

## **OHR BiH Media Round-up, 11/2/2003**

| <b>CROAT RADIO HERCEG-BOSNA</b><br>(18,00 hrs)                          | <b>BH TV 1</b><br>(19,00 hrs)   | <b>FED TV</b><br>(19,30 hrs)  | <b>RT RS</b><br>(19,30)  |
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| Mostar Deputy Mayor resigns   | BiH Presidency on Iraqi crisis – solution must be seek in a peaceful way              | Energoinvest ensured project worth 50 million euro  | BiH Presidency discusses Iraq crisis                           |
| BiH Election Commission on violation of the Law on Conflict of Interest | Meeting Putin – Chirac on Iraqi crisis takes place in Paris                           | BiH Presidency pled for peaceful solution of Iraqi crisis                                       | Protests against privatisation of Elektroprivreda              |
| BiH Presidency takes official stand regarding Iraqi crisis              | Mostar Deputy Mayor Neven Tomic resigns   | France, Belgium and Germany vetoed NATO plans for defence of Turkey in case of war against Iraq | Round table on privatisation model in RS                       |
| Washington accuses Iran of secret production of nuclear weapons         | Energoinvest Company signs contract for financing of 50-million euro project in Libya | Mostar Deputy Mayor Neven Tomic resigns   | Vice President of RS requires reduction of RS President powers |

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| <b>Dnevni List</b>        | Neven Tomic submits irrevocable resignation; OHR does not agree with Lozancic's positions  |
| <b>Vecernji List</b>      | BiH Presidency decides: Sarajevo not with Bush; Mostar: Neven Tomic resigns  |
| <b>Slobodna Dalmacija</b> | Tomic: I am leaving because Mostar is being divided again; Interview: Msgr. Ratko Peric, Bishop of Mostar-Duvno: Medjugorje is not shrine but ordinary parish  |
| <b>Glas Srpski</b>        | Al-Qaeda connected with Albanian Mafia: Invasion of Europe; NATO faces rift; Arnaut confessed  |
| <b>Nezavisne Novine</b>   | Bread & Water on Credit – the difficult lives of workers at the “Birac” aluminum plant; OHR investigating export of electricity from the RS; Neven Tomic resigns; RS Privatization Law Puts the Breaks on Sale of Companies; Pero Bukejlovic Backs off from Modrica Oil Refinery; “Bajram Serif Mubarek Olsun” |
| <b>Blic</b>               | Hays: Entities will not stay without revenues because of reforms; Pensioners receive 80 KM for electricity; Ivanic: Fiscal autonomy must be preserved; Beecroft: Education reform until autumn   |
| <b>Ljiljan</b>            | ‘\$200,000 for cheat Rohana Gunaratna’   |

## **Political affairs**

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| <b>BiH Presidency on Iraqi crisis</b>              | <p>Vecernji List (front and page 3, by <u>Dejan Jazvic</u>, "Sarajevo not with Bush") reads that the BiH Presidency reached a common position on the Iraqi crisis at a session held yesterday. The journalists were addressed by the Chair of BiH Presidency, Mirko Sarovic, who apart from stating that the crisis need to be solved peacefully, also said that the Presidency concluded that it was necessary for Iraq to observe all the requests by UN inspectors and UN Security Council resolutions. Moreover, the BiH Foreign Ministry has been tasked to follow events regarding Iraq and inform the Presidency about any changes so the Presidency could react timely. "BiH authorities has not received a request for any logistical or other support to the US in a possible war against Iraq. However, the Ministry (of Foreign Affairs) is tasked to inform us on time about everything so we could immediately react", says Sarovic. VL says Sarovic tried to make numerous misunderstandings, which appeared in the media following the BiH Foreign Ministry's statement which gave support to the US Secretary of State's stance before the UN SC, relative, when Sarovic said that the statement and BiH Foreign Minister Mladen Ivanic's appearances were not in collision with the position of the BiH Presidency. "Perhaps there were indistinctness but not misunderstandings regarding the position on the Iraqi crisis", said Sarovic. (Slobodna Dalmacija, page 13, by <u>Dinko Pasic</u>, "To solution peacefully", Dnevni List, front and page 3, by <u>M. R.