OHR BiH Media Round-up, 22/6/2006

Latest radio news broadcast at 12.00 on 22 June

RADIO HERCEG-BOSNA (12,00 hrs)	BH Radio 1 (12,00 hrs)	RTRS (12,00 hrs)
Croats to contest Law on apartments	[Signal interrupted]	RS Government in session
Terzic refused to join SBiH	Exhumations in Kamenica	PIC to hold session
Croatia-Australia game tonight	World News	Ser and Mont form spec. relations

TV news broadcast on 21 June

RADIO HERCEG-BOSNA (18,00 hrs)	TV PINK (18,00 hrs)	BHT 1 (19,00 hrs)
FBIH HoP session	Damjanovic pleaded not guilty	Economic conference in Sarajevo
"June Dawns" manifestation	Exhumation commenced in BL	Growing unemployment rate in BiH
VAT returns as of 1 st July	Colak on audit on BiH citizenships	Public revenue distribution
World news	FBiH HoP had session	PRD SB meets in Sarajevo

NTV Hayat (19,00 hrs)	FTV (19,30 hrs)	RTRS (19,30 hrs)
Strike in Mital Steel continues	Man threats to kill himself	Cavic on RS referendum
FBIH HoP session	FBiH HoP on nationalised apartments	PRD SB had meeting
Islamic Community on apartments	SDP demands changes of VAT law	Gregorian on BiH
PRD Steering Board session	Audit report on BiH Presidency	Demekas met with Dzombic

Oslobodjenje	[FBiH House of Peoples] Law on buying some apartments with tenancy rights adopted
Dnevni Avaz	[BiH CoM Chair] Terzic: Offer flatters me, but I cannot accept it
Dnevni List	Football fever (football World Cup)
Vecernji List	Not published dur to Croatian national holiday
Slobodna Dalmacija	Barbaric took champions to Murska Sobota (preparations of BiH football champions)
Nezavisne Novine	Main task is stamping out crime
Glas Srpske	Land parcels also under lock
EuroBlic	If Dayton is violated, Serbs to head for secession
Vecernje novosti	Features Serbian related topics

LATEST NEWS OF TODAY

PIC Political Directors meet today, to discuss reforms, OHR's transformation RHB, RTRS – The Political Directors of the Peace Implementation Council will meet in Sarajevo on Thursday and Friday 22 and 23 June, OHR media advisory reads. The BiH authorities, led by the BiH Presidency Chair Sulejman Tihic and the Council of Ministers Chair Adnan Terzic, will participate in the meeting. During the sessions with the BiH authorities, discussion will be on the status of BiH's reform agenda. The second part of the PIC meeting will focus on the transition from peace implementation to Euro-Atlantic integration. RTRS – Milorad Dodik, RS Premier, and Matthew Rycroft, UK Ambassador to BiH, have today confirmed that at two-day session in Sarajevo starting today, the PIC will decide on future status of the status of OHR and International Community to BiH. After the meeting in Banja Luka they told the press that PIC is to reach very important decisions related to future engagement of international community in BiH.

RS PM Dodik: RS still supports 3 EU principles/ UK Ambassador Rycroft: it line with EC principles on police reform

RTRS - Today in Banja Luka, Milorad Dodik, RS Premier, met with Matthew **Rycroft,** British Ambassador to BiH. The topic of the meeting was future status of OHR and police reform. Dodik has stated: "What remains a problem is a police reform. I presented my stance on this. I am of the view it is realistic to is of crucial importance expect that serious talks at political level are held regarding reform and this RS identifies a model in process is de-blocked. Anyway, RS still supports three European principles." Rycroft stated police reform is one of key conditions for signing of SAA agreement. It is of crucial importance that RS identifies a model, that would incorporate 3 EU principles, said British Ambassador, expressing certainty it would succeed in that. He also noted that in wider context we discussed that BiH should become a more normal state as it approaches to EU, which means we will work of altering IC' role in BiH. **SRNA**- Rycroftalso met the RS NA Speaker **Igor Radojicic**, to discuss police reform and said on the issue: "We are more focused on what kind of police structure BiH should have and we are of the view that if a concrete and acceptable proposal is proposed, the procedure itself would be put in order."

RS NA Speaker: RS will never accept the current way of police reform

RTRS - In an interview to SRNAnews agency, Igor Radojicic, RS NA Speaker, has stated that the manner in which police reform is taking place is not neither it will be acceptable for the RS. According to Radojicic, PRD SB is working in an unilateral manner, since only F BiH side, which holds firm majority at PRD SB and support for its plans and recommendations, is working, and they are convinced they have a support of a part of IC on this, owing to which reason they can exert pressure against RS. He also said that blockade, which has been lasting for 2 months, will be formalized in autumn time, when RS Government and RS NA reject what is unilaterally proposed.

