<u>Transcript of the International Agency's Joint Press Conference at</u> CPIC

Subject: JOINT PRESS CONFERENCE - 04 February 2003

1. The following attended the regular Press Conference held at the CPIC at 11:30 hours on Tuesday 04 February 2003:

Agency		Spokesperson	Topic
a.	OHR	Kevin Sullivan	High Representative in Brcko
			Economic Newsletter
b.	OSCE	Urdur Gunnarsdottir	Joint disaster relief exercise
c.	EUPM	Jon Oskar Solnes	One month on, EUPM confident!
			Busy weekend for the BiH police
d.	UNHCR	Bakir Jalovcic	 Invitation to the UNHCR Press Conference 5 Feb
			03
e.	ICTY	Rafik Hodzic	No comments.
f.	SFOR	Major Shawn Mell	Visit by the Supreme Allied Commander Europe

- 2. Twenty-Seven members of the media including four television crews attended the conference.
- 3. The transcript of the questions and answers is attached.

A. Ollivier Col. (FR A), Chief Operations and Plans

Kevin Sullivan - OHR

The High Representative will be in Brcko tomorrow, 5 February 2003. He will be talking among other things about Brcko's economic development in the context of Bosnia and Herzegovina"3 efforts to reform its economic system and achieve sustainable prosperity. The High Representative will emphasize that efforts now underway to introduce a single customs administration and a countrywide VAT system, with state-level collection of both, must succeed.

Single VAT and customs will do three things:

- 1) help reduce the KM 600 million lost in fraud every year to criminals exploiting the divisions in the current system that means more money for schools, hospitals and pensions;
- 2) make it much easier to do business in Bosnia and Herzegovina which will make it easier for entrepreneurs, from Bosnia and Herzegovina and abroad, to start new companies and create new jobs;
- 3) and fulfill a requirement for Bosnia and Herzegovina to join the WTO and, eventually, the European Union.

As you know, the International Community has a united position on these core reforms. PDHR Don Hays is in Banja Luka today and tomorrow to take forward the discussions with the RS leadership that took place in Banja Luka two weeks ago. These discussions have already been productive. The authorities in both Entities are moving towards agreement in principle on the creation of a highly professional and efficient administration, appropriate mechanisms for determining tax policy including allocation of revenues and confidence-building measures for the Entities, including an oversight and audit role.

Regarding Bosnia and Herzegovina's economic performance, the latest installment of OHR's quarterly, economic

newsletter has just been published. The newsletter summarizes progress in a number of key sectors, noting for example that privatization of small and medium-sized enterprises in both Entities has proceeded encouragingly, though there continue to be problems with privatizing large enterprises. One of the problems is that foreign investors are not that interested in putting their money in Bosnia and Herzegovina, because the business environment here is not competitive. Other countries in Southeast Europe make it easier for business people to start companies, hire workers and sell their products.

One of the things that the newsletter reveals is that – contrary to predictions – in both Entities the effect of privatization on employment in strategic enterprises has not been negative. As you know, a figure of 100,000 job losses has been suggested recently as a likely outcome of privatization. I believe this number was first alluded to by trade union leaders. While transition will involve job losses, it will lead in the long term to job creation. In the meantime, steps can be taken, by governments and investors, to alleviate the social cost. Restructuring the economy means moving away from loss-making and obsolete industries to competitive enterprise. Creating jobs and raising living standards is the point of the exercise.

The newsletter also has some sobering statistics, not the least of which is that in the first nine months of last year, Bosnia and Herzegovina's trade deficit was KM 5.2 billion. The urgency of developing a competitive export sector has never been clearer, and that is why the Bosnia and Herzegovina authorities must embrace the business of economic reform without further delay. Bosnia and Herzegovina cannot continue spending more than it earns; jobs must be created faster and every last penny of revenue must go towards improving people's living standards – this is why it is impossible to over emphasize the need for reform.

Urdur Gunnarsdottir - OSCE

A joint disaster relief exercise, involving both Entity Civil Protection Organizations, will be conducted in the North-Eastern part tomorrow, February 5. It is the first such exercise to be held jointly. It will be coordinated by the Personal Representative of the OSCE Chairman-in-Office for Articles II and IV of Dayton Peace Accord, General Claudio Zappulla, whom some of you saw yesterday. This offers an opportunity to check all existing plans for managing disaster relief situations, and to detect and correct possible shortfalls.