</u>, "To solve Iraqi crisis in accordance to principles of UN charter", (Blic pg. 2 headline 'To respect UN Charter'; Glas Srpski pg. 3 headline 'The same position on Iraq') "Nezavisne Novine", page 5 - After discussing the latest events in Iraq, the BiH Presidency supports a resolution to the crisis according to the principles of the UN Charter, through peaceful means and through full implementation of the UN Security Council resolution for keeping international peace and stability, according to the President of the BiH Presidency, Mirko Sarovic. In response to comments by the Bosniak member of the BiH Presidency who said that Ivanic's comments on Iraq were damaging to BiH, Ivanic replied that "the statement by the BiH Ministry for Foreign Affairs regarding the crisis in Iraq is completely in the interest of BiH". Ivanic continued by saying "I do not have the intention, as Minister for Foreign Affairs, of asking the members of the Presidency every day what they think of every issue" after Sulejman Tihic, Bosniak member of the BiH Presidency accused Ivanic of stating his personal view on the Iraq crisis and not that of BiH. Dnevni List (page 7, by <u>ONASA</u>, "Support to Colin Powell's stances is in interest of BiH") carries BiH Foreign Minister, Mladen Ivanic, as saying that his ministry's statement on support to the US Secretary of State on Iraqi crisis is in interest of BiH. "I do not know what Tihic contested. We did not declare ourselves for military intervention neither it's BiH's job nor will BiH be asked about it. We gave support to Powell's stances in the sense that members of the (UN) Security Council should find a solution for the Iraqi crisis", says Ivanic. (Belgrade Nacional pg. 11 headline "I do not intend to ask Presidency what to do every day')</p> |
| <b>Election Commission of Conflict of Interest</b> | <p>Dnevni List (front and page 3, <u>unsigned</u>, "Soon names of violators of law") carries a spokesperson of BiH Election Commission, Maksida Bajramovic, as saying that the "BiH Election Commission will not publish names of elected officials who are suspected of violating the Law on Conflict of Interest until procedure before the Election Commission in every individual case has been completed". Reportedly, it is yet unclear when the job will be completed. Moreover, DL says that the BiH Election Commission will inform the person in question, if there are suspicions on violation of the law, to declare himself/herself about claims in the report. Once the procedure is over, if there are violations, the Commission passes a sanction stipulated in the law and any appeal are to be submitted to the Appeals Department of the BiH Court.</p>  |

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| <b>Irevocable resignation of Mostar Deputy Mayor</b>                       | <p>Slobodna Dalmacija (front page &amp; p 13, "Tomic: I am leaving because Mostar is being divided again", by <u>Miroslav Landeka</u>), Dnevni list (front page &amp; p 11, "Neven Tomic tendered irrevocable resignation", by <u>Vera Soldo</u>) and Vecernji list (front page &amp; p 2, "Neven Tomic resigned", Fena) report that the Deputy Mayor of Mostar, Neven Tomic, resigned at yesterday's session of the Mostar City Council. "There have been attempts for years to resolve the Mostar issue by resolving imposed individual cases which created an image of progress, but it was actually buying time in order to keep the status quo and the division of the city. Instead of two cities, 6 small feuds have been created each of which has tried to develop all the city functions; application of law and sanctioning of law violations has in Mostar for too long been a political issue and not the one of sustainable system. Cantonal authorities did not prove to be our partner but they continued cooperation with the City Municipalities. Federation authorities promised a lot and did little. City Municipalities were in such circumstances ready to transfer onto the City the competencies that created expenditures, of course, without transferring revenues and were ready not to respect the Interim Statute but to develop Municipalities in the full capacity as if the City and the jurisdiction of the City did not exist." Tomic also added that, in his view, the OHR did not react timely and strongly enough and, in some cases that are important to the process, it did not even declare its position. He also said he was aware there were other priorities in BiH, but Mostar was his priority. DL unofficially finds out that Tomic will continue his career at the World Bank HQ in Washington. (Nezavisne Novine pg. 2, Glas Srpski pg. 2 headline "Tomic resigns" also report on the issue)</p> |
| <b>Student Association Sahwa says Bosniaks most endangered</b>             | <p>Slobodna Dalmacija (page 13, by <u>L. Milesic</u>, "Bosniaks are most endangered") carries a report from a round table organized by an Association of Students "Sahwa" in Zenica that was attended among others by Amer Bahtijar, professor Enrik Hama from Sarajevo Faculty of Arts. SD reports that the conclusion of the round table was that the Bosniaks are the most endangered people in BiH. The claim was substantiated with the "Pogorelica" case, "Fiuljanin" case and "60 Minutes" show of the Federation TV in which "it is exclusively the Bosniaks who are criminals, 'Algiers group', court processes regarding alleged arms trafficking. Those are evidence so we do not feel safe". Bahtijar again called on FTV journalists, Bakir Hadziomerovic in particular, to confront him in a TV duel.</p>  |