Police and defence reforms, other police issues

PRD SB in session; Board Chair believes deadline for police reform would have to be prolonged; objections on police model to be discussed on 5 July

PINK - Commenting the session of the Police Reform Directorate Steering Board session held on Wednesday, the Board Chair **Vinko Dumancic** stated: "I believe we will not complete the work as planned by the September 30th. We have time in front of us...We will probably get the new deadline."Nezavisne **Novine** pg 3 'Seven objections on police organisation model presented' by D.Muminovic - Dumancic explained seven objections on police organisation model, that are to be analysed at next meeting on 5 July, were presented to PRD SB on Wednesday, adding: "Objections mainly refer to state level, relation between Minister and Directors of SIPA and OSA (Intelligence Agency)." He has added decision on these objections could not be reached owing to "justified absence" of SIPA Director and FBiH Police Director. RTRS - PRD SB Chair told journalists at the next session "all members of PRD SB will state and defend their objections. Then, I will be able to tell you what is going to be included in this model [of the future police structure]."Dnevni Avaz pg 2 'They will not finish job by 30 September?' by E.Sarac - Daily learns that remarks and suggestions were with regard to the Inspectorate and the Independent Board, as well as to the Special Unit, for which, one of Board members stated it should not have the level of SIPA and State Border Service. **BHT1, Hayat, PINK, FTV,** Glas Srpske pg 3 'Serb stances neglected' by Z.Domazet - also carried Dumancic.

RS rep Smajlovic attends PRD SB session as observer: says he would have to inform RSNA that PRD SB violates Agreement on police reform

RTRS by Branka Kusmuk - Following the session of the Police Reform Directorate Steering Board [PRD SB] held on Wednesday in Sarajevo, acting RS Police Director and PRD SB member from RS, Nijaz Smajlovic, said it was his responsibility to inform the RS authorities of the violation of the Agreement on Police Reform and Recommendations passed by the RS National Assembly. Smajlovic added majority of the PRD SB members do not respect requests of the RS Government and RS representative in this Board. "It is a fact that PRD SB continues its work in accordance with the model, which was adopted at the last meeting. They absolutely do not respect recommendations of the RSNA or requests, which come from the Agreement on Police Reform", said Smajlovic. PRD SB discussed objections and suggestions towards model of police organisation at the state level. Smajlovic attended this meeting in capacity of observer. Reporter commented there were many objections regarding the model of police organization, which was presented by the PRD Executive Body. Oslobodienie pg 3, mentioned on cover 'Dumancic announced breaking deadline for police reform' by Az.Kalamujic – Daily carries session was not attended by SIPA Director Sredoje Novic, FBiH Police Director Zlatko Miletic and Head EUPM Vicenzo Coppola. Author notes that the Board rejected suggestions submitted by SIPA Deputy Director **Sead Lisak** and Head of Brcko District Police Milenko Milicevic, who demanded more experts and less politicians to be elected for the Independent Board. **Nezavisne Novine** pg 3 'Seven objections on police organisation model presented' by D.Muminovic, Glas Srpske pg 3 'Serb stances neglcted' by Z.Domazet, EuroBlic pg RS2 'RS recommendations are not being recognized' <u>by D. S.</u> - all carried Smajlovic.

RS PM Dodik: Halt in process of EU integration would to which it cannot go

RTRS - The RS Prime Minster Milorad Dodik stated the RS stance on police reform has not changed. Dodik added that there is no readiness to make realistic police reform. Dodik believes that relevant political factors in BiH, make me happy, but RS which are not part of PRD, should start talks on police reform. **BHT 1** - Dodik has a minimum beyond accused the Directorate of violating political agreement on police restructuring. He stated that RS can accept the law on police on state level, but he also insists on preservation of RS police structures. RS Prime Minister said a halt in process of association with the EU would not make him happy, but he stressed the demands of the RS are minimal and they must be accepted. Chair of BiH Council of Ministers **Adnan Terzic** said that the rejections from the RS are merely part of electoral campaign. "They will accept everything after the elections", said Terzic. Glas Srpske pg 3 'Serb stances neglected' inset 'Minimum' by Z.Domazet - Dodik told daily there is minimum beyond which RS cannot go regarding police reform, adding: "The entire story on police reform will mostly harm reform itself, since some conceited people are sitting at Directorate, who think that if they persisted on disrespecting RS they would achieve something. Hereby I refer to those coming from Europe and BiH as well. I can only assure them we are serious in our stance and minimum beyond which RS cannot go." PINK - also covered.

RS President Cavic: everything what was happening at the Martens' Commission is now repeating

EuroBlic cover pg splash and pg RS3 'If Dayton is violated, Serbs to head for secession' by Srna - Regarding the police reform, in an interview to SRNAnews agency, RS President **Dragan Cavic,** noted everything what was happening at the Martens' Commission is now repeating. 'Croats are playing their game. They are not looking for a solution but for a culprit. Nobody at the Police Reform Directorate, except Serbs, is looking for a solution. They are only looking for culprits and they need a culprit to achieve political equilibrium, which leads to a

Report on PRD work was made for EC, not for BiH CoM: BiH Security Ministry: COM did not discuss PRD report as PRD did not adopt it

Dnevni Avaz pg 2 'They will not finish job by 30 September?' by E.Sarac Inset 'How did report came to Council of Ministers' - Daily learns that the it is not known how did Report on PRD work for first five months of this vear, that has actually been made for the European Commission, happened to come to BiH Council of Ministers which rejected it. Police Reform Directorate [PRD] SB Chair, **Vinko Dumancic**, said he did not make the Report, adding that he is willing to sign only the PRD's conclusion upon it. Glas Srpske pg 3 'Serb stances neglected' inset 'Report was not discussed' by Z.Domazet - Dragan Mektic, BiH Deputy Security Minister, confirmed to daily that the BiH CoM Tuesday failed to discuss Report on work of PRD for the first five months of 2006, since Report was not adopted by the PRD .

