Interview: Wolfgang Petritsch, the High Representative for BiH”We have returned the documents from the Hercegovacka Bank vault to the HDZ because six of my people were threatened to be killed in Grude”

Hostages: Something was really wrong in the Bank because bankers do not take hostages to protect documents from a legal audit.

Evidence: We have substantial evidence that Hercegovacka Bank abused funds, which were flowing in from Zagreb.

G: When will a new Election Law for Bosnia and Herzegovina be finally passed?

WP: As you know, the Election Law is in parliamentary procedure at the moment. The recent Draft Law has been prepared with the assistance of the OSCE and OHR. The Council of Europe set 22nd June as the final deadline for the passing of the new Election Law. We are doing our best to stay within this deadline. In the last few days I have spoken with Zlatko Lagumd`ija about this, as well as with all the other key politicians within the Alliance, but also with some outside of it.

On 23rd June, I am going to hold a speech before the Assembly of the Council of Europe and I hope that I will be able to

inform this body about positive achievements in terms of the Election Law for Bosnia and Herzegovinaor Bosnia and Herzegovina.

G: Is it true that representatives of the international community in BiH had talks with several fractions within the HDZ on the HDZąs proposals of the Election Law?

WP: The HDZ has submitted their Proposed Election Law to the Parliament. The international community judges this move of the HDZ as a positive one. It is an important step on the way out of the self-isolation, over by which the HDZ leadership has recently decided. However, we cannot accept selective engagement of the HDZ in the political life of Bosnia and Herzegovina. The HDZ must normalize the situation and make a full return to the institutions of the BiH system. We would like to see a modern Election law, one which is orientated towards the future, one which would enable faster moves to be made in Bosnia and Herzegovina.

G: Do you think that the HDZ of Bosnia and Herzegovina, still actually ruled by Ante Jelavi} and his associates, really supports the integrity of Bosnia and Herzegovina?

WP: I think it has by now become quite clear that the HDZ leadership that you refer to, which I have removed, represents a negative force in Bosnia and Herzegovina.

They negatively influence the Croat people in Bosnia and Herzegovina, which becoming clearer and clearer to a great part of the Croat community too.

However, I have left, and I am t, and I am still leaving, the door open for making agreement with the moderate and pro-democratic part of the HDZ that supports a democratic and multi-ethnic BiH, and which supports interests of all Croats in Bosnia and Herzegovina and not only acquisition of wealth by certain Croats in Bosnia and Herzegovina.

G: But isnąt Ante Jelavi} still clearly the most influential HDZ leader?

WP: I believe that his influence is dramatically decreasing. It is now up to the HDZ and the Croat people to break away from people like Jelavi}. The International Community has stated its position with regard to him and his associates: our positions are completely clear. We will not co-operate with the elements within the HDZ that do not recognise the Constitution of Bosnia and Herzegovina.

The support of the Church

G: How do you see the actions of Cardinal Pulji} who, during the Muslim-Croat war, defended an integrated Bosnia and Herzegovina and who is now actively supporting Ante Jelavi} and Croat "self-rule"?

WP: Letąs look at it like this: I trully appreciate the patriotism and the moderate conduct of Cardinal Pulji} during the war. He consistently defended the unity of Bosnia and Herzegovina. I am, therefore, disappointed that, at the beginning of Jelavi}ąs initiative for "self-rule", Cardinal Pulji} seemingly suppingly supported disintegration of Bosnia and Herzegovina. I am, however, glad to be able to assure you that the Cardinal has changed the position he had several months ago and that he, again, fully supports an integrated Bosnia and Herzegovina.

This position of Cardinal Pulji}ąs is fully in accordance with attitudes of the Holy Father and the Vatican, as which we know, supports the unity of Bosnia and Herzegovina.

I am optimistic because the Catholic Church in BiH is again on the right path, supporting a democratic and multiethnic Bosnia and Herzegovina.

This is, anyway, the most valuable contribution that the Catholic Church can give to the welfare of the Croat people in

Bosnia and Herzegovina, and the economic and spiritual development in this country.

Croats, indeed, are the smallest but in most aspects the most important people in Bosnia and Herzegovina: Without Croats there can be no Bosnia and Herzegovina. This is what the Catholic Church hierarchy, The Pope himself, as well as Cardinal Pulji}, have consistently supported.

G: What will happen with the people who organised the riots in Mostar during the actions on the Hercegova~ka banka, and what will happen to those responsible for the demonstrations in Banja Luka and Trebinje during the attempt to commence reconstruction of mosques destroyed during the war?