| <b>SDS - Tomljenovic is Attacking RS Constitutional Order</b>              | <p>"Nezavisne Novine", page 6 - The SDS reacted to a statement by RS Vice President Ivan Tomljenovic that he will begin an initiative to make changes to the entity constitution by saying such a statement is a "crude attack on the constitutional order of the RS." "We decisively stand against such radical statements which in effect, regardless of how unrealistic, politically destabilize the RS" came the statement from the SDS office after Tomljenovic's statement that he would start up an initiative to change the constitution so as to widen the powers of the Croat and Bosniak vice presidents. The SDS responded by saying "Any type of call for changes to the constitution are unacceptable" as they consider the solutions from changes to the entity constitution from last April as definite and lasting solutions. (Glas Srpski pg. 2 headline 'Tomljenovic subverts Constitution')</p>  |
| <b>Mostar NGOs representatives support motion for BiH - third republic</b> | <p>Dnevni List (page 6, by <u>D. L.</u>, "National and religious equality") reports that "representatives of non-Governmental organizations" yesterday met with a group of BiH intellectuals. "Representatives of NGOs, gathered in Mostar, join the request for Bosnia and Herzegovina - third republic, which was created and made public by a group of BiH intellectuals. We support the request for convening of Constitutive Assembly which would adopt the Constitution based on achievements of civil and human rights and with all the necessary instruments that ensure national and religious equality of all three peoples and all citizens of Bosnia and Herzegovina", reads a press release by NGOs.</p>  |

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| <b>DL editorial: “Back to Square One”</b> | Dnevni list (p 6, by <u>Slavo Kukic</u> ) carries an editorial in which the author notes that “many people agree that, following the last elections, for the next 4 years we will be doomed to authorities the tone to which could be given even by some most notorious criminals or members of groups which marked the times of destruction”. Kukic says that those people were not far from the truth and that the authority’s mandate will be marked with state of general insecurity. The author goes on to remind of an increased number of returns-related incidents, which were, according to the author, labeled as “excesses” and of reports that half a million refugees want to return to pre-war residences. “What kind of message to those people, wherever they might be, those ‘excesses’ send? What kind of message to the same people, who started forgetting atrocities of war, will murders like the one in Kostajnica send? One can say whatever he/she wants, but there is only one message – do not get back, stay where you are, in country or somewhere in the world. Stay, because there cannot be co-existence where you used to live”, says Kukic. |
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| <b>International community/OHR</b>           |  |
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| <b>OHR on vetting procedure</b>              | Dnevni List (front and page 5, by <u>FENA</u> , “OHR does not agree with Lozancic’s stances”) carries an OHR spokesperson, Mario Brkic, as saying: “President of Federation of BiH, Niko Lozancic, is entitled to his opinion on appointment of the Federation Government, vetting of candidates for Federation Ministers, but the OHR does not agree with Lozancic’s stances regarding the issues”. Moreover, DL reports that the OHR dismisses criticism coming from SDA regarding the vetting procedure and withholding of support to ministerial candidates. “Candidates that do not get consent from the OHR can complain to political parties that nominated them, but the OHR does not intend to change the position and criteria set forth for giving of consent”, said Brkic. (Slobodna Dalmacija, <u>by FENA</u> , “Candidates can complain to – parties”)   |
| <b>Ljiljan: ‘Ashdown controls Mikerevic’</b> | Ljiljan – ‘Ashdown controls Mikerevic’ pg. 42 and 43. The article basically points out the difference in views on the issue of VAT and single customs between federation and RS officials. The article first carries a statement by Federation Deputy Finance Minister Sefika Hafizovic. “According to Hafizovic, the introduction of VAT at the state level should not be questioned because it’s a key element for joining the EU. She further mentioned that the IC made a mistake for not establishing a single customs administration earlier. She also said that unless a political consensus was achieved, the job would be done by HR.” On the other hand, reads the article, officials in other entity (RS) think differently. The problem is, according to LJILJAN, that officials in the RS do not relate the issue to economy, but politics. Furthermore, the magazine points out that officials from the smaller entity try to find solution that would strengthen the entity authority, not state institutions. As examples from the RS, magazine lists RS PM Dragan Mikerevic and BiH Foreign Minister Mladen Ivanic. Finally, the magazine talks about PDHR Donald Hays as a key OHR representative on the related issues. “In all his public addresses he literally said the introduction of VAT and single customs were principles that would lead BiH to the EU and other integration. Aware of the importance of the principles, he opposes obstructions of RS politicians and therefore he is called in public ‘the promoter of reforms for stable BiH.’” |