SNSD urges RS Govt to solve PRD SB issue	RTRS, Nezavisne Novine pg 8 'Agreement or withdrawal of RS representatives' by V.Popovic- SNSD Main Board member, Rajko Vasic, told press conference on Wednesday that this party demands from the RS Government to solve the issue of Police Reform Directorate Steering Board in accordance with the Agreement on Police Reform or to withdraw the RS representative from this body.
PfP and NATO	RTRS - Political Advisor to NATO Headquarter in Sarajevo, Raffi Gregorian called on BiH authorities not to loose time and do everything possible, in order to speed up BiH way toward Partnership for Peace and NATO membership. Once again, Gregorian emphasised the importance of the BiH cooperation with the ICTY. Dnevni Avaz pg 10 'Becirbasic: Cooperation with the Hague is objective problem and big burden' by L.S During the meeting of BiH and NATO officials, BiH Defence Minister Deputy Enes Becirbasic, said that this ministry is working on speeding up all the processes that lead toward fulfilling conditions for closing to PfP.
Newly-appointed Head of PSC E. Sarajevo appoints new officials	Nezavisne Novine cover pg splash 'Main task is stamping out crime', pg 3 'Changed aimed at stamping out organised crime' by <u>S.Karic</u> – Daily learns at East Sarajevo PSC (Public Security Center) that Zoran Mandic , whom Stanislav Cadjo , RS Mol appointed new Head of PSC East Sarajevo Friday, has removed some police officials at this Centre and appointed other. Mandic is viewed as very competent policeman, who assumed the position of Foca Police Chief previously, and prior to his appointment in E. Sarajevo, he was working with SIPA in Mostar. Daily reminds of Cadjo' statement given after this appointment saying activities are ongoing in this area aimed at revealing unresolved murder and other criminal cases in this area over the past few years.
investigate into audit reports on joint institutions' dealings	Nezavisne Novine pg 9 'SIPA will investigate into audit reports' by <u>N.K.</u> – Dusanka Majkic, member of the BiH Parliamentary Commission for budget and Finances, stated Wednesday that the audit reports into business dealings of BiH institutions, which observe irregularities, will be forwarded to SIPA for further investigation. She said she would insist that SIPA is engaged in investigations upon negative audit reports, expecting good results of this, that would make those in charge to responsibly treat tax payers money.

Property, economy, discussion on benefits for MPs

FBiH HoP adopts law allowing purchase of nationalized apartments for tenancy rights holders; Croat Caucus to submit law before FBiH Const. Court

FTV by Zlata Behram - The FBiH House of Peoples adopted the Law on purchase of nationalised apartments by tenancy right holders. Croat deputies voted against the law and announced they would demand the FBiH Constitutional Court to asses the constitutionality of the law which now allows tenancy rights holder to purchase nationalized apartments in FBiH, while the previous owners of nationalized apartments have been granted the right to replacement properties. However, the law makes exception in the case of apartments previously owned by "vakufs", legacies and foundations, and obliges tenancy rights holder to acquire written consent from the previous owners. Head of Croat Caucus **Mato Franjicevic** at FBiH HoP stated that the law should equally treat all original owners and all tenancy right holders. During the House's session, members of the 'Dom' Association protecting rights of citizens who live in nationalized apartments, protested peacefully in front of the Parliament's building demanding a right to purchase those apartments. Croat protesters didn't agree with the objections of Croat deputies. **Dnevni List**, pg 6 'Franiicevic and Matic were called primitives', by Mensud Zorlak - members of Association 'Dom' called Croat MPs Mate Franjicevic and Slavko Matic 'primitives' because they contested the law, underlining that no Croat MP from Sarajevo contested the law. (rest of report similar to EMM report). RHB, PINK, BHT1, Hayat, RTRS, Oslobodjenje cover splash, pgs 4-5 'Law on buying some apartments with tenancy rights adopted' <u>by S.Sehercehajic</u>, **Dnevni Avaz** pg 9 'Law on buying apartments with tenancy rights passed' <u>by</u> A.Hadziarapovic, **Dnevni Avaz** pg 9 'We have been living in our apartments as if we were in a hotel for years' <u>by Az. H., **Dnevni List**, pg</u> 6 'Surprisingly small number of protesters', by M. Zorlak, Nezavisne Novine pg 2 'Possible purchase of nationalised apartments' by R.Rakic_-reported.

'Economist" conference in BiH: business environment not appropriate for PM urges creation of single econ space in region; CoM Chair says trade must be liberalized; Foreign Min. Ivanic: security concerns after OHR leaves

