

Austrian Economic Councilor: GSM tender must be feasible and offer more

**GSM TENDER MUST BE FEASIBLE AND OFFER MORE THAN OLD ONE –
SCHERZ**

Mobilkom Austria is still interested in acquiring of the license for the third mobile operator in BiH, but the fact is that the new tender must be feasible, realistic and should offer more than the previous one, economic councilor in the Austrian Embassy in BiH Michael Scherz told ONASA.

SARAJEVO, Aug. 5 (ONASA) – Mobilkom Austria is still interested in acquiring of the license for the third mobile operator in BiH, but the fact is that the new tender must be feasible, realistic and should offer more than the previous one, economic councilor in the Austrian Embassy in BiH Michael Scherz told ONASA.

“These conditions should be valid for other tenders too, not only for this one, for the GSM operator,” Scherz said, adding that it is important for BiH to get new, modern technology from abroad as well as investments.

“That, in fact, must be the goal of each tender,” Scherz said, adding that foreign capital must be attracted with realistic and feasible projects. “Of course, these conditions of the tender should be valid for BiH companies too, and they must be able to respond to the set requirements, in order that it does not come to canceling or failure to realize what was promised,” he said.

Scherz added that the events regarding the tender for the third GSM operator did not have an encouraging effect on

foreign investors.

Austria is one of the more active investors into BiH economy, but since the law regulation in BiH is still not adequately organized, Austrian investors are careful and held back.

Austrian Ambassador to BiH Gerhard Jandl met on Wednesday with Federation prime minister Alija Behmen and discussed preparations for a new inter-state agreement between BiH and Austria, which would regulate avoiding of double taxation. Ambassador Jandl showed interest for the level of inter-entity harmonization of taxes and tax rates.

“Our wish is that laws in the entire BIH are single, that is, that the entity laws are harmonized,” Scherz said.

The government representatives informed the Austrian Ambassador that the single entity laws on income and gain tax are in preparation, thus the passing of the laws would encircle the planned measures to harmonize the tax policy in the two BiH entities – the Federation and the Republika Srpska – by the end of 2001.

“That is one of the things that will help foreign investors as well as BIH. Namely, the closest neighbors, among them Yugoslavia, are open for foreign investments and thus become competition to BiH by offering better conditions for foreign investments,” Scherz said, adding that it is obvious that the new entity governments want to offer the investors better conditions and legal protection.

“We are witnesses that they have common interest and that they want to work on it together. Finally, only a joint approach and single market in BIH have attracting force for foreign capital. Balkan is an interesting region for foreign investments, but if BiH fails to provide a more complete picture about itself, investments will go toward Zagreb and Belgrade, which will then make Banja Luka and Sarajevo to realize that only together can they be a competition to the

neighboring countries," Scherz said.