| <b>OHR: Railways without borders</b>         | OHR confirmed that a draft law on railways of BiH had been made. According to OHR spokesperson Mario Brkic the objective of the law is to bring railways under the state regulation in order to have better, cheaper and user more friendly system management. “The RS and Federation railway companies will not disappear under this law. Drafting of the Law was done under discussions of a Working Group led by the European Bank for Reconstruction and Development. All changes are in the accordance with the EU standards,” Brkic said. (Glas Srpski pg. 3)  |

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| <b>IC Attempting to centralise BiH</b> | <p>The PIC Steering Board has approved another OHR's plan, which again, ignoring the BiH Constitution and Dayton Accord, wants to centralise BiH. That refers to establishment of a joint defence ministry, VAT, single customs ... When it comes to a joint defence ministry, it will most probably be imposed, unless, by a miracle, the RS and Federation does achieve an agreement on that, which is hard to believe. One of the six tasks the OHR will work on this year is the establishment of State-level civilian command and control over armed forces, reform the security sector, and pave the way for integration into the Euro-Atlantic framework. OHR spokesperson Mario Brkic did not give a direct answer when asked whether a joint ministry of defence will be imposed if RS and Federation do not achieve an agreement. Instead of 'yes', 'no' and 'maybe', Brkic said that the establishment of State-level civilian command and control was the key task in the reform of defence. "It is necessary to have defence under parliamentary control, as well as it is necessary to continue with harmonising armed forces with needs and means BiH has. Those who think that admittance to PfP is possible without changes in defence are wrong," Brkic said. It could be heard that the role of future ministry could be taken over by the Standing Committee for military Issues, which secretary would be a member of CoM. On the other side, SFOR has confirmed that beginning of 2005 is the deadline for forming a joint ministry of defence, which, by accident or not, is the deadline for introduction of VAT, that according to international officials' wish should be on the state level as well. But that is not the end of list for centralisation, because the customs on the state level is another one of IC's cravings. The explanations for such goals is: you are doomed, if it is not our way. It seems that defence ministry, VAT and customs are not the only three things the High Representative, Paddy Ashdown, wants to impose this year. What will happen if Ashdown's moves do not succeed, in the same way as his predecessors' imposed solutions have not brought any improvement? Just remember the promise that 'all doors' to Europe would be opened for us as soon as we change our old passports with entities' insignia. It is well known what happened afterwards - we need visas for countries which we freely entered before changing passports. Maybe it is worth to mention this: whether after these current changes we will enter a new circle of changes that will be called return of BiH to its constitutional and Dayton's frameworks. Or: whether BiH, especially when it is known how it looked like before the war and Dayton, is being pushed on the road called 'circular movements of shadow'. (Glas Srpski pg.5 headline 'Circular movements of shadow' by M. Sajic)</p> |
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| <b>Economic reforms</b>   |   |
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| <b>Federation Economic Chamber and Sarajevo Economic Institute on VAT</b> | <p>Dnevni List (page 8, by FENA, "IMF did not accept model of introduction of VAT in BiH") reads that representatives of the Federation of BiH Economic Chamber and Sarajevo School of Economy's Institute yesterday presented the Analysis of introduction of VAT in BiH, a document that offers practical solutions for introduction of VAT to BiH fiscal system. According to the leader of the Institute's team, Sead Kreso, the document envisions that the laws in the matter be adopted at the state level whilst the revenues would belong to the entities and distributed in accordance to the entities' policies. Kreso says the document suggests two tax rates - a basic one (between 15 and 20%) and the lower one, which would apply to essential goods and suggest that the tax should not exceed the current rates in sales tax.</p> <p>(NB: in relation to the headline of the article "IMF did not accept model of introduction of VAT in BiH", just to note that Dnevni List says that the President of Federation Economic Chamber, Jago Lasic, confirmed to journalists that the document was presented to the IMF and that the IMF representative did not either accept or reject the document)</p> |