BHT1 Sanita Lisica Biberovic - Business conference organised by London-based magazine "The Economist" was held in Sarajevo on Wednesday and it was attended by many of BiH, entity, international and business officials. Focus of their discussion was the business environment in BiH, whereas participants foreign investments; RS agreed the conditions for foreign investments in BiH are difficult, mostly due to huge administration, complicated legislation and corruption. The number of foreign investments in 2006 is 50% lower that it was in the same period last year. BHT 1 said one of the negative examples is "Microsoft" which has been waiting for registration in BiH for over a year due to slow administration. BiH Foreign Minister, **Mladen Ivanic**, stated the BiH image needs to be worked on to change this and stressed the issue of property must be clearly regulated, and court proceedings much faster. Advisor to BiH CoM Chair, Zlatko Hurtic, stated elections campaigns in state and entity parliaments has started already, which makes it impossible for BiH CoM to carry out the planned reforms. RTRS - RS political leaders stressed the importance of the single economic space and preservation of the entities' identities. "I believe this possibility of single economic space should expand in the region and we should establish the single economic market and even customs union", said RS Prime Minister Milorad **Dodik**. The BiH CoM Chair, **Adnan Terzic**, stated the VAT surplus should be used for reduction of taxes in economy sector and strengthening of the social programs. PINK- Terzic also talked about liberalized trade: "It would be the best if we would establish trade union of the countries that want to join CEFTA [Central Europe Free Trade Agreement], countries of the Western Balkans. I believe that we would this way enable our businessmen, their ideas, capital and goods to circulate free in the region." **Hayat -** Ivanic stated at the conference that BiH stability hasn't been rewarded by bigger foreign investments. Ivanic stressed that the biggest problems in BIH are lack of security in BIH future once OHR pulls out and judiciary system. **Dnevni Avaz** pg 16 'BiH has excellent economy' <u>by E.Plecic,</u> **Oslobodjenje** pg 16 'BiH Image needs to change' <u>by</u> H.Arifagic, Glas Srpske pg 2 'Srpska as oasis for business' - also covered.

Mittal Steel employees to re-launch hunger strike	Hayat - United Organization of Veterans of Mittal Steel and Zenica based Steel Plant has issued an invitation to its members to unfreeze hunger strike, after negotiations failed. Organization is asking for equal distribution of apartments, between Steel Plant and Mittal employees. Apartments were returned to the Steel Plant, according to the FBiH Law on Returning of Assets. Member of the organisation Nermin Sarvan stated over video link stated that several discussions were held with representatives of FBIH Government lead by FBIH Prime Minister Ahmet Hadzipasic and Mital Steel officials. Sarvan confirmed that the strikers will go on hunger strike once again. BHT1, FTV, Oslobodjenje pg 6 'Hunger strike unfrozen' by E.B., Dnevni Avaz pg 8 'Agreement not even in sight' by A.Dz - also carried.
SNSD proposes	RTRS_Nezavisne Novine pg 8 'Agreement or withdrawal of RS
establishment of separate ITA account for RS VAT payers	representatives' by <u>V.Popovic</u> - SNSD Main Board member, Rajko Vasic , told press conference on Wednesday that SNSD proposes to authorized RS bodies to consider opening independent account with the ITA to which RS taxpayers would pay VAT in order to accurately establish the sum later to be used as basis for setting up coefficients for distribution of public revenues.
EC reaction to SNSD's proposal re VAT account: current system is excellent; BiH Finance Min.: idea is senseless	Dnevni Avaz pg 4 'SNSD demands division of tax systems' <u>by T.L.</u> – Commenting SNDS's proposal to RS bodies to establish independent ITA account in order to determine base for distribution of public revenues, EC Delegation to BiH spokesperson Frane Maroevic stated for daily: "Current system works excellent, that is not the problem, but the fact that agreement on allocation cannot be reached. I cannot see what would change with such proposal." Inset 'Maric: That request is senseless' – BiH Finance Ministers Ljerka Maric stated for DA: "That request is senseless. We now have accounts in banks in both RS and FbiH and we can determine quite precise which tax is paid where. Two, three or five accounts would not change anything." Oslobodjenje pg 6 'Prisons for big and special thieves should be established' by O.V. – SNSD Main Board member Rajko Vasic stated that RS should consider establishing prisons for 'big and special thieves' as part of fight against organized criminal.
SDP's Krizanovic warns ruling parties could abuse VAT generated revenues	FTV,Oslobodjenje pg 8 'Basic goods should be exempted from VAT', Dnevni List , pg 5 'Current authorities are accumulating money before elections', <u>not signed</u> – Head of SDP's Caucus in the BiH HoR, Jozo Krizanovic , says the SDP will insist on adoption of the party's amendments to the VAT law, which foresee introduction of zero rate for basic groceries, medicines, newspapers etc. Krizanovic also warns, considering that VAT has generated 250 million KMs of extra public revenues, that the parties in power could be abusing the money in the pre-election period.
Association of Employers' Grizelj welcomes changes to VAT law, Belkic warns of possible problems in BiH HoP	Dnevni Avaz , pg 4 'Grizelj: Return of VAT will bring decrease of prices', by <u>T. Lazovic</u> – President of BiH Association of Employers, Tomislav Grizelj , welcomed the change to the VAT law carried out by the BiH HoR the other day, which allows the return of VAT duties to companies, underlining that the change will result in decrease of prices of goods and services. However, the proponent of the change, Berzic Belkic (MP in BiH HoR, SBiH) warns the change has to be ratified by the BiH House of Peoples, underlining that a problem could occur if the ITA disagrees with the change to the law. Belkic explains the VAT law stipulates that any change requires consent of the ITA, which has not been given.

DA: MPs in BiH Parliament asking for "unseen" privileges **Dnevni Avaz** pg 3 'Parliamentarians asking for unseen privileges' by S.Numanovic- DA comments that an average parliamentarian at the BiH level of institution can earn about 4000 KM easily, however they are still trying to fight for new privileges as the BiH Parliament's Administrative Commission has approved draft Law on Rights and Obligations of MPs. These changes, as DA carries, would additionally cost taxpayers at least 2 million KM per year. DA also reminds that the PDHR, Lawrence Butler, has assessed these law changes as "unseen". According to these changes, MPs would have increased pensions of about 2500 KM could be inherited in case of MPs death. Beside the pension, MPs would have a life insurance, which would be considered as addition to the pension. Inset 'Pension for criminals as well'- Draft Law foresees that even MPs who are imprisoned would have a right to the pension, regardless to the indictment i.e. he could be imprisoned for anti-constitutional acts or even war crimes. Inset 'Retroactive implementation'- DA stresses that even though the Law would be implemented as of October 1, its implementation would go retroactive i.e. all MPs. elected since 1996, would have right to privileges. **Dnevni List**, pg 7 'Authorities facing tough decisions', by D. P. Mandic - *Next* months and years will require some tough decisions, but the hard choice will be made easier if one realizes the aim of this project is to offer better services according to European standards", said SDHR Bas-Backer. **BHT 1** also slams the proposal.