WP: The investigations are still ongoing in Mostar against those who are suspected of organising the riots. I would like to remind you that they are the people who organised the violence, who attacked my associates, and took them hostage. My associates, who were carrying out their duties there, were held at a gunpoint! Six of my people, who were detained in Grude, were threatened with execution! It was criminal act which must be punished. Both the organisers of the riots, the perpetrators and also those who did not prevent that are responsible for that crime. For example, Cantonal Minister of Internal Affairs Dragan Mandic has already been removed, since he did not take any action to prevent or stop the violence. It must be clear to everyone that such behaviour must be punished. When it comes to Banja Luka and Trebinje, the Republika Srpska Minister of Internal Affairs offered his resignation on the grounds of the events there, which I welcomed. The Head of the Police in Banja Luka was removed as well as the Chief of Intelligence.

Documents in return for hostages

G: What is your comment on the statement made by Croatian Prime Minister Racan that Republika Srpska should be

abolished?

WP: I think that before a discussion about Dayton revision it would be more important to change the situation in the Dayton instit the Dayton institutions. One of the Dayton institution is the Republika Srpska and like other institutions it must create security and wellbeing for all the people who live within Bosnia and Herzegovina, in its entities, namely in the Republika Srpska and the Federation. They must ensure fundamental human rights. These are the goals that we have to concentrate on. I told the Republika Srpska leadership very clearly, that unless there were dramatic changes, a dramatic reform process, notably in the area of human rights, freedom of movement, religious freedoms and the human rights of all citizens, which means for both Croats and Bosniaks in the Republika Srpska, there could be no future for Republika Srpska. I believe that Mr. Ivanic understood my message and took it very seriously. I hope that he understood that it is only with full co-operation with Croats and Bosniaks that they can ensure the survival of the Dayton Agreement and accordingly the continued life of the Republika Srpska.

G: Let us come back to the riots related to the SFORąs raid of Herzegovacka Bank. You said that in Grude six of your staff members were detained and threatened by death. Is it true that because of those threats you returned to Ante Jelavicąs people all the important documentation that SFOR had found in that vault of the Herzegovacka Bank?

WP: Yes, we had to return a paa part of the documentation, in order to save lives of our people, who were threatened with death Grude. This indicates that something was really wrong in the Bank-bankers do not take the hostages to protect the documents from a legal audit.

G: Who made that decision: you or Colin Munro, the former UK Ambassador in Zagreb and currently the international Communityąs representative in Mostar?

WP: As the High Representative for Bosnia and Herzegovina, I am responsible for that decision. We had to save the lives of the hostages. All the rest was less important at that moment.

Substantial evidence

G: Has the new administration of the Herzegovacka Bank established any contacts with the shareholders and numerous bank depositors?

WP: The present Administrator is in contact with some of the shareholders. I hope that the shareholders will realise soon that co-operation is the only way ahead, that it is the only way to speed up the return of normal operations in the Herzegovacka Bank.

G: How would you characterise Herzegovacka Bank today, two months after the operation?

WP: We are completely sure that the Herzegovacka Bank abused money which was flowing in from Zagreb. Herzegovacka Bank was, in fact, a "Croat self-rule" funding centre. A portion of the mony from Zagreb, which was meant to ewas meant to end up in the Pension Fund (Mirovinski fond), via Herzegovacka Bank, simply disappeared. 54 million marks disappeared in the Herzegovacka Bank! This is just one of the examples. We do not know where that money ended, but we certainly know that it did not end up where it was originally sent to. Looking at this from a Banking operations point of view, someone deposited 54 million marks which has disappeared. This is not a computer error but this was done on purpose. In technical terms the Bank is now responsible for 54 million marks – and this is two and half times more than the capital that the shareholders invested in the Bank. In any other country this Bank would be considered insolvent. On the other hand, we have huge amount of evidence that huge amounts of cash appearing without any traces of their destination. In any democracy with the rule of law that would provoke an investigation into money laundering.

Please, rest assured that we have strong evidence against Herzegovacka Bank.

Petritsch-Americans

I have excellent relations with Washington

G: How would you describe your relationship with Thomas Miller, US Ambassador to Bosnia and Herzegovina?

WP: Our relationship is very professional. We talk on an almost daily basis just as I, in fact, regularly talk to other important ambassadors in Sarajevo and othend other representatives of the International Community. However, Ambassador Miller and I sometimes have different views. Ambassador Miller is very active here; he, just like me, wants to see results. I think that Bosnia and Herzegovina may derive benefit from the fact that he and I have to discuss from time to time from our different perspectives, in order to find the best solution to a certain problem.

G: As you know, the diplomatic circles rumour that the new US Administration would like to replace you from the office of the High Representative for Bosnia and Herzegovina.

WP: That is not true. I have already had two meetings with the US Secretary of State, Colin Powell. We met in Washington once and the second time it was here, in Sarajevo. I think that I have excellent working relations with Washington.