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| <b>Ivanic on introduction of VAT</b>   | <p>ONASA – President of the Party of Democratic Progress (PDP) Mladen Ivanic told reporters on Monday in Banja Luka that it should not be allowed that “the constitutional position of BiH be changed under the guise of the value-added tax.” “No one from the Republika Srpska (RS) denies that the value-added tax should be introduced, because that is a condition for the admission into the European Union (EU). The value-added tax should be single for BiH, it should have a single date base, the same ways of accounting, which is a condition for a single economic market in BiH. The position of the RS is different from the position of the international community concerning the way of collection of funds,” Ivanic said. He said that the RS has been advocating the distribution of funds from the value-added tax to the entities. According to Ivanic, a different solution, namely the collection of funds from the value-added tax on a single account would implicate the change of the constitutional arrangement, namely of the entire legal system. He said that the value-added tax proposes the formation of a regulatory agency, which would have around twenty employees and which would control the tax administrations of the entities. Ivanic believes that there is too much politics in the negotiations with the international community and authorities of the BiH Federation and RS on the introduction of the value-added tax, stressing that many more important issues in that process, such as the height of tax rates, have not been yet discussed. “The RS does not obstruct the value-added tax. The introduction of the value-added tax is in the interest of the RS, but there are no reasons for it to be at the state level, since the state arrangement of BiH would be changed in that way and many other problems would be caused,” Ivanic said. According to Ivanic, one of the problems of a single account is that the RS would pay indebtedness of the BiH Federation that are much bigger than of the RS, which would conditioned the change of the law on the foreign indebtedness and caused political problems. ((Glas Srpski pg. 2 headline ‘Customs according to agreement’; Blic pg. 2 headline ‘To protect entities’; Nacional pg. 11 headline ‘Position of entities in BiH could not be changed’; Vecernje Novosti pg. 13 headline ‘Dialogues of the deaf’)</p> |
| <b>OHR Chief Spokesperson Julian Braithwaite - Decision on the Formation of a Committee for VAT and Customs by the end of the week</b> | <p>“Nezavisne Novine”, page 6 – Chief spokesperson for the OHR, Julian Braithwaite, confirmed that the High Representative Paddy Ashdown, would by end of this week at the latest, pass a Decision on the formation of a committee for reform of a single Customs Service and VAT at the state level. “I don’t know exactly what day that will be, but the High Representative will certainly pass this decision by the end of the week. As well, the decision will include the principles which will be the basis of the work of this committee” explained Braithwaite. According to the chief spokesperson of the OHR, the most important of these principles will be about the single Customs Administration and VAT for the entire country. “OHR expects the governments of both entities to give us the names of the candidates for this committee by the end of this week, which will also include representatives of domestic institutions as well as the international community” said Braithwaite, reminding us that Dragan Mikerevic, Prime Minister of the RS, recently stated publicly that he agreed with the reforms to the Customs System and the introduction of VAT as well as to the formation of a committee which will implement this. Entity authorities have not yet forwarded names to OHR for this committee.</p>  |
| <b>Covic meets PIC SB Ambassadors to discuss VAT and unified customs</b>   | <p>Dnevni List (page 2, by <u>FENA</u>, “Establishing of structure for introduction of VAT”) reports that the Croat member of BiH Presidency, Dragan Covic, yesterday met with Ambassadors of member countries of Peace Implementation Council’s Steering Board when they talked about reforms to customs administration and introduction of VAT. A press release by the BiH Presidency reads “it is necessary to harmonize principles on which customs and tax reforms will be based in order to establish necessary structures for introduction of VAT”. DL says that one of the topics of the meeting was establishment of an expert commission that should come up with legal regulation on reform to customs and tax system in BiH. Reportedly, Covic supported the work of this commission and expressed hope that appropriate solutions would be found soon.</p>  |