SDA and SBiH would vote against the law on rights of MPs, while SDS believes that the issue should be regulated

Dnevni Avaz pg 3 'Demand for high pensions is immoral', mentioned on cover 'Increase of pensions to MPs is immoral' by A.M.- DA comments that even MPs in BiH Parliament agree with the claim of the PDHR **Lawrence Butler** that draft Law on Rights and Obligations of MPs is expensive and unfair. SDA's **Sefik Dzaferovic** says that SDA will not support the law. "That is our definite stance. This law contains solutions which are inappropriate to difficult economic and social situation in BiH," said Dzaferovic. SBiH's Beriz Belkic says that no one has arguments that could dispute Butler's claim, adding that this law is "doomed" and won't be realized. SDS's Momcilo Novakovic has a different stance, stressing that the only change is in conditions of retirement and that there is only few MPs who obtain two or more mandates. "This issue needs to be defined by the law and I agree that in such situation, which BiH is in, one should be sensitive. I believe hat there is a solution for that," said Novakovic.**BHT 1** by Mirela Cosic - BHT 1 also carries the criticism of the demands by the parliaments for larger benefirts. Independent deputy **Mladen Potocnik** said while BiH citizens obviously live under difficult conditions, issue of MPs work must be defined by law. SNSD deputy Dusanka Majkic stated that the proposed regulations are unacceptable. SBiH deputy Senija Kapetanovic stated that she doesn't support the proposed solutions.

SDHR on Draft Public Administration Reform Strategy in BiH: To transform inefficient and massive administration into service of citizens

Dnevni Avaz pg 8 'To transform inefficient and massive administration into citizens' service' by T.Lazovic - Addressing group of journalists SDHR **Peter** Bas-Backer said that public administration reform is process that represents a condition for the continuation of European integration process in BiH, but it even more affects life of citizens. Highly ranked state and entity officials, representatives of international institutions will participate at the presentation of the Draft Public Administration Reform Strategy in BiH, made by Office of the state coordinator. Bas-Backer stated: "It is about transforming inefficient, massive and expensive administration into the state apparatus that would serve citizens and legal entities. State Coordinator for public administration reform **Srdjan Vranic** told daily that BiH administration should be ready for status of EU candidate by 2010 and by 2014 for full EU membership: "The draft is done, now we are negotiating with representatives of Governments in BiH to get the support for start of implementation of Action plan that will follow implementation of the Strategy." Inset '€4.5 million donated for public administration reform' – European Commission, Governments of Sweden, Netherlands and Great Britain established the fond for financing public administration reform in BiH, €4.5 million is already collected. **Oslobodjenje** pgs 4-5 'Bureaucracy should serve citizens, not vice versa' <u>by A.Omeragic</u> – Bas-Backer said: "To reform public administration means to show partners in EU that BiH can fulfil obligations from the EU partnership and bring civil service to better level, so that bureaucracy should serve citizens, not vice versa." Inset 'Reform regardless to everything' - SDHR stated that the reform should be implemented regardless to the process of constitutional changes.

IC appeals for adoption Reform Strategy

Dnevni Avaz pg 10 'International officials appeal on BiH authorities to adopt of Public Administration the Strategy' by Onasa - The European Commission issued a statement, signed by Head of EC Delegation to BiH Michael Humphreys, UK Ambassador Matthew Rycroft, Sweden Ambassador Lars Erik Wingren, Dutch Ambassador Karel Vosskuehler and High Representative Christian Schwarz-**Schilling** appealing on BiH authorities to support the Public Administration Reform Strategy.

DA op-ed: Ten-years lasting reform process will come to its bitter end if intentions to divide BiH economic space are prevented

Dnevni Avaz pg 3 'War of entities over tax incomes' op-ed by Tarik Lazovic -Commenting how dissimulating for the foreign investors is divided economic space in BiH, editorial reads that it could be one huge obstacle on way to EU integrations. Author slams RS for its recent demand [made by SNSD], in light of inter-entity dispute over allocation of money from the Indirect Taxation Administration single account, that entities should have their own accounts for VAT payments. <u>Lazovic</u> notes that, together with different benefits rates in FBiH and RS and supervision of commercial banks at the entity level, this would mean the final strike onto the idea of building single economic space in BiH. He concludes: "If joint armed forces are put under question, it would bring tenyears lasting, troublesome reform process for setting normal state to its bitter end. Of course, if such intentions are not prevented on time."