The exercise will not include any movement or participation of troops. The main aim is to test capabilities of collecting information, evaluating situation and coordinating search and rescue operations, in case of a large-scale disaster involving population in both Entities. The area involved in the exercise runs along the river Bosna, from Zepce Maglaj, Doboj and down to the river Sava. A press opportunity will be organized following the exercise. It is planned to take place at 18:00 tomorrow at hotel Senad od Bosna in Modrac.

Jon Oskar Solnes - EUPM

I would like to take this opportunity to generally assess the law enforcement situation in this country after the first month of deployment of EUPM police officers along their Bosnia and Herzegovina counterparts. A number of immensely important issues should be pointed out to this regard which makes the EUPM confident that the mission and the Bosnia and Herzegovina police are moving in the right direction, that is moving towards raising Bosnia and Herzegovina law enforcement standards.

- 1) The co-operation has been very good and the flow of information between the EUPM and the Bosnia and Herzegovina police has been excellent. An assessment of organisational and material needs of the Bosnia and Herzegovina police is ongoing and the EUPM will respond accordingly, providing assistance in order to enhance law enforcement capabilities under Bosnia and Herzegovina ownership.
- 2) The local Bosnia and Herzegovina police is willing to assume responsibility for law enforcement in accordance with European principles, as stated by all major police authorities.
- 3) Furthermore, the pledges of high ranking Bosnia and Herzegovina police authorities to increase co-operation and information sharing over Canton, PSC and Brcko boundaries are very encouraging.
- 4) Two Fight operations have been executed, the most comprehensive raids on night bars in the history of Bosnia and Herzegovina. More will follow.
- 5) Incidents pertaining to returnees, such as in Srebrenica, have been aggressively pursued by the Bosnia and

Herzegovina police, monitored by the EUPM.

It would be premature to draw to sharp conclusions from the first month of the EU Police Mission co-location. However, there are, like I stressed, many indications for a continuing successful cooperation with the Bosnia and Herzegovina police. In general terms, we are confident we are on the right track.

In recent days the EUPM has monitored the Bosnia and Herzegovina police taking action on numerous occasions, as last weekend saw numerous incidents taking place. These incidents are a reminder to us of the fact that the security situation in Bosnia and Herzegovina has not reached an European level and thus there is still much work at hand.

Two raids have been made on nightclubs in conjunction with the fight and intervention against human trafficking in recent days, one in Sarajevo the other in Travnik where 02 Ukrainian and 05 Romanian females were checked. None of them had proper documents and a procedure regarding illegal entry is being conducted.

There have also been a number of small scale explosions in the last few days, some of them making it to the front page such as the one in Sarajevo yesterday night at Nikole Kasikovica street. With incidents like this, the Bosnia and Herzegovina police is investigating with close monitoring of EUPM police officers. I might mention other incidents such as a small explosion outside a restaurant in Prijedor and one in Sarajevo with some material damages but no injuries sustained. Local police is investigating these incidents and the EUPM is monitoring the development. For the Press to follow up on these incidents, the Media should contact the local police and ask them how the investigations are developing. This is a normal practice in Europe.

As we at the EUPM have stated, we want to see European standard law enforcement in Bosnia and Herzegovina at the end of our mandate. This means, among other things, increased transparency towards the population, there you the Media can help by providing the information link.

Bakir Jalovcic - UNHCR

Good morning,

I would like to invite you to UNHCR press conference with Mr. Udo Janz, UNHCR Acting Chief of Mission in Bosnia and Herzegovina. Press Conference, and release of the annual return statistics will be held tomorrow February 5 in UNHCR premises, UNIS Tower B, 7th floor, at 11.30 hours. The official invitations will be sent through fax and email. Looking forward to see you all. Thank you.

Rafik Hodzic - ICTY

No comments.

Q:

Major Shawn Mell - SFOR

Good Morning. I have only one point today:

The Supreme Allied Commander Europe, General James L. Jones, United States Marine Corps, arrived in Bosnia-Herzegovina this morning for a two-day visit and will be spending today meeting with the Quint Ambassadors and the High Representative.