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| <b>Hays on VAT and single customs</b> | <p>Blic pg. 2 (headline 'Revenues will remain to the entities') carries an article written by PDHR Donald Hays. The article reads that "the way forward on customs and VAT reform in BiH will be decided this week. These reforms will affect every man, woman and child in the RS." "These reforms are not about denying revenue to the entities. In fact, by reducing fraud, these reforms could end up meaning more money for the entities. These reforms are not about centralizing BiH. These reforms are about making sure the KM 4-500 million in customs and tax revenue that is lost in fraud every year in the RS goes to citizens instead of criminals. These reforms are about making sure BiH can one day join the European Union. And these reforms are about making sure BiH has the sort of open and integrated economy that will attract the investment and jobs that the country so desperately needs. Myth is that the RS will lose 2/3rds of its revenue if these reforms are introduced. Fact is that the customs and VAT reforms that are going to be introduced guarantee that the entities will receive at least as much revenue as they get from the current system. All the customs revenue collected in RS would be returned to the RS, and automatic mechanisms established for passing VAT revenue to the entities. Myth is that the RS would lose control over the collection of customs and VAT if it agrees to a single administration and state-level VAT. Fact is that the proposed reforms will guarantee a role for the entities in supervising and auditing the customs administration", the article says.</p> |
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| <b>Criminal cases</b>                |  |
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| <b>The murder of Blasko Knezovic</b> | <p>Vecernji list (p 2, "It is still not known who killed Blasko", by <u>Robert Soldo</u>), Dnevni list (front page &amp; p 5, "The first suspect Igor Salcin released", <u>not signed</u>) and Slobodna Dalmacija (back page, "Investigation into the Blasko Knezovic murder continues", <u>Fena</u>) report that Sanja Vuleta, a suspect in the murder case of Blasko Knezovic, has changed the content of the testimony she had originally given to the Police Administration in Mostar. However, neither the perpetrator nor the motive are known yet so the FBiH MoI released that the investigation continues. DL reminds that, upon the call from their Mostar and Siroki Brijeg colleagues, 10 experts from Sarajevo joined the local police upon the FBiH MoI director order.</p>  |
| <b>Pogorelica</b>                    | <p>Ljiljan, February 10, 2003 - On pages 1, 23, 24 and 25 '\$200,000 for cheat Rohana Gunaratna' by <u>Fatmir Alispahic</u>. On a decision by the FBiH Supreme Court to appoint an international expert for terrorism and anti-terrorism in the Pogorelica case. The order for the appointment of the international experts was written by the investigation Judge Mirjana Persic. In her view, the local experts are biased; hence she degrades their expertise dignity and lists as one of their shortcomings as being from the local-language area. Alispahic goes on to reveal that upon the recommendation from the UN, it has been decided to trust Rohan Gunaratna with the job. The same person however, claims Alispahic, has been ridiculed in the Malaysian and Australian public and his so-called expertise for Al Qaida. "There are already stories that Gunaratna is arriving for to pronounce Pogorelica a terrorist camp for a \$200,000 fee. There are information that Gunaratna was obtained through the British intelligence service and chetnik lobby in London. The question is what does an expert for Al Qaida have to do with Pogorelica?" The article carries five inserts - open letters from Australia and Malesia stating that Gunaratna is spreading collective hatred, is a ridiculous source of information on terrorism, that he should be sued and that he is a liar.</p> |