RS President, ex RS Energy Minister deny ex-RS PM's claims he did not know of contract btw Bos. Brod Refinery and UKs 'Vitol" / SNSD' Vasic calls on urgent resolving of this affair

Nezavisne Novine pg 4, announced on cover 'Premier was involved in negotiations with "Vitol" by <u>D.Risojevic</u> - Responding to daily's inquiry related to "Vitol" affair, Dragan Cavic, RS President, says that the former RS Premier, **Dragan Mikervic,** was involved in negotiations between Bosanski Brod Oil Refinery and British Company "Vitol" in November 2003. Nezavisne Novine pg 5, announced on cover 'Mikerevic knew of contract' by <u>D.Risojevic</u> – In a statement to daily, Milan Bogicevic, the former RS minister of energy and power, also says that Mikerevic knew of contract with "Vitol", denying by this Mikerevic's claims he had learnt of contract 40 days after it was signed. (NOTE: "Vitol" has recently addressed a request for compensation upon contract violation amounting to US \$ 115 million). **Nezavisne Novine** pg 5 inset 'Vasic: to watch elections through bars' – SNSD Main Board member, **Rajko Vasic** stated at Wednesday's press conference that SNSD demands from RS Government' bodies in charge to solve the affair regarding the oil refinery 'Brod' and company 'Vitol' from London, stressing that those responsible for this affair should follow the pre-election campaign from prisons.

Two Kostajnica residents banned from entering Croatia for 3 months, because they cultivated their land on right bank of Una without informing Croatian Border Police of this

Glas Srpske cover pg story 'Land parcels also under lock' by V.Babic - Daily reports that Kostajnica Head of Municipality, Drago Bundalo, has addressed a letter to the highest officials and institutions of RS and BiH, demanding initiative is launched with an aim to resolve the dispute regarding border area between BiH and Republic of Croatia. The letter follows weekend's arrest of two persons from Kostajnica, **Sead Ikanovic and Veselko Milosevic**, who crossed onto right bank of Una river to cultivate Ikanovic' land and failed to inform Croatian Border Police of this, but Croatian police arrested them and brought them before Magistrates Court Judge, who fined them with 1000 and 500 kunas (Croatian currency) and banned them from entering onto Croatian territory in the upcoming 3 months. Daily reminds of Pounje Agreement BiH signed with Croatia in 1999, which has never been ratified. Mladen Ivanic, BiH Foreign Minister, and Vladimir Lukic, member of BiH Border Commission, say Agreement should not be ratified since it is harmful for BiH.

Political issues

RS President Cavic: referendum on RS separation only if DPA would be abolished; Talks on const. reform after elections; BiH should end

RTRS, Dnevni Avaz pg 4 'Referendum in RS will be held only in case Dayton is abolished' by Srna - RS President **Dragan Cavic** told in an interview to SRNA news agency that referendum on secession of the RS could be expected only in case of Dayton Peace Agreement's abolishment. Cavic explained that such referendum would be democratic answer on abolishment of the international agreement, which provided 'entity' status to RS. Cavic believes that BiH is under protectorate that under protectorate which should end. **EuroBlic** cover pg splash and pg RS3 'If Dayton is violated, Serbs to head for secession' by Srna - Blic carries the part of the interview in which Caviccommented on failure of constitutional changes in BiH and said RS needs changes to the Constitution, but not in accordance with list of wishes of FBiH parties. With this regard. Cavic criticized **Haris Silaidzic** for advocating the abolishment of entity voting and added: 'Silajdzic can lead only to a war, nothing else'. Commenting the existence of the OHR in BiH with the Bonn powers, Cavic said this was "equal to having a tsar in BiH, who can discharge judicial, executive and legislative power, promulgate laws, pass verdicts and adopt executive decisions." He added it was encouraging that the key foreign powers, the USA, Russia and the EU, clearly said there could be no change of BiH from outside, and that change in BiH can only be achieved from within, by agreement of its nations. According to Cavic, current Bosniak politicians are critical precisely of this fact, because they are aware that the departure of the international representatives means that they have to sit down and reach agreement with the Serbs in BiH. Vecernje Novosti pg 19 'Nothing before elections' by M. L. – Cavic said the talks on constitutional changes would continue after October elections, as was agreed by the parties that attended the dinner at the High Representative's [see OHR BiH Media Round-up, June 20]

SNSD to hold Convention on 29 June

RTRS - Zoran Tegeltija, Chair of the SNSD Main Election Board, announced holding Convention on June 29 in order to present SNSD candidates for the upcoming elections. SNSD will have conventions at the same time in six cities in RS [Prijedor, Doboj, Bijeljina, Zvornik, East Sarajevo and Trebinje].

BiH CoM Chair Terzic: Thank to SBiH for their offer, but I am not leaving SDA

Dnevni Avaz cover splash, pg 2 'Thank to SBiH for their offer, but I am not leaving SDA' by S.N. - BiH Council of Ministers Chair Adnan Terzic confirmed for daily that he is not leaving SDA to join SBiH. Terzic added he met with SBiH Vice President **Safet Halilovic** who offered him to be SBiH's list-holder at the forthcoming elections: "I cannot say that it does not flatters me, but I said no thanks. I do not intend to leave the party I have been with 15 years... The fact that I am not candidate on SDA list at this phase is not enough to leave the party, I am staying as long as party wants me to." Oslobodjenje pg 2 'I will not leave SDA for function' <u>by Az.K., **Nezavisne Novine** pg 6 'Terzic rejects SzBiH'</u> offer' by R.Cengic - also carried.