General Jones will also be meeting with Lt. Gen. Ward and the commanders of the Multinational Brigades and Specialized Unit to discuss a number of issues to include the restructuring of the Armed Forces in Bosnia and Herzegovina, the important role of the Standing Committee on Military Matters for a state level defence organisation, the Partnership for Peace program, and the current situation in the respective Areas of Responsibility.

These are routine meetings and no press opportunities will be available.

Questions and Answers

Merdijana Sadovic - ABC

Shawn any news on the Fuilinjanin case?

A: Major Shawn Mell - SFOR

It pretty much stays the same as it was Thursday; so we don't have anything to add at this point.

Q: Merdijana Sadovic - ABC

I believe you said recently that he was an extremist? Why did you say that? Did he say or do something while he was in detention that led you to such conclusion or something else?

A: Major Shawn Mell - SFOR

Well, it really comes down to the investigation that's been conducted and the evidence that's been collected, which, unfortunately at this point I can't discuss with you. But that evidence has led us to believe that he's involved in extremist activity; and of course you know why he was detained to begin with.

Q: Merdijana Sadovic - ABC

And just one more thing, I think at the beginning of this whole thing, you said, well not you, but Yves said that he was detained while he was in the van because he was accused of spying? Was he or wasn't he in the van at the time he was arrested by SFOR?

A: Major Shawn Mell - SFOR

I don't know the answer if he was or wasn't. Let me check into.....

Q: Merdijana Sadovic - ABC

Because he claims that he wasn't even there; that he had just left a van parked close to your troops and that he was somewhere else, and when he returned he was arrested.

A: Major Shawn Mell - SFOR

Let me get the details for you after the press conference. I'm not sure what the answer is and I don't want to speculate on and tell you something that's wrong. So, let me just confirm the information for you.

Q: Numanovic Sead AVAZ

You mention the cases of rare attacks on returnees especially in Sebrenicia. Do you have any figures on the rates of attacks in the last few months? Especially the results of the inquiries, how many of these perpetrators have been arrested and what happened? How many cases resolved?

A: Jon Oskar Solnes - EUPM

At this moment we are gathering statistics and intelligence on this and we don't think it's meaningful after one month to issue statistics. We'll assess these things maybe in 3 months, maybe in 6 months, but in 1 month it's too sporadic, and it won't give you any clear picture statistic wise.

Q: Numanovic Sead AVAZ

How are you please with the performance of the police in these matters?

A: Jon Oskar Solnes - EUPM

We have to take this case on case; like we have incidents where we see that they are being played first as returnees incidents like the one we had in Amitze and there the police were very, very quick establishing that this has nothing to do with returnees ethnicity. And other places, like in Sebrenica, last week the police was also very swift to solve the case which did not seem to have a strong ethical bias simply drunken youths that went on a rampage and they were apprehended quite fast. So, generally speaking, we have been happy with the cooperation Bosnia and Herzegovina police. We think we are very quick in obtaining information and to giving it to

our EUPM co-locators. But we are looking into these incidents on a case to case basis.

Q: Antonio Prlenda - Oslobodenje

Are your police officers involved in monitoring the local police investigation of the Fuilinjanin case?

A: Jon Oskar Solnes - EUPM

No not that I'm aware of; my information indicates that we have nothing to do with the case.

Q: Antonio Prlenda - Oslobodenje

So, which cases you decide that you are monitoring and which cases are you not? Why do you find it such interesting to the EUPM to monitor the investigations?

A: Jon Oskar Solnes - EUPM

Of course we would like to monitor as many cases as we can, but as I am aware of, we have not been involved in the Fuilinjanin case as of yet, but as it develops of course we have a co-locator at the minister level and I'm sure he will be getting information from the Federal Minister on the development of the case. This will then be made available to the EUPM, but at this moment, that is all I know about that.

Q: Antonio Prlenda - Oslobodenje

So you did not request any results from them?

A: Jon Oskar Solnes - EUPM

The co-locator and chief advisor to the Ministry will of course be following the case as it develops, but I have no information on the case as such for myself here.