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| <b>OHR Investigating Cooperation Between Elektroprivreda RS and EFT</b> | <p>"Nezavisne Novine" page 3 – The OHR anti-corruption team paid special attention to RS Elektroprivreda's dealings with the London company EFT – Energy Financing Team, which holds a monopoly on electricity distribution in the RS. This OHR report should be available to the public in two weeks time. The agreement between Elektroprivreda RS and EFT which gives EFT the right to control the entire electricity distribution system in the RS, expires on March 31<sup>st</sup> this year. The director of Elektroprivreda BiH, Boro Bjelobrk, told "Nezavisne" yesterday that his company has only signed one agreement with EFT for exporting electrical energy, in October 2001 worth 15 million dollars US. He said that just before the agreement was signed, they checked on EFT with various sources, including the BiH Foreign Ministry who said they could find no reason not to enter into a business agreement with EFT but stipulated that the terms of payment be worked out in advance or that a secure payment method be identified. In the agreement it is stated that EFT is a buyer of electrical energy and not a middleman – that it buys electricity from one company and sells it to another at a higher price. Bjelobrk says that Elektroprivreda BiH last year was interested in selling electricity to Montenegro, but was told by Elektroprivreda RS that they have an agreement with Montenegro.</p> |
| <b>Bukejlovic Backs Off of Refinery</b>                                 | <p>"Nezavisne Novine", page 3 – Shareholders' meeting for Modrica Oil Refinery to take Place on Friday – Pero Bukejlovic has informed the RS Prime Minister Dragan Mikerevic, that he does not wish to be the representative of the state capital in the Modrica oil refinery. Mikerevic confirmed this but added that he wanted to speak with Bukejlovic about this again as he wasn't convinced that Bukejlovic meant this seriously. He also said that he hoped the government would take a stand on this issue at their meeting on Thursday. On Saturday, the workers at the oil refinery stopped the meeting from taking place when Bukejlovic tried to have himself made Director of the refinery. Mikerevic said he spoke with the general director of the Energy Industry of RS, Momcilo Tepic and with Mirko Dukic, president of the oil workers' union. "My stand is that the executive board of the refinery should include two SDS representatives, one PDP, a PIO representative and a representative from the small shareholders" said Mikerevic. The meeting is scheduled to take place on Friday.</p>  |
| <b>New Hearings on "ORAO" in the Bijeljina Basic Court</b>              | <p>"Nezavisne Novine", page 3 – Yesterday at the Bijeljina Basic Court in the widened "Orao" case, the director of marketing for "Orao", Gordan Santrac, the director of general and personnel services for the company, Milenko Elez and five RS Customs employees were heard, confirmed the defence lawyer for the Orao defendants, Milos Peric. The management of the company Orao, including Santrac, wee earlier accused for the illegal export of weapons but the case has been widened to include the housing credits dispersed in Orao, in which Elez is included. Santrac and the five Customs employees gave statements on the illegal export of spare parts and Orao products. (Vecernje Novosti pg. 10 headline 'Seven on weapon')</p>   |
| <b>Foreign Currency Account Holders Protest in Banja Luka</b>           | <p>Nezavisne Novine, page 3 – About 60 foreign currency account holders protested yesterday in front of the RS Tax Administration Office in Banja Luka, because the RS authorities have not allowed them to use their savings to pay for their utilities. The President of the RS Foreign Currency Account Holders' party, Cedo Grbic, told reporters his members want a meeting with RS Finance Minister Simeun Vilendecic as well as a law on the sale of business premises that would allow money frozen in their accounts to be used as ready cash. He added that the foreign currency account holders wanted to participate in privatization of state-owned companies and also want to work on changing the law on Business Premises. He said that if their demands are not met, they would continue protesting on the 10<sup>th</sup> of every month. (Belgrade Nacional pg. 11)</p>   |



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| <b>Water and Bread on Credit - "Birac" workers in Zvornik three months without pay</b> | <p>"Nezavisne Novine", page 4 - The workers of the "Birac" aluminum company in Zvornik have not received their pay for three months due to a block in the privatization process and are living, they say, on bread and water. In an attempt to help the workers survive this difficult waiting period while problems with the RS government are resolved so that production can start up again, the shareholders together with the executive board of the union have decided to provide the workers with up to two months credit organized through the Balkan Investment Bank. The Balkan Investment Bank is providing the workers with a six-month credit which includes a grace period of three months. The shareholders and the union expect that this will be enough time to resolve the problems of privatization, that is, determine ownership of the company so that the workers can begin to receive their pay as per the collective agreement. The union at the plant says this was the only way to help the workers and their families survive.</p> |
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