	Dnevni Avaz , pg 2 'Haris Silajdzic a candidate for BiH Presidency member' by A. Malagic – According to Avaz, activities related to completion of party election list's for the October elections are being completed. According to the SBiH, it is highly likely that the SBiH leader, Haris Silajdzic , will be the party's candidate for the office of (Bosniak) member of BiH Presidency.
	Nezavisne Novine pg 6, announced on cover 'Tihic is talking nonsense' by R.Cengic - In a half-page interview to daily, Safet Halilovic , member of Party for BiH Presidency (SzBiH) says that the SDA members throughout BiH are leaving this party and joining SzBiH, adding that only in Sarajevo, around 50 of them joined SzBiH owing to Sulejman Tihic , trading policy regarding constitutional changes. He reiterates view Tihic has made arrangements with SDP' (Zlatko) Lagumdzija and SNSD' (Milorad) Dodik. Halilovic says Tihic is talking nonsense when claiming that SzBiH has committed a crime towards BiH over non-adopting constitutional changes, noting: "SzBiH solely rejected arrangements that inevitably lead to dissolution of BiH. After October elections, the first political talks of the new Parliament composition would be changes to Constitution, along with issue of European integration." He believes the new Parliament composition would be in the interest of democracy and civic model.
•	Slobodna Dalmacija, pg 10 'Terzic leaving SDA?', by <u>Zlatko Tulic</u> – apart from retelling recent media reports that suggested that the Chairman of BiH CoM, Adnan Terzic, might be leaving the SDA to join the SBiH, SD reports that Gradimir Gojer, a former member of SDP, has joined the SBiH and has been named the SBiH's candidate for the office of Croat member of BiH Presidency. SD also carried SBIH Vice President, Beriz Belkic, who said the SBiH would no longer tolerate behaviour of the RS PM, Milorad Dodik (probably referring to Dodik's referendum statements), underlining that the SBiH is seriously considering to leave the RS Government. Belkic also confirmed the SBiH Presidency members have been tasked to talk to its ministers in the RS Government and PM Dodik in next few days.
Bosniak Cultural Community Preporod Chair Filandra: Bosniak politicians are completely lost	Dnevni Avaz pg 5, announced on cover 'Bosniak politicians are completely lost' by Sead Numanovic – In an interview to <i>Dnevni Avaz</i> , Professor at Sarajevo Faculty of Political Sciences and Chair of Bosniak Cultural Community "Preporod" Sacir Filandra said Bosniak politicians, in general, have lost their orientation and perspective, they lack ideas and their entire political activity comes down to calculating which person should be placed to certain ranks at their lists. Filandra notes Serb political establishment is absolutely dominant in BiH, while Croats, on the other hand, seem to be in a quite chaotic situation since their political perspective of future of BiH is unclear. He also commented on the departure of former HR Paddy Ashdown and stated his departure had degraded things in the country for several years.
HDZ: Cordas will be candidate for office of RS President	Dnevni Avaz , pg 2 'Davor Cordas for RS President', by <u>H. O.</u> - According to HDZ spokesman, Miso Relota , Davor Cordas will be a candidate of a wide Croat coalition (probably referring to a coalition led by HDZ BiH) for the office of the RS President.
	Oslobodjenje pg 2, mentioned on cover 'Tihic nominated by everyone, Terzic is not on single list' <u>by Az.K.</u> – Daily carries that all cantonal organizations of SDA nominated SDA leader Sulejman Tihic for the Bosniak member of BiH Presidency. SDA Vice President was not included in a single party list for elections.
BiH CEC Chair Petric expects BiH parties will wait final deadline to submit list of candidates	Glas Srpske pg 5 'October begins in July' by Z. Markovic - Chairman of BiH Central Election Commission [CEC] Branko Petric on Wednesday stated CEC did not receive any list of candidates of political parties for October elections, expressing expectation most of the parties would submit the lists only couple of days before the deadline expired on July 3. He noted: "It is typical for parties in BiH to wait until the last moment. The reason is probably the fact they are keeping their "wild cards" hidden and are waiting to see what others would offer'."

Osl: doubt is that SDS struggles for voting with old Ids in order to enable Serbs from Croatia and Serbia to vote in BiH Oslobodjenje pg 7 'Serb from Croatia and citizens on Serbia at election pools?' by A.Terzic- BiH Parliament would discuss the changes to the BiH Election Law in the shortened procedure, as proposed by SDS' Momcilo Novakovic, which foresees that citizens who haven't acquired CIPS IDs are permitted to vote with the old IDs. Novakovic explained that in the contrary, about 30 to 40,000 people wouldn't be able to vote. Daily reminded that BiH Civil Affairs Ministry has prolonged the deadline for changing of the IDs for about ten times, underlining that doubt is that SDS is using this to enable Serbs from Croatia and citizens of Serbia to vote. Head of BiH Central Election Commission Branko Petric said that CIPS was launched in order to avoid the possibility for one citizen to have two or more documents, issues in different locations. "Previously issued documents are revoked and everything else would be in contradiction with the law," said Petric.

Mostar City Council takes important decision related to systematization of jobs in City administration

Dnevni List, pg 10 '230 civil servants going home', by Esmir Milavic - The City Council of Mostar adopted two important documents at its session held on Wednesday. Firstly, it gave consent for the Rulebook on internal organization of City administration, which gives the Mayor of Mostar a possibility to start with filling of remaining vacancies in order to achieve national balance and the necessary quota of employees. Secondly, the Council adopted the program on taking care of surplus workers in the City administration, which could result in lay off of 230 surplus staff. The aim is to provide redundancy pays and try and find other jobs for them. Mayor **Ljubo Beslic** says he is happy with the decisions, noting that a financial construction for taking care of the surplus staff worth 2 million KMs has been made. Finally, DL reports that the councillors were informed about the process of division of 'Komos' and 'Uborak' (public utility companies) into 2 separate companies, which is the first step towards forming of a single, city public utility company. **FTV, RHB, Dnevni Avaz** pg 8 'Public vacancy notice for state employees soon' by Onasa, Nezavisne Novine pg 5 'Programme adopted' by M.Kr. - also reported.

