects many workers should be employed and later there are going to be new jobs for many others. 26 million DM were planned to be invested in this project by Germany. All activities will be conducted by the RS and Federation and we expect the first phase to be finished by the end of this year."

In the process of developing relations a little further afield, the Mayor and Executive Board also hosted last week not only an delegation of EU ambassadors but a delegation from the city of Johnstown, Pennsylvania, led by their Mayor Don Zucco, who are investigating the possibility of setting up a sister city relationship with Brcko. This was an initiative encouraged by their own US Congressman Murtha, following several visits he had made to Brcko, with the aim of the two administrations and communities assisting each other and sharing expertise and experiences. They met with local leaders, toured the town and provided a valuable distraction from the business of politics, with discussions instead concentrating on the practical business of running a city.

The returns process is continuing steadily on the ground, currently overshadowed by a number of higher level initiatives as both the Federation and the RS seek to fulfill their obligations under the Supplemental Award. The Executive Board of the Municipality has produced the first draft of a returns plan for review within the RS authorities, and Friday 15 May saw a visit to Sarajevo of several key Brcko-resident Sarajevo Serb DPs at the invite of the SDP and coordinated by the OSCE. The group met with the Mayor of Sarajevo and the Chief of Police among others. Finally, on Monday 18 May a Sarajevo Canton delegation , headed by President Midhat Haracic, will visit Brcko to meet with representatives of international organisations, Mayor Borko Reljic and his deputies, representatives of the Association of refugee and displaced Serbs, and Serb displaced persons refugees from Sarajevo, now living in Brcko.

Freedom of Movement

Licence Plates

The UN Mission to BiH (UNMIBH) is greatly encouraged by the progress so far of the common license plate project. Demand has proved to be exceptionally high in police stations where the new plates are already being issued. To date, this has taken place in the Tuzla, Podrinje, Una Sana, Orasje, Posavina, Gorazde and Sarajevo Cantons and in the Banja Luka region. In Banja Luka alone, over three and half thousand new license plates have already been issued. To date almost half of the total license plates have been sent to police stations around the country and the last of the vehicle registration documents were sent out by 13 May.

Passports

The process of distributing the new BiH passports is being fully administered by the BiH Ministry of Civil Affairs. The passport booklets have been prepared and the local authorities are responsible for preparing the personal data inserts to go into those booklets. The OHR is continuing to urge authorities to make rapid progress. It should be possible to apply for new passports within the second half of May.

Inter-Entity Links

Postal X-Ray

An X-Ray machine for postal deliveries was installed at Banja Luka Postal Centre on 14 May by a technician sent from the manufacturers, (E,G&G Astrophysics). The machine is the property of the Universal Postal Union (UPU), to whom it was donated by the US Government, but is on extended loan to the RS.

The machine will enable full reestablishment of postal links between the Entities, in accordance with the terms of the MoU on Postal Deliveries, signed 22 April. This stipulated a minimum number of regular deliveries.

A presentation ceremony is due to take place on 4 June.

BiH Basketball

On Thursday, 14 May, at the International Federation of Basketball Association (FIBA) Headquarters, Munich, an agreement on BiH basketball was signed, The signatories were representatives of the National Basketball Federation of Bosnia and Herzegovina, the basketball Federation Herzeg Bosnia and the Basketball Federation of the Republic of Srpska. The parties discussed the organisation of basketball in BiH and participation in FIBA's European Club Competitions. Under the chairmanship of Mr. Ernesto Segura de Luna, President of the Standing Conference for Europe, and assisted by Ambassador Donald Lamont from the Office of the High Representative, the agreement the parties signed included the following points:

- On a long-term basis, all basketball activities within Bosnia and Herzegovina shall be organised under the umbrella of one National Basketball Federation only, as recognised by FIBA. The structure of this National Basketball Federation must be adapted to accommodate all ethnic groups within the territory. All parties shall participate jointly in order to reach this goal.
- For the forthcoming club season, 1998/99, and for this season only, the National Basketball Federation of Bosnia and Herzegovina is entitled to register, for the Korac and the Ronchetti Cups, 4 teams plus 1 team from the Republic of Srpska, all representing Bosnia and Herzegovina.
- Under the auspices of FIBA and the Office of the High Representative in Sarajevo, the parties shall work towards holding a friendly game as soon as the situation allows and all parties agree with the conditions.

18 May:

Public Service Information Campaign (PSIC) launch

19 May:

CoM session

20 May:

Continuation of the RS Parliament Session

21 May:

SCMM session

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

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