OHR calls for speeding up of integration processes in Mostar **Dnevni List**, pg 10 'OHR: Authorities in Mostar should sped up process of integration of city', <u>not signed</u>, **Slobodna Dalmacija**, pg 13 'Speed up integration', by <u>Z. Zekic</u> – during a regular press conference held in Mostar on Wednesday, OHR spokeswoman, **Sanela Tunovic**, noted that the HR, **Christian Schwarz-Schilling**, expressed his concern with the current stall in the process of unification of the city and called on the political leaders of Mostar to make an extra effort to achieve progress, reminding that the deadline the HR had given to the Mostar authorities (June 20) related to reforms in the city had expired. Tunovic however noted that the city authorities have sent the HR a report, which suggested there could be progress in Mostar, adding that the HR will be organizing a meeting with Mostar leaders in first week of July in order to talk about the progress made so far and reach conclusions.

Oslobodjenje op-ed on situation in Mostar: city doesn't not remember a time when there was more hatred among citizens

Oslobodjenje pg 9 'Further apart than ever' op-ed by Gojko Beric - Beric comments on the recent riots of 'football fans' in Mostar and says that the city does not remember a time when there was more hatred among its citizens. 'Each nation runs its own part of the city with a tacit agreement that the right hand does not need to know what the left hand is doing...In Croat schools in Mostar, Aleksa Santic (famous Mostar poet) is not taught'...'in one part of the city, streets bear the names of 'ustasha' ideologists and butchers, and on the other side those of Tito and people's heroes (from World War II)...Those who teach their children to hate are not preparing them for a life in Europe but for new Balkans type violence'...Beric goes on to say that Mostar must not be 'left alone'. 'There is an old Hebrew saying that a prisoner cannot free himself out of prison. It seems that someone must show the way to Mostarians'. The comment ends with Beric saying that Mostar is a hot potato which the IC left to the local elites to solve but these refused to burn their dirty hands with it.

CLAC sends Law on Higher Education to public debate; also supported constitutional base of amendments to Law on

Oslobodjenje pg 7 'Law on Higher education on public debate' by A.T.- On Wednesday, the Constitutional Legal Affairs Commission of BiH Parliament has established, that the BiH proposal Law on Higher Education, proposed by Council of Ministers, has constitutional base. Therefore CLAC has sent it to public debate, which is to be held on July 4. As Head of CLAC, Mirsad Ceman told daily, that constitutional base for amendments to the Law on VAT, proposed by SDP' **Zlatko Lagumdzija,** has also been supported. These last amendments refer to exempting of medicines, publishing and paper from the

Member of expert commission for higher ed law Banjac: BiH Civil Affairs Ministry onesidedly changed Draft law

Dnevni List, pg 8 'Serbs are undermining law on higher education', by Tanja <u>Calic</u> – carries member of expert commission that has made the Draft law on higher education, Mirko Banjac, as saying that the BiH Ministry of Civil Affairs has gravely violated the law by one-sidedly changing the Draft the commission has originally prepared by changing the provision on accreditation of higher education institutions. Banjac explains the original document foresaw the accreditation was to be done at the entity (RS) and cantonal (FBIH) level, however the Ministry changed it (by placing the accreditation to the state level). DL also carries statements by several (Serb) MPs in the BiH HoR, namely **Petar** Kunic, Jelina Djurkovic and Momcilo Novakovic, who all say they will vote against the proposal of all as prepared by the Civil Affairs Ministry.

War crimes

Damjanovic brothers

BHT1, Dnevni Avaz pg 12 'Damjanovic brothers pleaded not guilty' by N. J. plead not guilty for war War crime indictees **Goran** and **Zoran Damjanovic** pleaded not guilty before crimes against Bosniaks the BiH Court on the indictment for war crimes against civilians. According to the indictment, brothers Damjanovic, as members of RS Army, beat up 20 or 30 Bosniaks near Sarajevo on June 2, 1992. Trial to Damjanovics should start within next 60 days. Brothers were arrested by SIPA in April this year.

Danas: IC officials do not want arrest of war crimes suspects before elections

Danas, front pg splash and pgs 14-17 'All about destiny of war crimes suspects', by Marijana Malic – Following the list of war crimes suspects the weekly published two weeks ago (list of some 300 people suspected of committing war crimes in Herzegovina), 'Danas' learns from its source in the Canton 7 Prosecution that between 30-40% of suspects will be processed, whilst the rest will not be persecuted. It also learns from its sources in the BiH Prosecution that the BiH Prosecution will be processing these cases in the next few years. Reminding that the list of suspects included Marko Radic, Damir Brekalo and Dragan Sunjic (suspected of war crimes in Mostar area, arrested a few weeks ago at order of BiH prosecution), 'Danas' says sources close to the OHR reveal that IC officials asked from the BiH iudiciary not to conduct any arrests during the pre-election period in order not to affect the mood of the voters, who could in that case favour national parties.